

The
People
behind the Shine





The People behind the Shine

Behind the scenes, behind the numbers, behind the shine, there are people.

At SUN, every sunrise signals more than just a new day.

It begins with teams arriving early, ideas being shared, stories unfolding. Whether welcoming guests, innovating behind the scenes, or supporting one another – our people are the source of everything we do.

This year, we placed even more intention on recognising that truth.

“You are our gift of kindness” is not just a tagline; it is the shared value across our resorts, offices, and teams.

In this report, we reflect on a year shaped by belief in people, in the way they care, lead, grow, and bring our values to life. From talent development to brand reinvention and business performance, our people have been at the heart of it all.

Because at Sunlife, our brightest asset isn't something we own. It's someone we work beside.



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A smile shared,
a kindness lived, that's how
we make our guests
feel at home.

Jeetun

Guest Service Porter

Overview

Chairperson's Letter

**We achieved
Rs 1.3 billion in profit
from continuing
operations and
maintained strong
margins despite
inflationary
pressures.**



Dear Shareholders and Stakeholders,

This past year marked a defining chapter in Sunlife's journey. As the new Chairperson, I had the privilege of working closely with the leadership team to steer the Group through a significant strategic milestone: the demerger of Sun Limited into two independent entities, Sunlife and Riveo. This decision was made with careful consideration of how best to position both businesses strategically. For Sunlife, it meant a renewed focus on what we do best: owning and operating some of Mauritius' most iconic beachfront resorts.

The transition has accelerated Sunlife's evolution as a purpose-led organisation, grounded in strong values and a renewed sense of identity. Our people have embraced the brand's vision over the past few years, *For A World Where Kindness Shines*, as a guiding principle that shapes how we care for our guests and lead our teams. That same ethos informs our leadership approach. In a people-first industry, emotional intelligence, agility and a deep understanding of guest expectations are just as critical as operational discipline.

FY2025 demonstrated the strength of this alignment. We achieved **Rs 1.3 billion**

in profit from continuing operations and maintained strong margins despite inflationary pressures. As we continue to build on this foundation, strong governance remains essential to maintaining strategic clarity and disciplined execution. The Board's role is to stay anchored in long-term value creation, provide steady oversight and ensure that decisions remain well-informed and aligned with Sunlife's strategic direction.

Sustainability also remains central to our thinking. It is not a side project, but a core component of how we operate. From further reducing energy consumption to scaling coral restoration programmes across our lagoon-facing properties, we are taking action that reflects and reinforces our environmental commitments. We were honoured to receive the PwC Sustainability Award this year, which recognises our team's consistent work in advancing responsible tourism.

Looking to the future, Sunlife is well positioned to grow with purpose. The business is led by an experienced and focused executive team, and we are seeing strong progress on key initiatives. The La Pirogue Residences project is on track, with delivery planned for late 2026 and we are now managing Anahita Golf & Spa Resort, a move that expands our footprint and creates natural synergies across our east coast hotels.

More broadly, Sunlife continues to play a meaningful role in shaping the future of Mauritian tourism. Our iconic resorts, Sugar Beach, Long Beach, La Pirogue and Ambre, offer more than beautiful destinations; they offer immersive, culturally rooted experiences. Through platforms like the "Come Alive Collection," we are helping guests discover not just a place, but a way of life. As a major employer and contributor to the local economy, we remain committed to inclusive development, talent creation and showcasing the very best of Mauritius to the world.

Thank you all for your continued trust and partnership. I would like to extend my sincere thanks to Jean-Pierre Dalais for his leadership and dedication over the years. I also wish to express my sincere gratitude to Mr. P. Arnaud Dalais and Mr. J. N. P. Veerasamy, who stepped down during the reporting period after many years of dedicated service. My gratitude also goes to Francois Eynaud for his stewardship as CEO, to the entire leadership team and to all the employees of Sunlife for their commitment and passion. We are looking forward to seeing Sunlife grow as a trusted, purpose-led hospitality brand that continues to radiate the magic of Mauritius.

A stylized, handwritten signature in dark blue ink, consisting of a large, sweeping 'G' followed by a smaller, more intricate flourish.

Guillaume Dalais

CEO'S INTERVIEW

Overall, it was a year of steady progress that reaffirmed our strategy and strengthened the Sunlife brand.



What were Sunlife's main priorities in FY25 and how do you reflect on the year overall?

The hospitality industry continues to evolve quickly as guest expectations shift, costs rise and the need for innovation intensifies. FY25 was a pivotal year for Sunlife, not only because of the formal split into Sun Group (operating under the Sunlife brand) and Riveo Group, but because it allowed us to concentrate fully on our core portfolio of four Sunlife resorts and double down on what truly drives performance: our people and our guests.

One of our main priorities was to strengthen our position as an employer of choice. Our Great Place to Work score rose from 73% to 83%, thanks to the intentional rollout of our **Employee Value Proposition** (“EVP”) and the genuine care we show to our team members.

On the guest side, satisfaction improved across the board, reflected in both occupancy and review scores. When employees are engaged, guests feel the difference. That connection between culture and customer experience remains one of our greatest levers.

I'm proud to say that these drivers delivered strong financial results. Profit from continuing

operations reached Rs 1.3 billion, ahead of expectations and broadly in line with last year (excluding a one-off gain in FY24), despite sharp increases in wage costs and several unbudgeted items, including the 14th-month bonus, salary relativity adjustments and the new Corporate Climate Responsibility (“CCR”) levy. We also maintained a healthy EBITDA margin of 32%, which speaks to the operational discipline of our teams.

On the property development side, La Pirogue Residences remains on track for delivery in late 2026. We signed an MOU for the Long Beach development with a leading real estate developer, and acquired a majority stake in Ambre, which will give us greater control and long-term visibility.

Overall, it was a year of steady progress that reaffirmed our strategy and strengthened the Sunlife brand moving forward.

With Sunlife now fully focused on its own portfolio, what's been your approach to driving performance and guest satisfaction?

With a renewed focus on our four resorts, we've gained clarity and sharper execution. We appointed Joëlle Tonks as Chief Commercial and Operational Officer and introduced greater rigour in monthly performance tracking, supported by KPIs that drive accountability and agility.

The “Come Alive Collection” continues to elevate the guest experience and the response has been overwhelmingly positive. Occupancy averaged 82%, a clear sign we're meeting expectations and building loyalty.

Ultimately, guest satisfaction starts with engaged teams. When operations run smoothly and people feel aligned, it shows not only in the numbers, but also in the memories our guests take home.

How are you keeping the momentum going around culture and the employee experience?

We approach the employee experience with the same care and intent as the guest experience. This year, we delivered 19 of the 26 EVP initiatives we planned, from internal workshops and personalised recognition to international learning opportunities.

We also expanded cross-exposure with our global hotel partners, giving team members fresh perspectives and a broader view of hospitality. Most importantly, our people feel the sincerity behind these efforts, and that's reflected in our Great Place to Work score, as mentioned earlier.

When our people feel supported and empowered, our guests feel it too. It's a virtuous circle and one of the most meaningful ways we bring our mission to life: *For A World Where Kindness Shines.*

CEO'S INTERVIEW

Where is digital transformation starting to show results for Sunlife?

We're starting to see clear, tangible benefits in digital service delivery. One example is the rollout of handheld ordering devices for waiters, which has made the dining experience smoother and more efficient for both guests and staff.

At a more strategic level, we appointed a consultant to assess our digital maturity and develop a realistic, well-aligned roadmap for digital transformation. It's about selecting the right tools to elevate both guest satisfaction and team productivity.

What's new within the Come Alive experiences and what's the direction going forward?

The "Come Alive Collection" of guest experiences is central to how we bring the Sunlife brand to life. A key addition this year was "**GLOW by Sunlife**," a wellness concept rooted in authenticity and local sourcing, with products made in Mauritius by partners like Indika at Ferney.

Our annual internal innovation awards are sparking fresh ideas directly from our teams. The direction is clear: to craft immersive, locally inspired experiences that give guests a true sense of place and purpose.

How is sustainability shaping Sunlife's strategy and competitive edge?

Sustainability is firmly embedded in our strategy. All our resorts are now EarthCheck Gold certified, a step up from the Silver accreditation in previous years. We've reduced electricity usage by 8% and are partnering with CIEL Group to develop a photovoltaic farm that will supply the Central Electricity Board and help offset our footprint.

Around 75% of our products are locally sourced, and with three marine biologists on staff and active coral restoration projects underway, we continue to invest in biodiversity protection and discovery through a range of on-site programmes across several resorts.

How are you approaching asset development and optimisation across the portfolio?

Our focus is on unlocking greater value from our asset base. La Pirogue Residences, our first property development, is progressing well and brings both long-term value and additional cash flow.

We've signed an MOU for a larger-scale development at Long Beach and are moving through regulatory approvals. Renovation plans for both Ambre and Long Beach are also in place, and we expect to see margin improvements as those upgrades are completed and come online.

How do you see Sunlife positioned in the market, now that Riveo is focused on the luxury end?

While Riveo is now geared towards the luxury end, Sunlife is well-positioned in the premium mid-to-upper segment. Sugar Beach anchors our 5-star offering, but we offer exceptional value across the portfolio, with some of the best beachfront locations in Mauritius.

We have strong and trusted trade relationships, including our own tour operators in South Africa and France, and while Europe remains our core market, we're actively expanding into new territories to broaden and diversify our customer base.

Looking to FY26, what will success look like for Sunlife?

Success in FY26 means delivering across all fronts, operationally, culturally, and financially. We'll continue to focus on building an engaged team, elevating the guest experience and delivering meaningful, industry-leading returns for our shareholders.

We also have exciting new opportunities ahead, including the management of Anahita Golf & Spa Resort as from 1 July 2025. This will create real synergies with Île aux Cerfs and strategically extend the Sunlife footprint in a smart, connected way.

Above all, we remain guided by our vision: *For A World Where Kindness Shines* through every experience, every team member and every stay.



Francois Eynaud



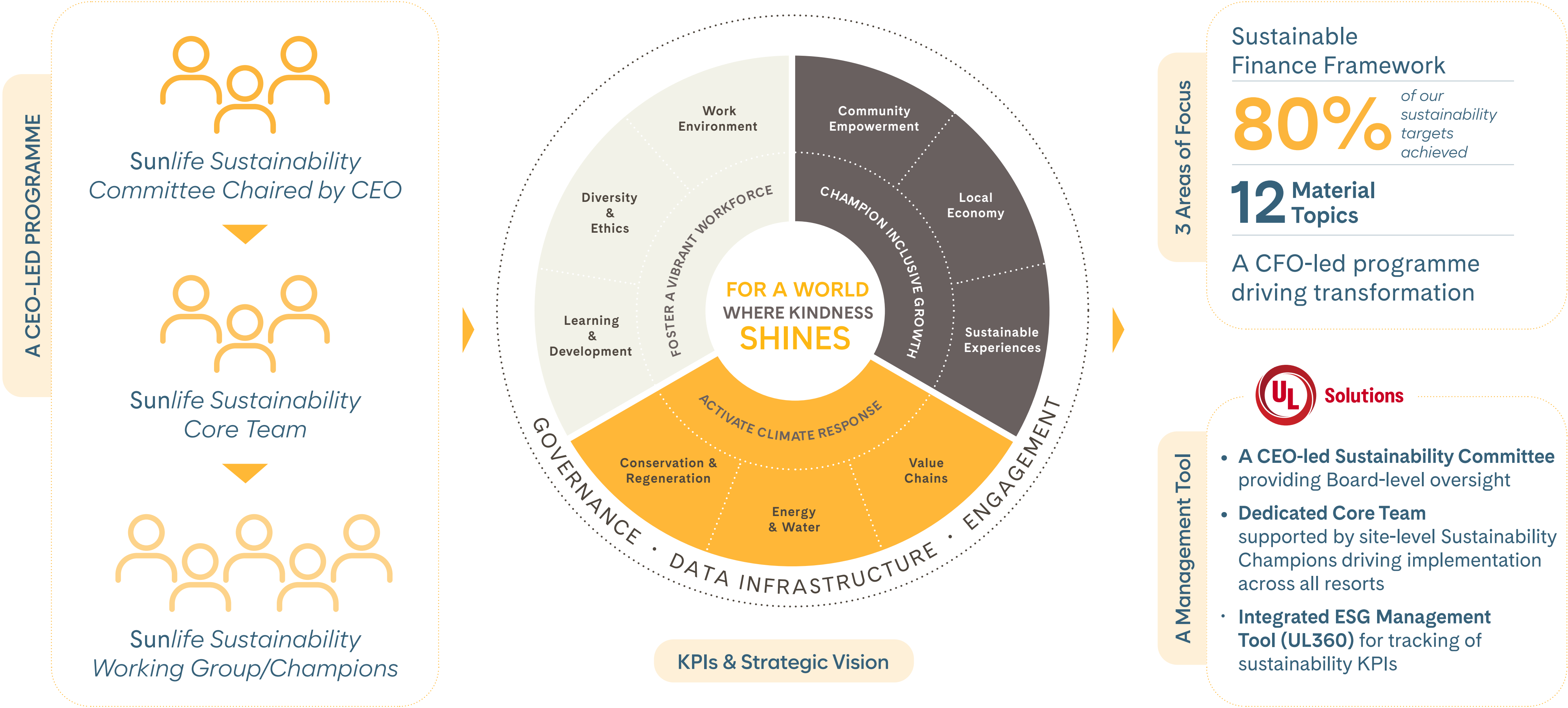
Each wellness moment
is an act of genuine care,
awakening the
GLOW...

Kiran
Spa Therapist

Non-Financial Review

SUSTAINABILITY

sunlife SustainAbility Programme



Active Climate Response

Sunlife advanced its climate response by reducing emissions, improving resource efficiency and investing in initiatives that protect biodiversity and strengthen environmental resilience.

Energy & Emission

20%
less in
scope 1
emission

Electricity Efficiency

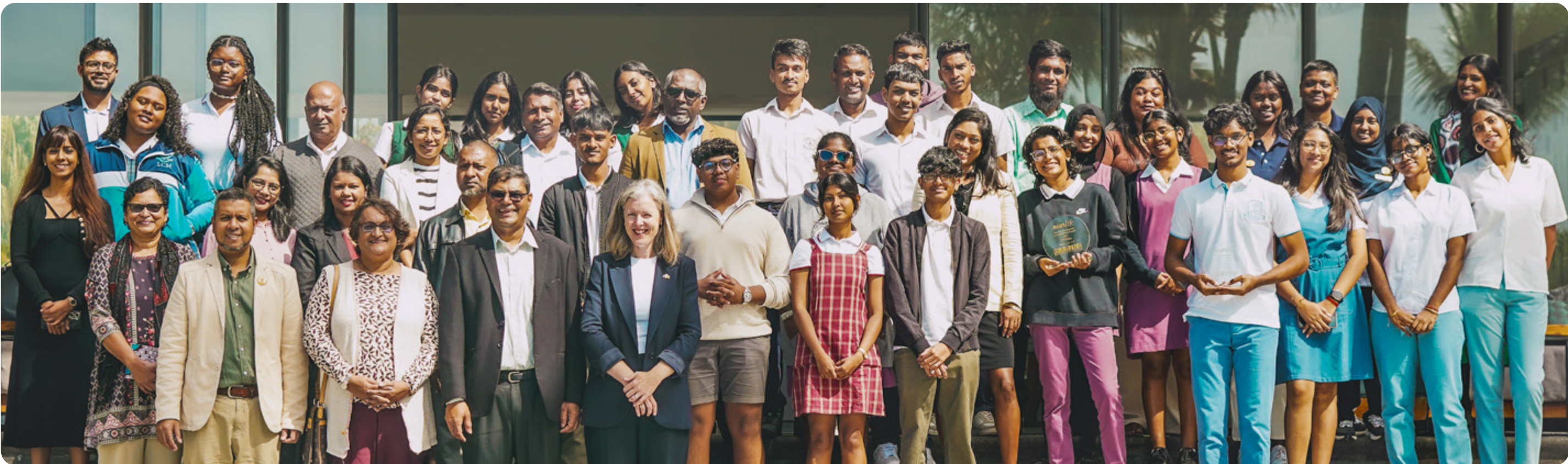
-3.9%
per guest
night,
despite
higher
occupancy

Water Stewardship

-11.4%
per guest
night

Biodiversity Leadership

550,000
bees
supported



Marine Biodiversity Conservation Award 2025

Sunlife hosted the 2nd edition of the Marine Biodiversity Conservation Award at Long Beach, in partnership with the Rajiv Gandhi Science Centre, the University of Mauritius and the Australian High Commission.

- 41 schools across Mauritius joined to protect our oceans under the theme “Waves of Hope: Protecting Oceans for a Sustainable Future”
- SSS Ebène won first place, followed by Mahatma Gandhi Institute and G.M.D. Atchia State College.
- Sunlife invested MUR 50,000 to support the realisation of these student projects, alongside mentorship and access to our Marine Centres.
- Sunlife’s marine biologists continue to engage guests and students, with 10,000+ participants reached through reef education and conservation programmes.

Second edition of Marine Biodiversity Conservation Award in July 2025

Mehnaaz – Marine Scientist and Sustainable Executive at Long Beach



Kissoon – Marine Scientist and Sustainable Executive at Long Beach



Marine Conservation exhibition at Long Beach



SSS Ebène, winner of the 2025 edition of the Marine Biodiversity Conservation Award

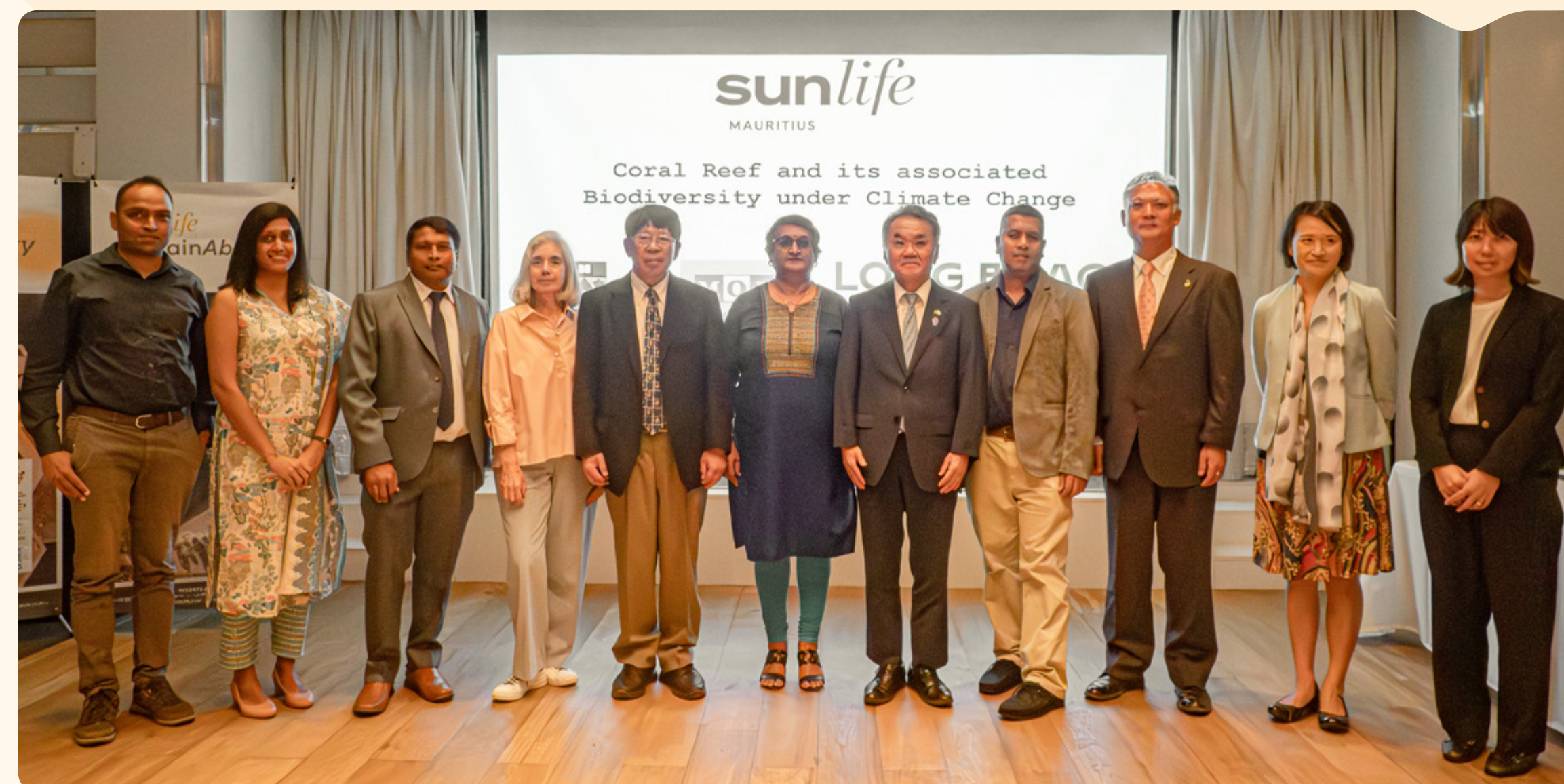


Beehives at Long Beach



Marine Discovery
Programme at
Long Beach


Partnership with the
University of Mauritius



Marine Centre
at Long Beach

Champion Inclusive Growth

Sun/life reinforced its role as a driver of inclusive growth by supporting local businesses, strengthening community partnerships and expanding opportunities across our value chain.

 **75.2%**
of spend sourced locally,
with 40% of Tier-1 suppliers
ESG-screened

 **MUR 5.4M**
invested in community initiatives,
benefiting 8,119 people,
with 500+ staff volunteers

 **Accessibility
Audits launched**
to ensure every guest enjoys
a seamless and welcoming
experience

Promoting
local
products



School community visit
at Long Beach



Promoting
local
products

School community visit
at Long Beach

Foster a Vibrant Workforce

Our People, Our Culture

At Sunlife, our associates remain the driving force behind our success. In 2024, we strengthened our position as an employer of choice by cultivating a workplace where engagement, inclusion, well-being and continuous learning are deeply embedded to nurture talent, enhance performance and sustain long-term growth.

Our Employee Value Proposition (EVP)

Whilst our Vision, Purpose and Values have allowed us to adopt the right mindset in the way we interact with and support our associates, the Employee Value Proposition (EVP) marks a turning point that takes a holistic approach to the Employee Experience. Launched in 2024, our EVP reflects our sincere focus on our associates' well-being and our commitment to making our workplace one where every Sunlife associate feels respected, included, supported and valued. Through #EVPCollection 1, 26 initiatives were implemented, mainly focused on:

Talent Attraction, & Retention and Development:

- Sunlife Pre-Onboarding Programme: ensuring seamless integration of new associates (**New Recruits' Retention Rate = 82%**)
- Certified F&B Course with Les Roches, a renowned hospitality school in Switzerland : **46 associates trained and graduated**
- International Cross-Exposures in Europe: **5 participants**
- **84,220 hours of training**, averaging 40 hours per employee for the year

- **+18.9% increase in total training hours** compared to FY24
- Sunshine Leadership Programme with Dale Carnegie: **116 graduates**
- Departmental Master Trainer Certification: **162 participants**
- Bee My Buddy Programme: **137 participants**
- E-learning with Typsy: over **126,000 lessons watched**, and 10,000 badges earned



YOU ARE OUR
GIFT OF
KINDNESS
sunlife

Our Employee Value Proposition (EVP) (Cont'd)

Digital Experience:

- **izzylife App (launched in June 2024) : 100% adoption rate**, transforming payslips and leave management into digital platforms
- **izzybot AI-HR Chatbot (aunched in April 2025) : 58% adoption rate**, pioneering instant, AI-powered HR support in the Mauritius hospitality sector

Recognition and Well-Being:

- Shine Stories : e-Newsletter for recognition and connection
- Life event-based support addressing associates' key milestones
- Wellness initiatives including access to a company doctor, yoga sessions, a football club and awareness campaigns

We are focused on people experience, so that every team member feels seen, supported and inspired to perform in the 'Sunlife ambience'. We are evolving as an enabler, embracing innovation with kindness.

Looking ahead, Sunlife will focus on **#EVPCollection 2** - the Agility pillar with **Productivity Projects**, the **R.I.S.E Leadership Programme** and further **digital enhancements** such as a **mobile overtime workflow**.

izzylife App (ViperTex)

100%

adoption rate

1st Mobile App in the Hospitality Industry in Mauritius



Diversity & Inclusion



36%
women in the
workforce



28%
women
in senior
management
positions



7
employees
with disabilities
contributing
across our
hotels

Employer Brand on the Rise

Sun/life amplified its employer reputation through authentic storytelling and innovative social engagement. Strong Growth on Social Platforms:

+7.4k

Meta followers
(Careers Section)

12K in June 2025 | 4.6K in FY24

+11k

TikTok followers
(Launched July 2024)

12K in June 2025 | 1K in July 24

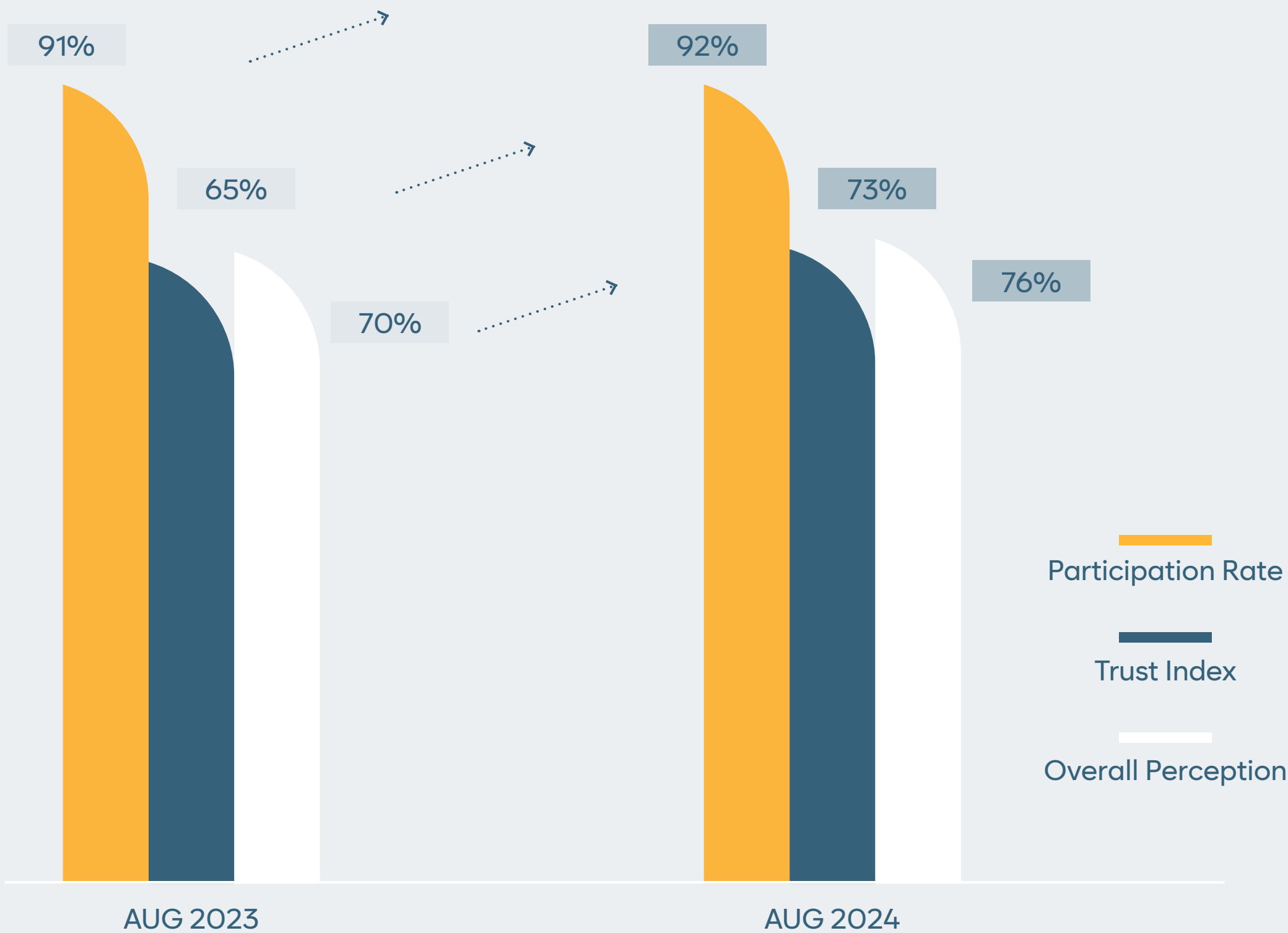
Positioning Sun/life as a
hospitality industry leader
in Mauritius



This surge isn't just about numbers; it's about visibility, influence and positioning Sun/life as an **employer of choice**. With every view, like and share, we're reaching the next generation of talent and reinforcing our vibrant culture.

Our associates' commitment is reflected in consistently strong engagement:

Employee Engagement



Our Message

“Today, ‘You Are Our Gift of Kindness’ is beyond a statement; it’s our living blueprint for adapting to changing contexts through our ‘People-First’ Culture.”

Varuna Ramlagun
Chief Human Resources Officer



Participation
Rate Across
Business Units



Trust Index



of Overall
Perception





Sunlife

GLOW – A New Authentic Approach to Wellness

GLOW is Sunlife's 360° approach to wellness, designed to nurture body, mind and spirit. Inspired by the richness of Mauritius, this new concept now shines across our spas, offering natural treatments, locally sourced products and unique sensory experiences.

More than just treatments, it is an authentic invitation to radiate from within. Launched on 1 July 2025 at Anahita Golf & Spa Resort and Ambre, and already available at Long Beach, Sugar Beach and La Pirogue since 1 November 2024, GLOW embodies a holistic vision of well-being, deeply rooted in the island's nature, culture and heritage.

The treatments are powered by natural products from Indika, a local enterprise based in the lush Vallée de Ferney. From moringa oil and medicinal herbs to revitalizing citrus extracts, every ingredient elevates each ritual with authenticity and care.

Each Sunlife spa offers a distinct experience:

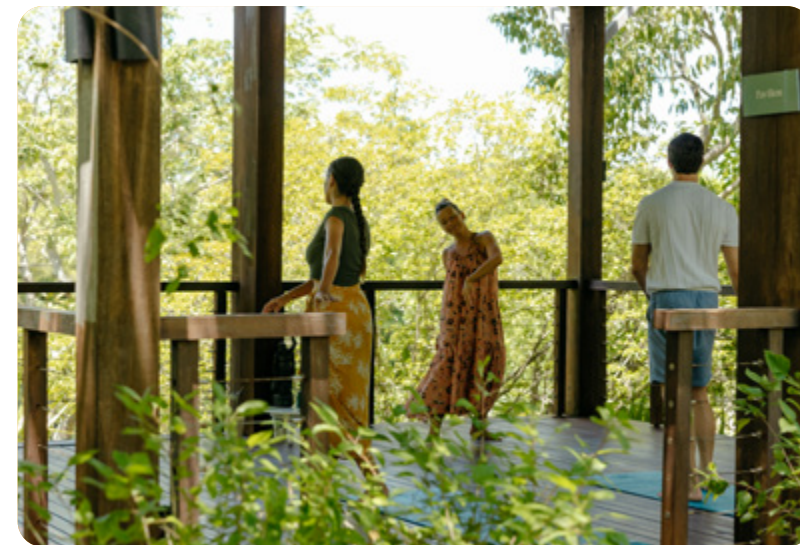
At La Pirogue, guests can surrender to the rhythm of the waves during a massage in an intimate beach cabana. At Sugar Beach, the signature Light Therapy Ritual combines crystal healing and light to harmonize body and mind. At Long Beach, the Mauritian Voyage Ritual draws on ancestral traditions with island salt, herbal poultices, moringa oil and the mystical resonance of the drum. At Ambre, the Candle Massage delivers sensual relaxation as warm wax melts into a silky oil. And at Anahita, golfers enjoy a massage designed to ease post-course tension.

Beyond the treatments, GLOW embraces the Mauritian art of living - an invitation to slow down, reconnect with yourself and discover the island's generosity and light. With a responsible, natural and sensory approach, every detail is crafted to nurture both body and spirit.

Creative Journeys

This philosophy extends into what we call our Creative Journeys. While massages primarily ease physical tension, these experiences invite guests to release the mind and turn inwards, guided by the wisdom of Mauritian practitioners. Each 60-minute journey is designed to awaken creativity, inspire mindfulness and connect participants to the island's spiritual essence. Among the offerings are Healing Resonance at Sugar Beach, where the vibrations of crystal bowls and chimes immerse guests in a profound sound bath; Morning Shalom at Sugar Beach, a sunrise practice of breath, movement and meditation that grounds the day in peace; Sound Healing Resonance at Long Beach, a transformative encounter with traditional drums and chants that align energy and restore balance; and Aqua Flow at Ambre, a fluid, water-based ritual that mirrors the rhythm of the ocean, soothing the nervous system and refreshing the spirit.

These Creative Journeys, each rooted in the culture and natural beauty of Mauritius, enrich the GLOW experience and remind every guest that well-being is as much about the soul as it is about the body.



Plant-Based Cuisine

As part of this 360° approach to wellness, Sunlife has also introduced a plant-based culinary offering across all resorts. In collaboration with Ecoshe, a renowned plant-based consultancy, our chefs have been trained and guided to design creative, wholesome menus that reflect both global trends and the richness of Mauritian produce. To mark the brand activation, we welcomed Linn Behner et Kevin Leeder, who form part of the

Veganer Wandel project, to Long Beach, where they co-hosted masterclasses with our chefs. Together, the two German influencers even created a bespoke plant-based burger for the menu at Tides, bringing a new, sustainable flavour to the Sunlife dining experience.



Sugar Beach International Croquet Cup 2025

From 31 March to 5 April 2025, the manicured lawns in front of the iconic Sugar Beach Manor once again hosted the Sugar Beach International Croquet Cup (SBICC). After a remarkable first edition in 2024, the tournament returned for its second year, bringing even more excitement, elegance and sporting excellence.

Last year’s champion, Jenny Clarke, whose outstanding performance had set a new standard for the competition, triumphed once more, successfully defending her title. Her victory confirmed her reputation as one of the sport’s most captivating figures.

For the first time, a Mauritian team of five players proudly competed in the event, carrying the national colours and adding local passion to the international stage. Their participation marked a milestone, showcasing the growing appeal of croquet within Mauritius.

This sport of precision and strategy was played individually or in teams of two to eight players. The objective was to guide a wooden ball through a course marked

by hoops, using a mallet with accuracy and speed. For many who discovered the sport for the first time, the SBICC provided the perfect opportunity to witness and learn the artistry of the game in a spectacular setting.

The tournament was officially endorsed by the South African Croquet Association, adding prestige and credibility to the event. Matches were updated in real time on Croquet Scores, contributing to international rankings and allowing enthusiasts worldwide to follow the competition closely.

The winner of the singles tournament not only claimed the SBICC 2025 title but also received an exclusive invitation to defend their crown at the 2026 edition, with complimentary accommodation at a Sunlife resort and return flights included.

The Sugar Beach International Croquet Cup has firmly established itself as one of the island’s most elegant sporting gatherings, blending competition, heritage, and hospitality - an event that embodies the very spirit of Sunlife.



Our local crafts
radiate the magic
of Mauritius.

Marvin

Group Boutiques Manager

Financial Review



CHIEF FINANCE OFFICER'S REPORT

HIGHLIGHTS

It is with great pleasure that I present the financial results for the year ended 30 June 2025 (“FY25”), a period defined by strategic reorganisation, resilient operating performance, and a strengthened financial position.

The year under review marks a pivotal milestone in the Group’s evolution, with the successful completion of its restructuring, culminating in the establishment of two distinct listed entities. Sun Limited now retains its portfolio of owner-managed resorts, while Riveo Limited — newly admitted to the Official Market of the Stock Exchange of Mauritius — assumes ownership of the asset-managed branded luxury resorts and Loisirs des Îles Ltée. For statutory reporting purposes, Riveo is presented as discontinued operations.

The broader tourism sector sustained its upward momentum, registering a 3.8% increase in arrivals to reach 1.4 million visitors during the year. France, the United Kingdom, and Réunion Island remained the leading source markets, accounting for 24%, 11%, and 10% of total arrivals respectively.



CHIEF FINANCE OFFICER'S REPORT

OUR PERFORMANCE

FINANCIAL HIGHLIGHTS AND KEY KPIs

Continuing operations

▲
REVENUE
Rs **6,502**_m

▲
EBITDA
Rs **2,067**_m

▲
PAT
Rs **1,328**_m

ADR
Rs **11,441**
+4.7% vs FY24

Occupancy
81.9%
+2.5%pts vs FY24

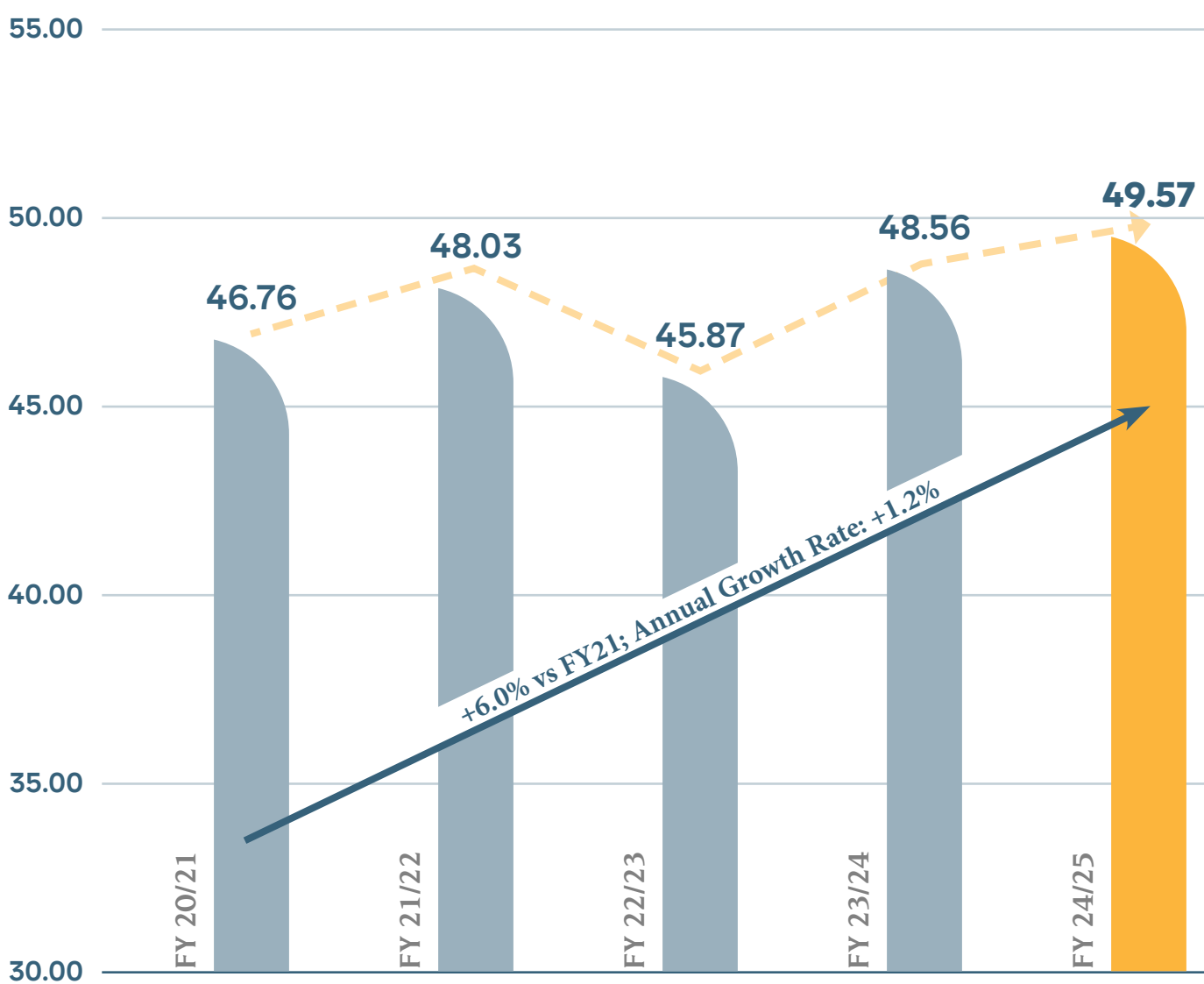
RevPAR
Rs **9,366**
+8.0% vs FY24

The Group delivered a strong performance for the year ended 30 June 2025 with KPIs showing positive trends despite several unforeseen government measures introduced during the year.

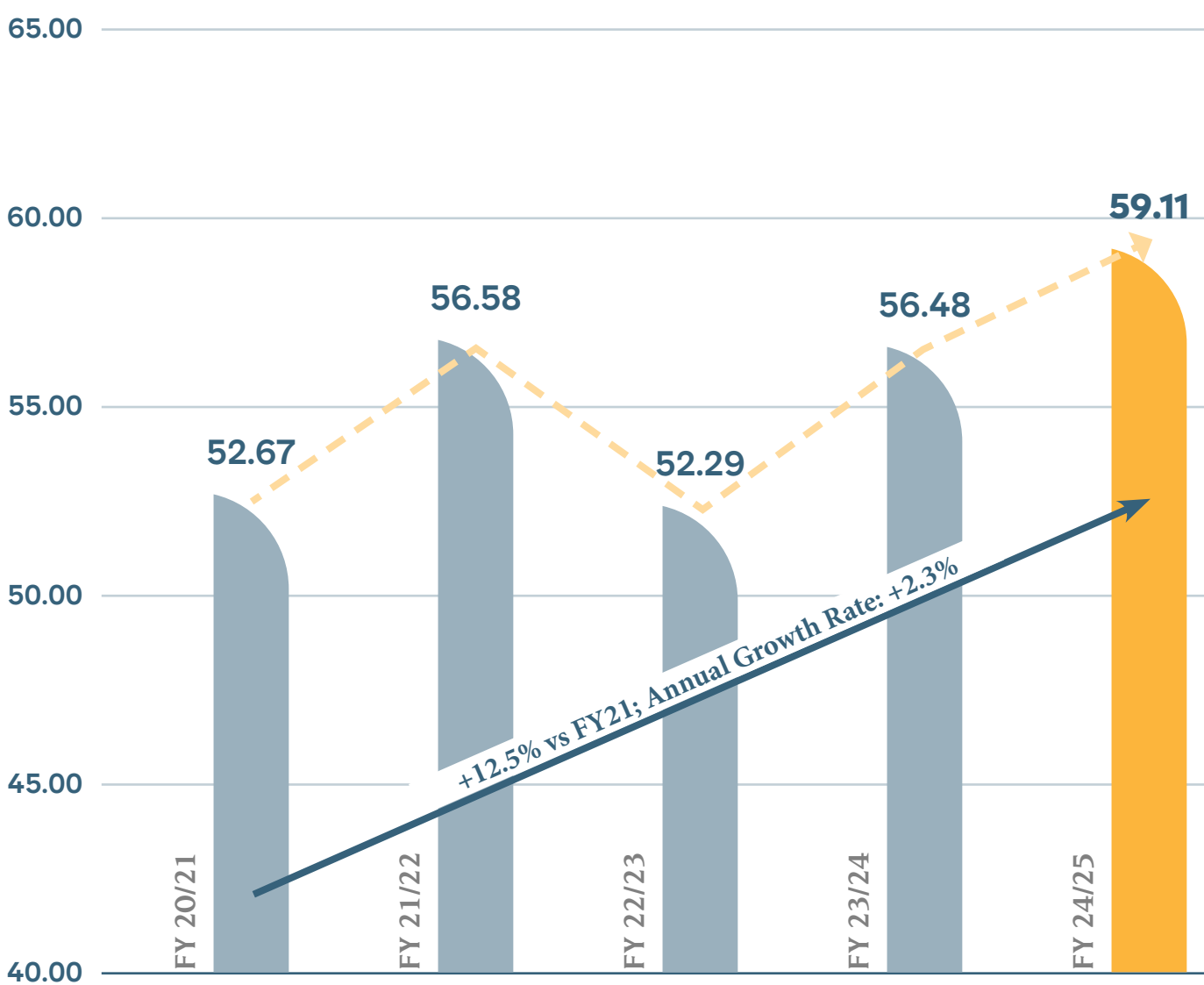
CHIEF FINANCE OFFICER’S REPORT

FOREIGN EXCHANGE RATES’ EVOLUTION

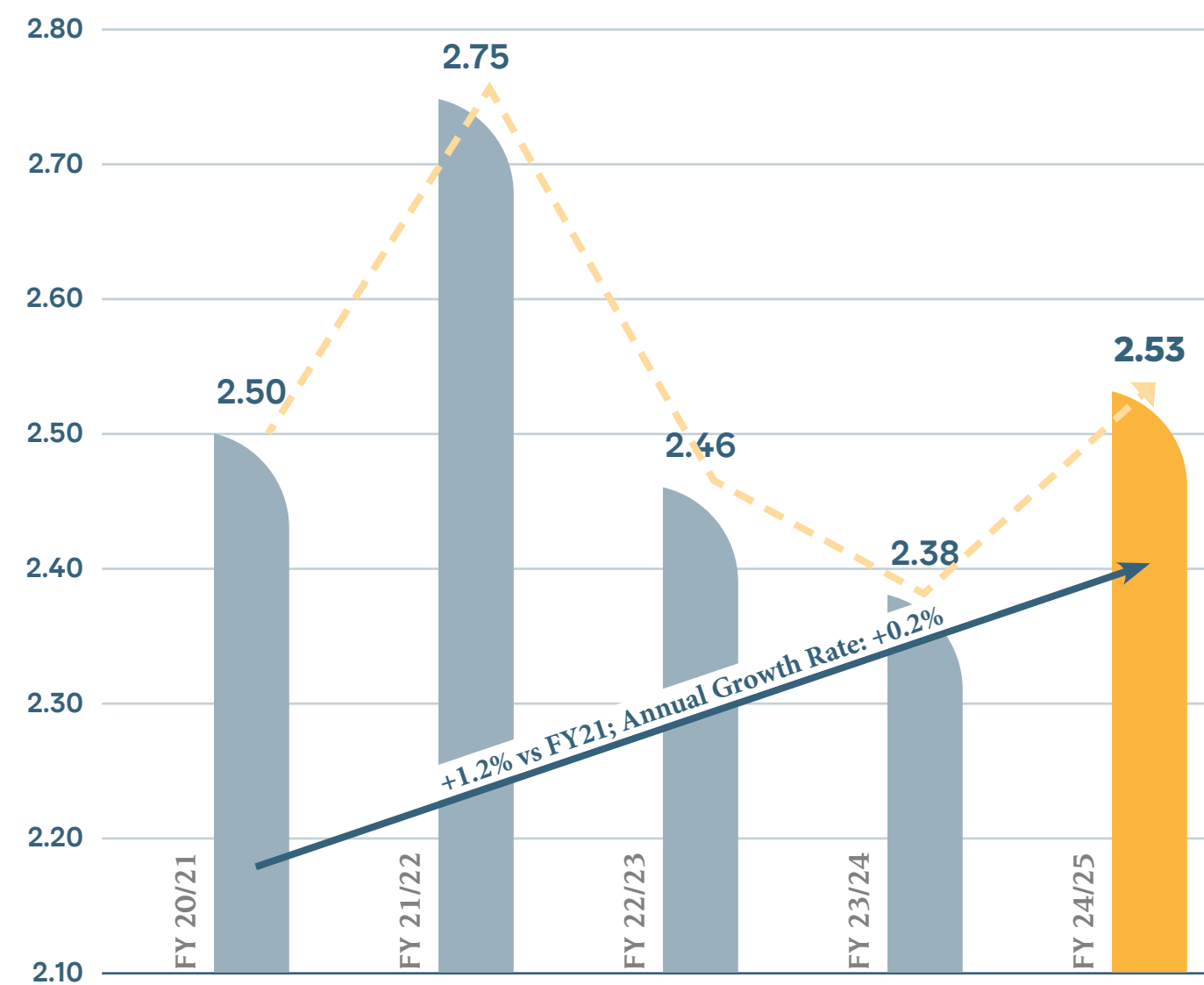
AVG EUR-MUR



AVG GBP-MUR



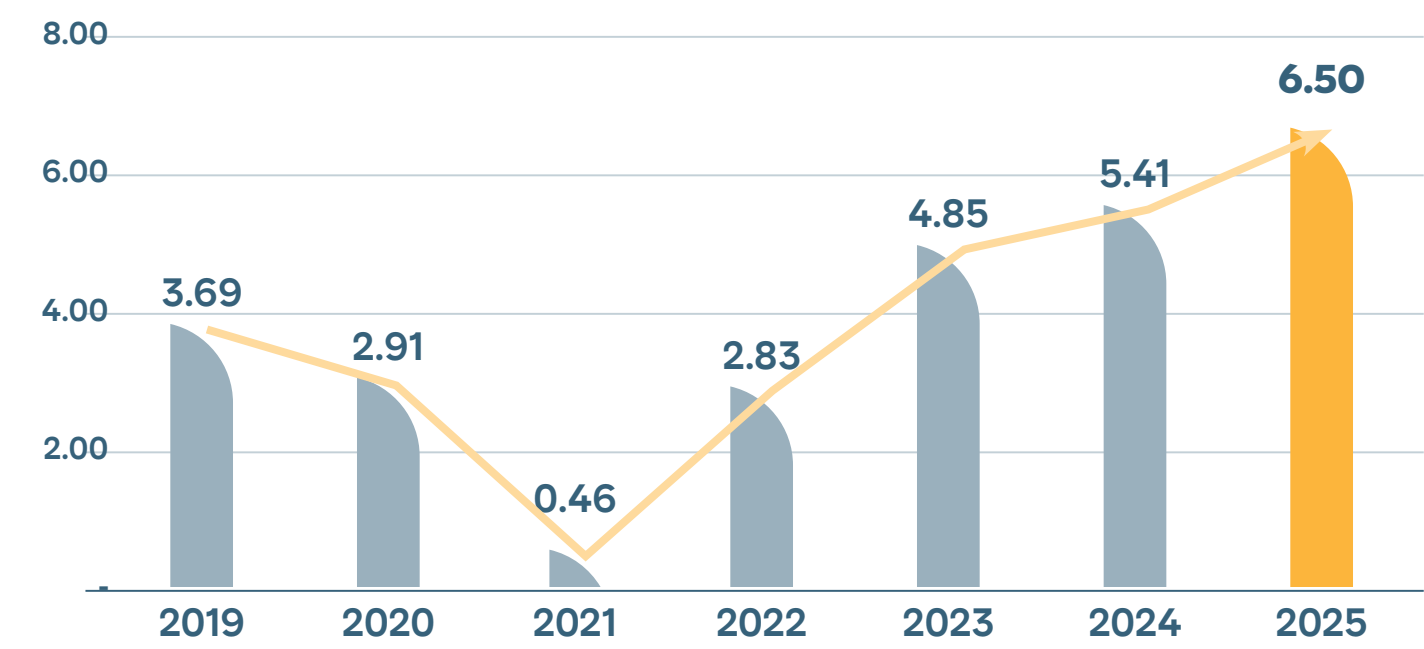
AVG ZAR-MUR



In FY25, the average EUR/MUR increased by 2.1% whereas the GBP/MUR and the ZAR/MUR grew by 4.7% and 6.3% respectively versus FY24.

CHIEF FINANCE OFFICER’S REPORT

REVENUE AND BOTTOM LINE EVOLUTION



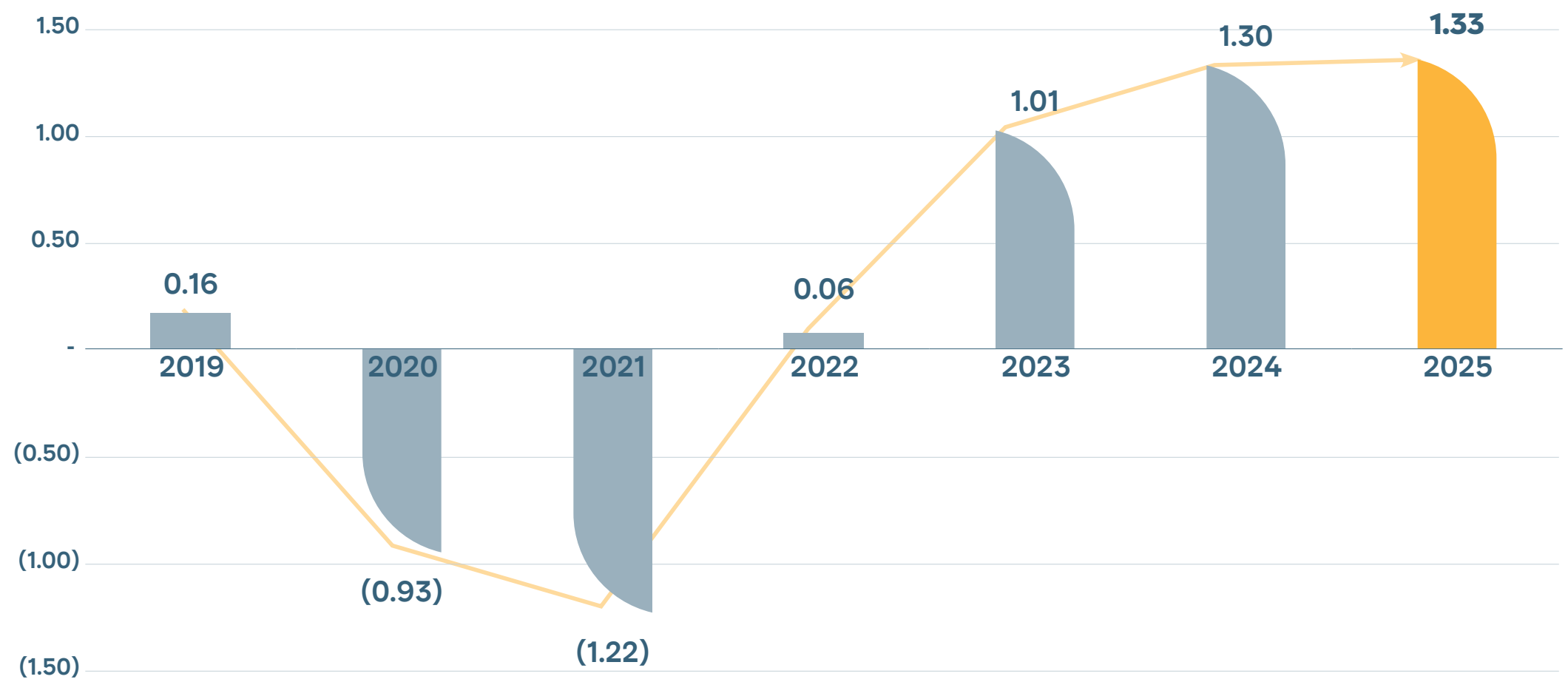
CONSOLIDATED SEGMENTAL INFORMATION

Year ended 30 June 2025	Revenue	EBITDA	Profit after tax from continuing operations
	Rs'm	Rs'm	Rs'm
Hotel operations	5,811	1,950	1,170
Real estate	576	99	100
Mauritius	6,387	2,049	1,270
Others	115	18	58
	6,502	2,067	1,328

*Exclude exceptional items

Revenue excluding real estate (La Pirogue Residences: Rs 576m) rose by **9.5%** to **Rs 5.9 billion**, supported by healthy occupancy rates of 81.9% (FY24: 79.4%) and improved Average Daily Rates (ADR) of **Rs 11,441** (+4.7% vs FY24) resulting in an increase in RevPAR of **8.0%**.

Normalised profit/(loss) after tax (PAT) (In Rs'bn) *



*Exclude exceptional items

Notwithstanding the additional costs arising from the statutory 14th month bonus and industry-wide wage adjustments, EBITDA advanced to **Rs 2.1 billion** (FY24: Rs 1.8 billion), representing a margin of **31.8%** (FY24: 33.4%). Reported profitability was tempered by the retrospective imposition of the 2% Corporate Climate Responsibility levy (“CCR”) on FY24 earnings, which increased the FY25 tax charge by approximately **Rs 50 million**. On a normalised basis, profit from continuing operations of **Rs 1.3 billion** was broadly in line with FY24, once adjusted for the exceptional one-off gains of Rs 371 million recognised in the prior year in relation to the share of profits and impairment reversals. The Group consequently sustained a net profit margin of **20.4%** on continuing operations.

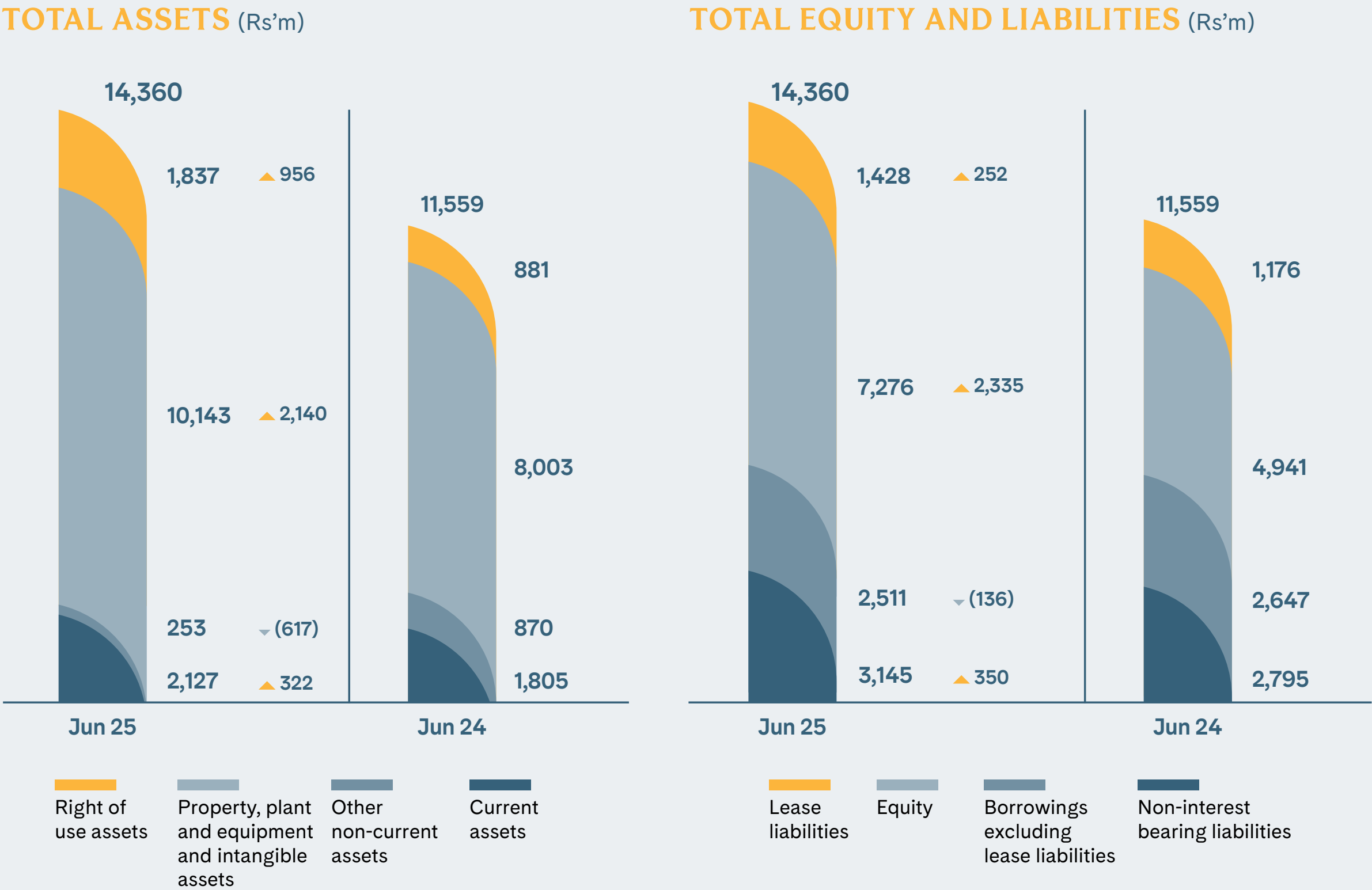
Discontinued operations

The performance of discontinued operations up to the split in November 2024, was negatively affected by renovation closure costs of our two resorts, Shangri-La Le Touessrok and Four Seasons Mauritius at Anahita, and the application of the CCR, leading to a net loss of **Rs 119 million**. Offsetting this, a non-cash gain of **Rs 2.98 billion** was recognised following the restructuring and distribution of Riveo Limited to shareholders.

Profit for the year, including both continuing and discontinued operations, rose to **Rs 4.2 billion**, compared with Rs 2.0 billion in FY24.

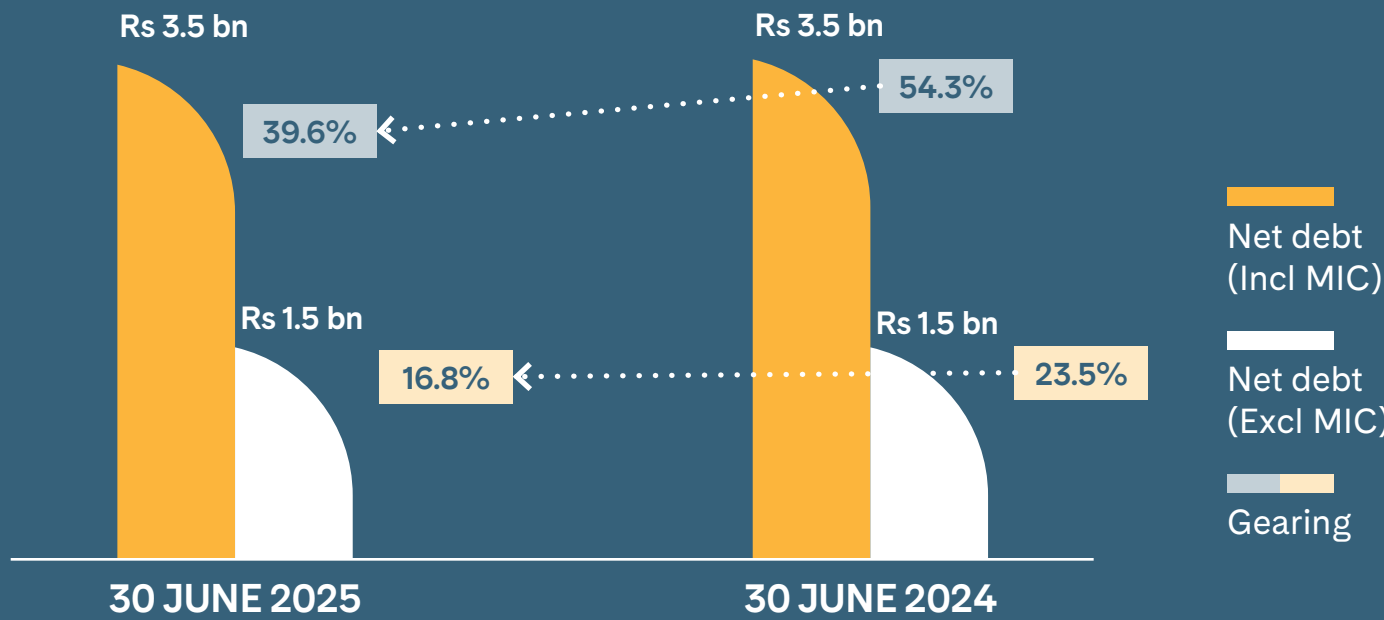
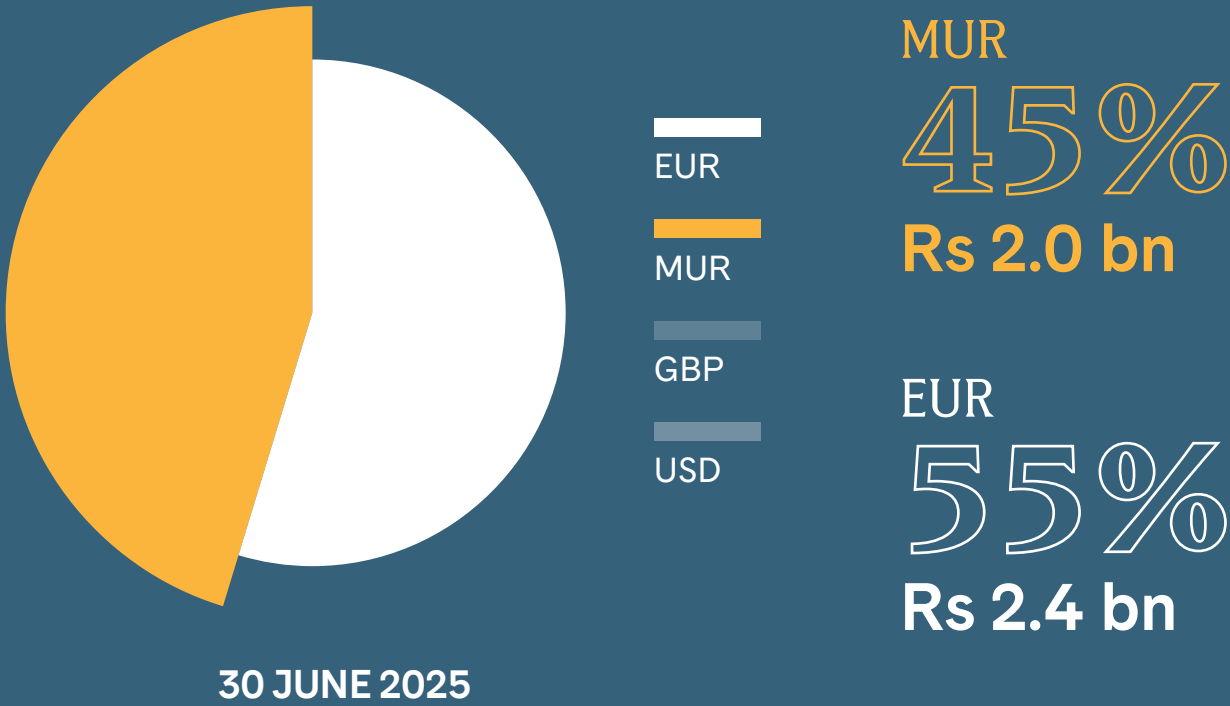
CHIEF FINANCE OFFICER'S REPORT

FINANCIAL POSITION



The Group’s financial position remained solid, with net asset value per share (NAV) increasing by **47.2%** to **Rs 41.73** as at 30 June 2025 (FY24: Rs 28.34). The share price at that date traded at a discount of 13.7% to NAV.

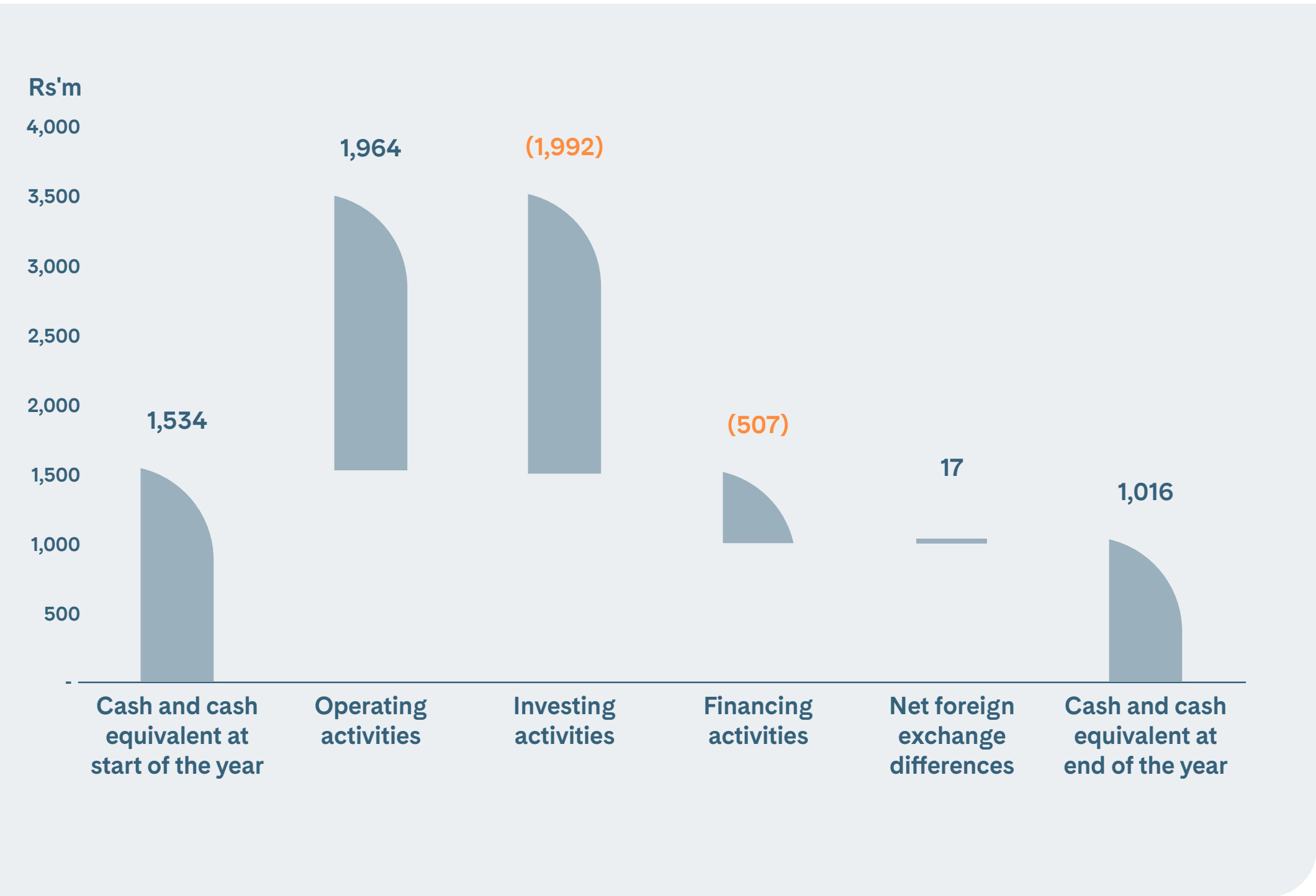
CURRENCY DENOMINATION GROSS DEBT INCLUDING MIC



Leverage metrics further improved, with net debt to EBITDA at **0.71** times (FY24: 0.84 times), gearing reduced to **16.8%** (FY24: 23.5%), and loan-to-value at **17.3%** (FY24: 22.5%), all of which underscore the Group’s prudent balance sheet management and reinforced debt-servicing capacity.

CHIEF FINANCE OFFICER’S REPORT

CASH FLOWS



Operating activities include mainly EBITDA from continuing and discontinued operations of **Rs 2,162 million**, offset by tax payment of **Rs 167 million**.

Net cash flow used in investing activities of **Rs 1,992 million** includes mainly additions to property plant and equipment of **Rs 932 million** mainly from the Shangri-La Le Touessrok renovation and maintenance capex, acquisition of subsidiary of **Rs 721 million**, derecognition of cash flows from loss of control of subsidiaries of Rs 365 million.

Net cash flow used in financing activities of **Rs 507 million** includes mainly repayment of borrowings of **Rs 721 million**, dividends of Rs 436 million, interest paid of Rs 243 million, offset by new loans on Ambre Resort of Rs 494 million and Shangri-La Le Touessrok of Rs 492m (for renovation).

Free Cash Flow (FCF) improved by Rs 236m to **Rs 1.2 billion** with a cash conversion of 0.60. The cash balance stood at **Rs 1.0 billion** at financial year end (FY24: Rs 1.5 billion), maintaining comfortable liquidity levels.

Reflecting the Group’s strong fundamentals and commitment to shareholder returns, the Board declared a dividend of **Rs 2.60** per share (FY24: Rs 2.50), representing a cover of **4.7 times**. This dividend distribution represented a yield of **7.2%** based on a share price of **Rs 36.00** at 30 June 2025, outpacing our peers in the industry. Dividend payout represented **33%** of PAT from continuing operations. This approach underscores the Board’s objective to deliver sustainable returns while safeguarding financial flexibility for future growth.

Looking ahead, the Group’s strategic priorities remain clear: to consolidate its financial strength, further enhance operating efficiency, and pursue selective growth opportunities aligned with evolving market dynamics. With a streamlined asset base, a disciplined capital structure, and a continued focus on guest experience and service innovation, the Group is well positioned to generate sustainable long-term value for its shareholders.

RENOVATION UPDATE

- Sugar Beach Maré Maré Restaurant rebranded (formerly known as Citronella)
- Long Beach Le Marché Restaurant completed in FY25
- Shangri-La Le Touessrok renovation completed in October 2025

CHIEF FINANCE OFFICER’S REPORT

3–Year Financial Highlights

Consolidated Statement of Financial Position	THE GROUP		
	2025	2024	2023*
	Rs’000	Rs’000	Rs’000
Assets			
Non-current assets	12,233,523	9,754,011	9,252,458
Current assets	2,126,471	1,805,225	1,816,888
Assets held for distribution	-	12,021,290	12,165,891
Total assets	14,359,994	23,580,526	23,235,237
Equity			
Equity attributable to owners of the Company	3,698,952	9,085,147	7,757,806
Non-controlling interests	1,585,323	948,488	926,097
Convertible bonds	1,991,742	3,086,192	3,086,192
Total equity	7,276,017	13,119,827	11,770,095
Liabilities			
Loans and other borrowings	2,510,204	2,646,748	3,423,698
Lease liabilities	1,427,638	1,175,655	1,155,237
Interest bearing liabilities	3,937,842	3,822,403	4,578,935
Interest-free liabilities	3,146,135	2,795,353	2,669,589
Liabilities directly associated with the assets held for distribution	-	3,842,943	4,216,618
Total liabilities	7,083,977	10,460,699	11,465,142
Total Equity and Liabilities	14,359,994	23,580,526	23,235,237
Net debt	1,466,166	1,518,563	2,182,565

*Comparatives amended for a like for like comparison

Consolidated Statement of Comprehensive Income	THE GROUP		
	2025	2024	2023*
	Rs’000	Rs’000	Rs’000
Continuing operations:			
Total revenue	6,502,238	5,414,267	4,846,061
Earnings before interest, tax, depreciation and amortisation and impairment (charges)/reversals	2,071,987	1,811,016	1,533,435
Impairment (charges)/reversals of financial and non-financial assets	(4,916)	(2,820)	7,303
Earnings before interest, tax, depreciation and amortisation	2,067,071	1,808,196	1,540,738
Depreciation and amortisation	(336,990)	(270,988)	(270,235)
Operating profit	1,730,081	1,537,208	1,270,503
Net finance costs	(100,393)	(85,351)	(98,621)
Share of result of associate	5,611	264,867	-
Share of result of joint venture	33,443	34,784	24,700
Impairment reversals of investment in associate	-	107,044	-
Profit before tax	1,668,742	1,858,552	1,196,582
Income tax charge	(340,458)	(183,359)	(162,884)
Profit after tax from continuing operations	1,328,284	1,675,193	1,033,698
(Loss)/profit for the year from discontinued operations	(118,628)	356,918	484,838
Gain arising on group restructuring	2,978,431	-	-
Non-controlling interests	(18,855)	(36,942)	(51,045)
Profit attributable to owners of the Company	4,169,232	1,995,169	1,467,491
Accumulated losses' balance at start of year	(1,104,881)	(2,612,196)	(3,496,449)
Dividends on ordinary shares	(453,346)	(435,910)	(348,728)
Derecognition of subsidiaries following scheme of arrangement	3,304,871	-	-
Distribution following scheme of arrangement	(5,830,183)	-	-
Interests on convertible bonds	(69,907)	(97,180)	(96,398)
Other movements in retained profits	18,681	45,236	(138,112)
Retained earnings/(accumulated losses) at end of year	34,467	(1,104,881)	(2,612,196)

*Comparatives amended for a like for like comparison

CHIEF FINANCE OFFICER’S REPORT

3–Year Financial Highlights

Ratios and Statistics		2025	2024	2023
		Continuing Operations		
Share Performance				
Ordinary shares				
- In issue	000's	194,545	194,545	194,545
- Weighted average	000's	174,364	174,364	174,364
Earnings per share	Rupees	7.31	9.40	5.64
Dividend declared per ordinary share	Rupees	2.60	2.50	2.00
Dividend cover (in respect of year)	times	2.81	3.76	2.82
Net asset value per share		41.73	28.34	21.91
Profitability and Asset Management				
EBITDA margin	%	31.9%	33.4%	31.6%
Return on equity	%	21.7%	29.7%	33.9%
Return on capital employed	%	22.8%	24.7%	19.4%
EBITDA yield	%	14.4%	15.7%	13.9%
Net debt to EBITDA	times	0.71	0.84	1.42
Gearing ratio	%	16.8%	23.5%	36.4%
Loan to Value (LTV)	%	17.3%	22.5%	30.5%
Employees		2,184	1,998	1,875
Stock-Exchange Performance				
Stock price				
- At 30 June	Rupees	36.00	46.00	30.00
- Highest	Rupees	43.25	48.00	34.20
- Lowest	Rupees	35.45	29.80	19.50
At 30 June 2023 and 2024, the stock prices listed above were prior to the implementation of the Scheme of Arrangement.				
Other				
Resorts Keys at year end		1,038	1,038	1,038
Room nights sold	000's	310	302	300

The ratios and statistics above exclude Riveo and comparative figures have been amended for a like-for-like comparison wherever required.

Definitions

Earnings per Share

Earnings per share is profit attributable to owners of the Company from continuing operations divided by the weighted average number of shares in issue during the year.

Dividend Cover

Dividend cover is profit attributable to owners of the Company from continuing operations divided by ordinary dividends.

Gearing

Interest-bearing loans and borrowings, net of cash and cash equivalents and accrued interest expressed as a percentage of capital employed including all capital, reserves and the net debt of the Group.

Net Asset Value per Share

Net Asset Value per share is equity divided by the total number of shares in issue at reporting date.

EBITDA Margin

EBITDA margin is earnings before interest, tax, depreciation and amortisation expressed as a percentage of total revenue.

Capital Employed

Capital employed includes all capital, reserves and net debt.

Net Debt

Net debt is defined as total borrowings, excluding lease liabilities and accrued interest, net of cash and short-term deposits.

Return on Capital Employed

This is the ratio of normalised earnings before interest and tax to average capital employed.

Return on Equity

Profit for the year expressed as a percentage of average equity.

Loan to Value

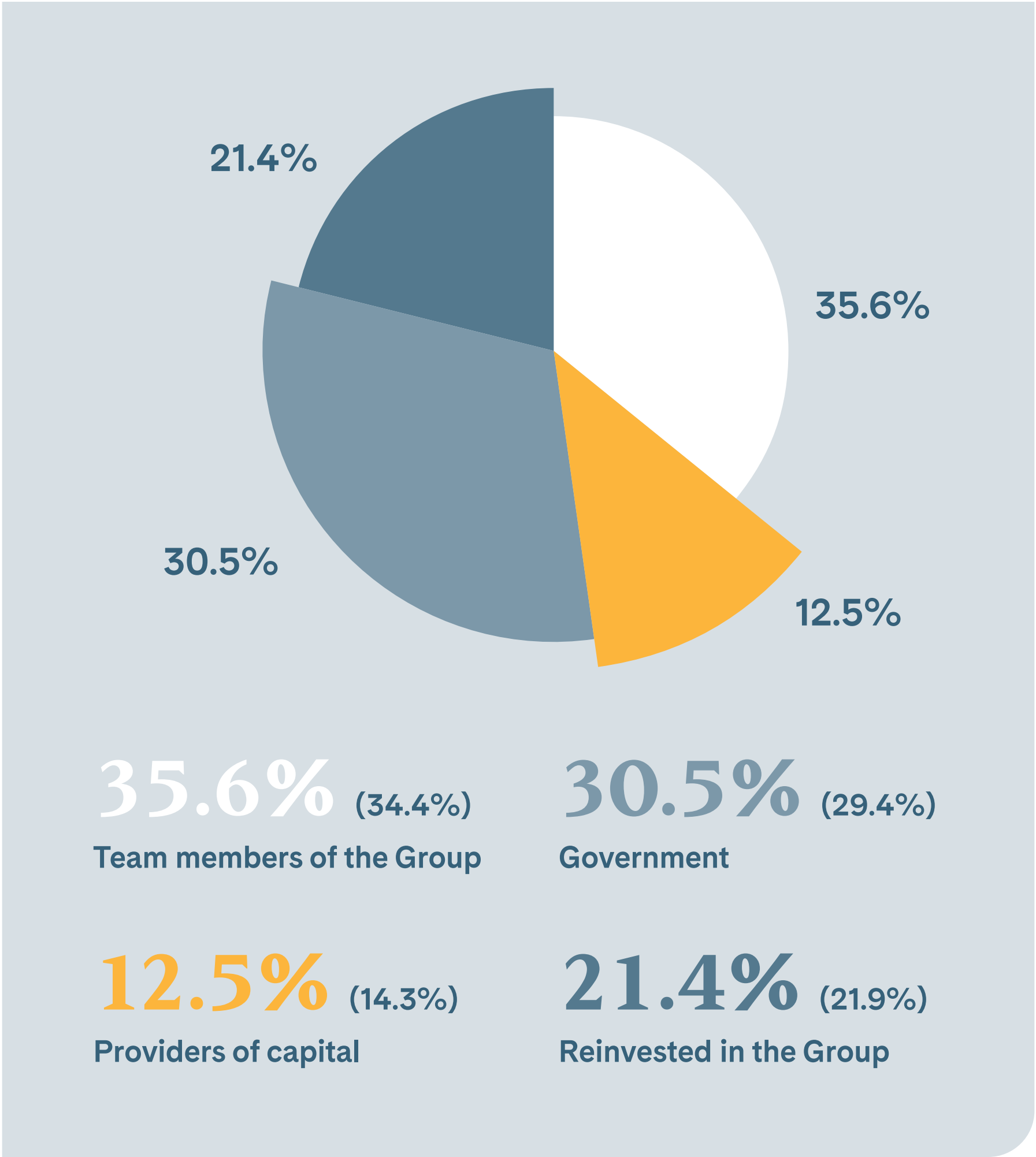
Net Debt as a percentage of total assets

CHIEF FINANCE OFFICER’S REPORT

VALUE ADDED STATEMENTS

Value added is a measure of the wealth that the Group has been able to create in all its various operations by ‘adding value’ to the cost of raw materials, products and services purchased. The statements summarise the total wealth created and shows how it was shared by employees and other parties who contributed to the Group’s operations. The calculation considers the amount retained and reinvested in the Group for the replacement of assets and the further development of operations.

FOR THE YEAR ENDED 30 JUNE	2025		2024	
Continuing operations	Rs'000	%	Rs'000	%
Total revenue	6,502,238		5,414,267	
Value Added Tax	1,000,192		923,577	
Total income	7,502,430		6,337,844	
Payment to suppliers for materials and services	(2,583,852)		(1,984,430)	
Value added by operations	4,918,578		4,353,414	
Share of result of associate and joint venture	39,054		34,784	
Finance income	166,822		211,162	
TOTAL WEALTH CREATED	5,124,454	100.0	4,599,360	100.0
Distributed as follows :				
Employees	1,826,126	35.6	1,580,528	34.4
Providers of capital	641,256	12.5	658,296	14.3
Government and parastatal corporations	1,564,579	30.5	1,353,478	29.4
Reinvested in the Group to maintain and develop operations	1,092,493	21.4	1,007,058	21.9
TOTAL WEALTH DISTRIBUTED AND RETAINED	5,124,454	100.0	4,599,360	100.0



Our guests remember
how our culinary experiences
make them feel truly special,
that's the pride of *Sunlife*.

Chef Mauree
Executive Chef

Corporate Governance

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

GOVERNANCE AT SUN – BOARD EFFECTIVENESS

CORPORATE INFORMATION

Sun Limited (“**SUN**” or the “**Company**”) was incorporated as a limited company on 10 February 1983 under the name Sun Resorts Limited. The Company was subsequently renamed Sun Limited, as evidenced by the certificate issued by the Registrar of Companies dated 25 September 2015.

SUN is a public interest entity pursuant to the Financial Reporting Act 2004. Its shares are listed on the Official Market of the Stock Exchange of Mauritius Ltd (“**SEM**”) and form part of the SEM Sustainability Index (“**SEMSI**”). SUN is also registered as a Reporting Issuer with the Financial Services Commission (“**FSC**”).

GROUP RESTRUCTURING

During the year under review, SUN implemented a strategic corporate restructuring (the “**Restructuring**”), executed in three distinct phases, with the objective of unlocking shareholders’ value and enhancing operational focus. The Restructuring was formalised through a Scheme of Arrangement, approved by shareholders and sanctioned by the Supreme Court of Mauritius in September 2024.

Phase 1 – Asset Transfer to Riveo Limited:

SUN transferred certain key hospitality investments to Riveo Limited (“**Riveo**”) in consideration for 174,364,025 new ordinary shares in Riveo, as follows:

- 100% of the shareholding in Anahita Hotel Limited (now known as Riveo Hospitality Ltd) (Four Seasons Resort Mauritius at Anahita), comprising 30,107,600 shares (held 50% directly by SUN and 50% indirectly through SRL FS, Ltd);
- 74% of the shareholding in SRL Touessrok Hotel Ltd (Shangri-La Le Touessrok), comprising 2,462,350 shares;
- 99.96% of the shareholding in Loisirs des Îles Ltée (Île aux Cerfs golf course and restaurants), comprising 2,579,106 shares.

Phase 2 – Reorganisation and Capital Reduction:

Following the Restructuring, SUN proceeded with a corporate reorganisation (the “**Reorganisation**”) involving:

- A reduction of its stated capital and retained earnings equivalent to the value of the Riveo shares to be distributed; and
- The distribution of 174,364,026 Riveo shares to SUN shareholders on a one-to-one basis, so that the shareholding of ordinary shares in Riveo matches the shareholding in SUN.

Phase 3 – Listing of Riveo on the SEM:

Subsequent to the Reorganisation, the shares of Riveo were successfully listed on the Official Market of the SEM on 25 November 2024.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

SUN'S OPERATIONS

Following the completion of the Group's Restructuring, and further to the appointment of Sunlife as the management partner for Anahita Golf & Spa Resort and Anahita Golf effective 01 July 2025, Sunlife now owns and/or manages a diversified portfolio of properties in Mauritius, all located on the island's scenic east and west coasts.

The Sunlife portfolio comprises the following properties:

- **Sugar Beach** 5-star deluxe resort
- **Long Beach** 5-star resort
- **La Pirogue** 4-star deluxe resort
- **Ambre** 4-star resort
- **Anahita Golf & Spa Resort** 5-star resort (as from 1 July 2025)

With the addition of the Anahita properties under its management, Sunlife reinforces its position as a leading hospitality operator in Mauritius, combining luxury accommodation with sustainable development and exceptional guest experiences.

SUN also operates dedicated marketing offices in London, Paris and Frankfurt, with representation in Spain, Russia and the Middle East. The Company further owns two in-house tour operators: Solea in France and World Leisure Holidays (Pty) Ltd in South Africa, reinforcing its integrated tourism model.

The Board of Directors (the “**Board**”) of SUN remains committed to upholding the highest standards of corporate governance. It recognises its responsibility for ensuring that the Company operates in line with the principles of the National Code of Corporate Governance for Mauritius (2016) (the “**Code**”) and strives to embed sound governance practices across all levels of the organisation.

SUN reports on the application of the Code's principles in this Annual Report and maintains an online governance section on its website, in line with the Code's recommendation for transparency and stakeholder engagement.



REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

ORGANISATIONAL CHART AND STATEMENT OF ACCOUNTABILITIES

Unitary Board Structure

The Board of SUN provides effective leadership and strategic direction to safeguard and enhance the long-term value of SUN and its subsidiaries (the “Group”) for the benefit of its shareholders and wider stakeholders.

It is responsible for leading, overseeing, and controlling the Group’s business affairs, and discharges its duties by:

- reviewing and approving strategic plans, performance objectives, financial plans, annual budgets, key operational initiatives, major funding and investment proposals;
- monitoring financial performance and corporate governance practices; and
- ensuring compliance with all applicable legal and regulatory requirements.

The Board has adopted a clear statement of accountabilities and operates within a defined governance framework that includes delegated authorities and well-established reporting lines. While delegating operational responsibilities, the Board retains ultimate accountability and remains responsible for the overall performance and affairs of the Group.

Board Committees

Board committees support the effective discharge of the Board’s responsibilities by providing focused oversight on specific areas, in accordance with their respective terms of reference approved by the Board. In fulfilling their oversight role, the committees escalate to the Board any significant matters that may impact the Group. Reports from the Chairpersons of the Board committees are standing items on the agenda of Board meetings, ensuring that the Board remains informed of key developments and recommendations.

Board of SUN		
	↑	
Corporate Governance, Ethics, Nomination & Remuneration Committee (“CGENRC”)	Audit & Risk Committee (“ARC”)	Investment Committee (“IC”)
Following the Group’s Restructuring, the leadership team reporting to the Chief Executive Officer was reorganised with effect from 1 January 2025.		
Chief Executive Officer Francois Eynaud		
(Report to the CEO)		
	↑	
Chief Finance Officer Tommy Wong Yun Shing		Chief Commercial & Operations Officer Joelle Edwards-Tonks
(Report to the CEO)		
	↑	
Chief Human Resources Officer Varuna Ramlagun	Chief Information Officer Abdool Kadell	Chief Retail & Supply Chain Officer Cindy Leung

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

DIVISION OF RESPONSIBILITIES

The roles and responsibilities of the Chairperson of the Board, Executive Directors, Non-Executive Directors, and the Company Secretary are clearly defined in the Board Charter and corresponding Position Statements, as approved by the Board. The role of the Chairperson of the Board is deliberately distinct and independent from that of the Executive Directors. There exists a clear separation of powers, with the Chairperson providing leadership to the Board and ensuring its effective functioning, while the Executive team is responsible for the day-to-day management of the Group’s operations.

COMPANY SECRETARY

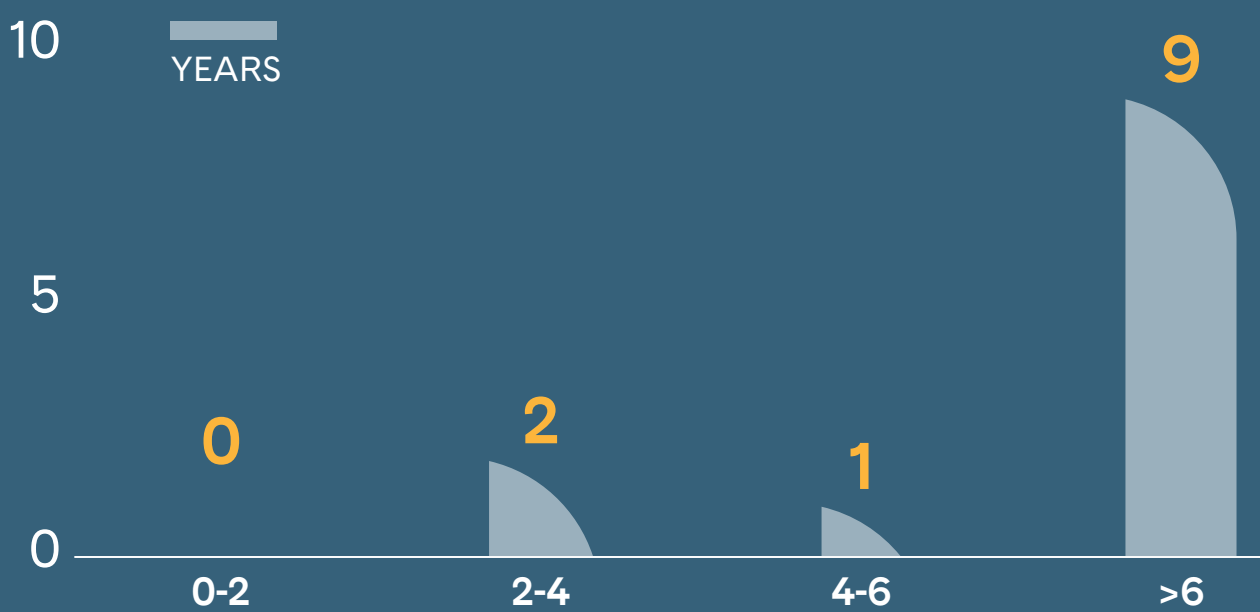
Employed by CIEL Corporate Services Ltd (“CCS”), a wholly owned subsidiary of CIEL, which provides the services of company secretary to CIEL, Clothilde de Comarmond, ACG, joined CCS in 2000 and oversees the company secretarial department at CIEL Head Office. She acts as the Company Secretary for SUN’s Board of Directors.

BOARD CHARTER

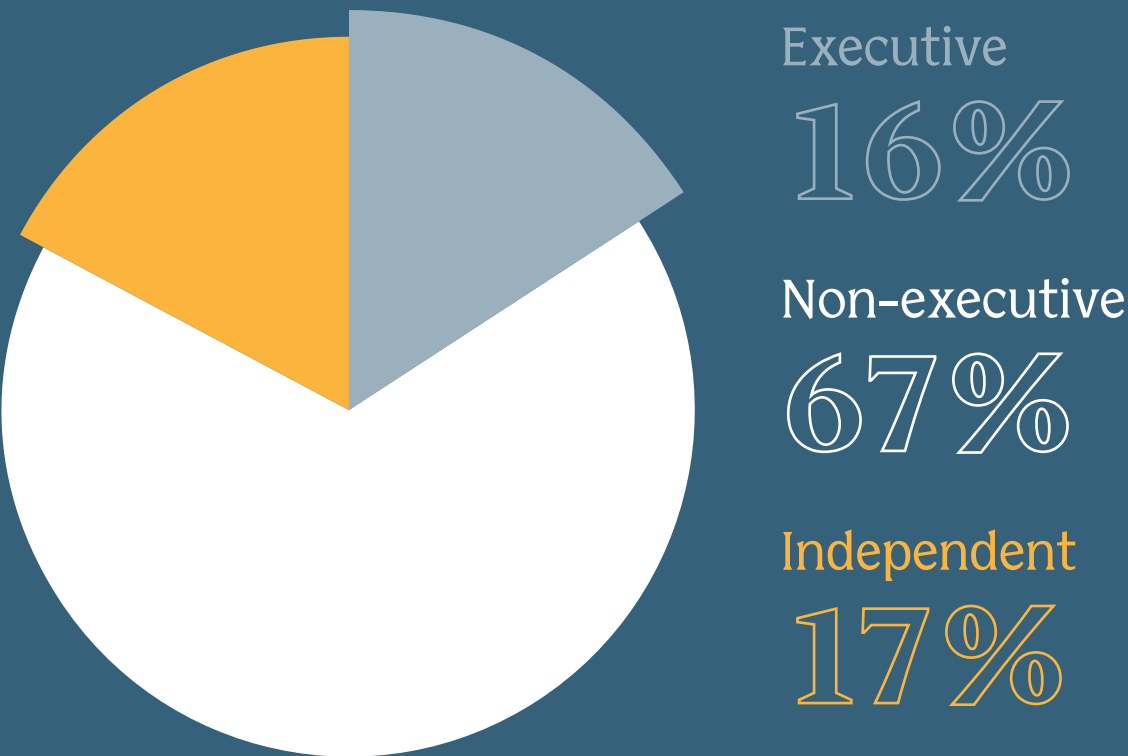
An updated version of the Board Charter was approved by the Board on 16 September 2025. The revised Charter reflects a few enhancements aimed at strengthening the Board’s governance framework, clarifying roles and responsibilities, and reinforcing oversight practices. The updated Charter is available for consultation on the Company’s website.

BOARD SIZE AND STRUCTURE AS AT 30 JUNE 2025

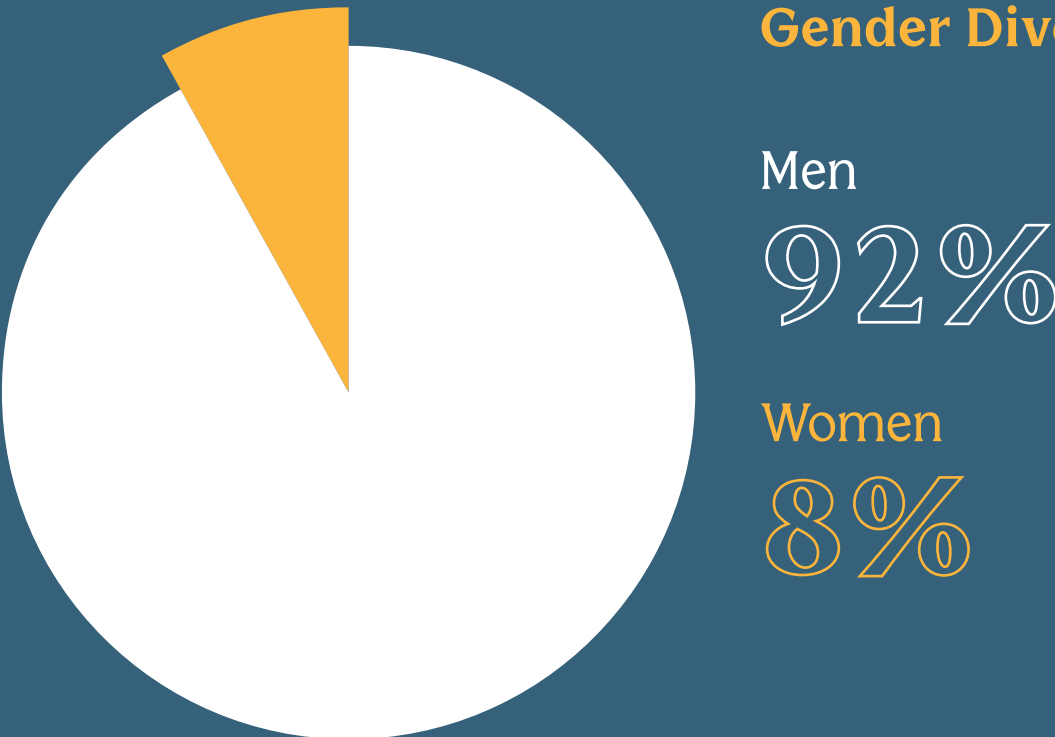
Directorship Tenure



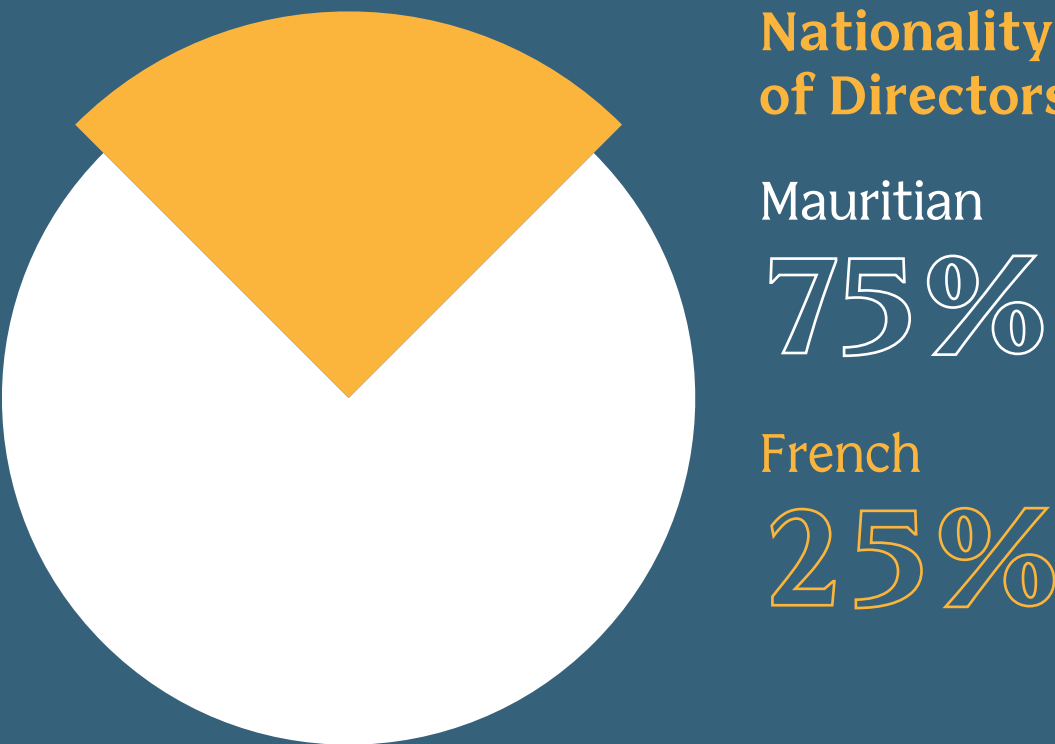
Category of Directors



Gender Diversity



Nationality of Directors



REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

BOARD SIZE AND STRUCTURE AS AT 30 JUNE 2025 (cont’d)

Directors as at 30 June 2025	Gender	Category	Attendance	Residency
Jean-Pierre Dalais (Chairperson of the Board until 25 October 2024)	M	NED	4/4	Mauritius
Guillaume Dalais (Chairperson of the Board as from 25 October 2024)	M	NEC	4/4	Mauritius
P. Arnaud Dalais (Director until 10 February 2025)	M	NED	2/3	Mauritius
R. Thierry Dalais	M	NED	4/4	Mauritius
L. J. Jérôme De Chasteauneuf	M	NED	4/4	Mauritius
Hélène Echevin	F	NED	4/4	Mauritius
Francois Eynaud	M	ED	4/4	Mauritius
J. Harold Mayer	M	NED	4/4	Mauritius
Vincent Ménez	M	NED	4/4	France
Mushtaq N. Oosman	M	INED	4/4	Mauritius
Jean-Louis Savoye	M	NED	4/4	France
Pierre Vaquier	M	INED	4/4	France
Naderasen Pillay Veerasamy (Director until 10 February 2025)	M	NED	3/3	Mauritius
Tommy Wong Yun Shing	M	ED	4/4	Mauritius
NEC: Non-Executive Chairperson NED: Non-Executive Director ED: Executive Director INED: Independent Non-Executive Director				
<ul style="list-style-type: none">• Board meetings held during the financial year: 4• Decisions adopted by way of written resolution in lieu of holding Board meetings: 6• Meeting of shareholders: 2• Quorum for the Board: Majority of Directors and in case of equality of votes, the Chairperson has a casting vote				

The Board is satisfied that its composition for the financial year ended 30 June 2025 was appropriately balanced, and that its Directors collectively possessed the requisite skills, expertise, and experience to discharge their responsibilities effectively. Furthermore, the Board is confident that a sufficient number of its members remained independent of both the Company and its majority shareholder.

The Board acknowledges the regulatory requirement for at least 25% of directors of a listed entity to be women and is committed and actively taking steps to ensure that this threshold is achieved in a timely and sustainable manner.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

DIRECTORS' PROFILES

Guillaume Dalais

*Non-Executive Chairperson
since 25 October 2024*

Appointed Director
on 20 September 2021

*Member of the
Investment Committee*

*Member of the Corporate
Governance, Ethics, Nomination
& Remuneration Committee*



Guillaume Dalais has been the Group Chief Executive of CIEL since 1 July 2024, following his tenure as Deputy Group Chief Executive from 1 January 2023 to 30 June 2024.

He began his career within CIEL Group in 2010, joining the CIEL Textile business. In 2012, he was appointed Executive Director of the Knits Cluster of CIEL Textile and later served as Chief Executive Officer of the Knitwear Cluster from July 2016 to June 2020. He subsequently held the position of CEO of CIEL Properties from 1 July 2020 to 31 December 2023.

Guillaume Dalais also brings experience from the investment banking sector, having worked at Metier Investments & Advisory Services in South Africa and CIEL Capital Limited in Mauritius.

He holds a Master 2 in Finance and Accounting from the École Supérieure de Gestion (now Paris School of Business), France, and has also completed the Executive Education Programme at HEC Paris.

He currently serves as a member of the Board of Directors of various companies in Mauritius, including entities within CIEL Group.

Directorships in other listed companies in Mauritius:
Alteo Limited, CIEL Limited, C-Care (Mauritius) Ltd (Chairperson), MIWA Sugar Limited and Riveo Limited (Chairperson).

Core competencies: Strategic Leadership & Group Oversight, Cross-Sector Executive Experience, Corporate Governance & Board Leadership, Investment Strategy & Capital Allocation, Operational Excellence & Business Transformation, Financial Acumen, Leadership Development & Talent Stewardship.

Jean-Pierre Dalais

*Non-Executive Director
Has served as Non-Executive
Chairperson until
25 October 2024*

Appointed Director
on 7 April 2010

*Chairperson of the Corporate
Governance, Ethics, Nomination &
Remuneration Committee*



Jean-Pierre Dalais holds an MBA from the International University of America, San Francisco. He began his professional career with Arthur Andersen in both Mauritius and France, before joining CIEL Group in January 1992.

Over the years, he has played a key role in the strategic development and management of CIEL's various business clusters, both in Mauritius and internationally.

He served as Group Chief Executive of CIEL from 2017 to 2024 and played a pivotal role in steering the Group through key transformation phases, including expansion, the formation of strategic partnerships and operational restructuring.

He has been actively involved in the development of CIEL's core clusters - Hotels & Resorts, Financial Services and Healthcare.

He continues to contribute to CIEL's long-term strategic direction, acting as Vice-Chairperson of the Board of CIEL between 1 July 2024 to 30 June 2025 and as Chairperson of the Board since 1 July 2025.

He also played an active role at the level of the Mauritian private sector as former Chairperson of Business Mauritius and former Member of its Advisory Committee.

Directorships in other listed companies in Mauritius:
CIEL Limited (Chairperson) and Riveo Limited.

Core competencies: Strategic Leadership & Group Management, Corporate Governance & Board Oversight, Business Development & Diversification, Stakeholder Engagement & Advocacy, Executive Succession & Leadership Development and Financial Acumen & Operational Insight.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

DIRECTORS' PROFILES (cont'd)

R. Thierry Dalais

Non-Executive Director

Appointed Director
on 13 February 2017



R. Thierry Dalais has over 35 years of experience in the financial services and private equity investment industry. He is the co-founder of two private equity investment firms and has served as a key figure in numerous private investment programmes over the past three decades.

He currently serves - and has previously served - as Chairman, Director and Trustee on a wide range of boards, industry bodies, and not-for-profit foundations, including listed companies both in Mauritius and internationally.

He holds degrees in Commerce and Accounting from the University of the Witwatersrand, South Africa and is a qualified Chartered Accountant (South Africa).

Directorships in other listed companies in Mauritius:
CIEL Limited and Riveo Limited.

Core competencies: Private Equity & Investment Strategy, Financial Services & Capital Markets, Board Governance & Stewardship, Strategic Portfolio Management, Corporate Structuring & Growth Capital, Governance, Ethics & Oversight, Cross-Border Investment Insight.

L. J. Jérôme de Chasteauneuf

Non-Executive Director

Appointed Director
on 12 November 2014

**Member of the
Audit & Risk Committee**



L. J. Jérôme de Chasteauneuf holds a BSc in Economics (Accounting & Finance) from the London School of Economics and Political Science (LSE). He began his career at PricewaterhouseCoopers (PwC) in the United Kingdom, where he qualified as a Chartered Accountant, building a strong foundation in financial and audit practices.

He joined CIEL Group in 1993 and was appointed as its Group Head of Finance in 2000. He played a pivotal role in shaping the Group's financial strategy and strengthening its operational efficiency. Over the past two decades, he has led the execution of complex financial re-engineering initiatives aligned with CIEL's strategic objectives, contributing significantly to the Group's growth, resilience and international expansion.

L. J. Jérôme de Chasteauneuf has been instrumental in major corporate milestones, including Initial Public Offerings (IPOs), mergers and acquisitions, international ventures

and comprehensive corporate restructuring programmes. A strong advocate for risk management, compliance, transparency and accountability, he continues to drive sound governance practices within the Group.

He represents CIEL Group on the Boards of several subsidiaries and also serves as an Independent Non-Executive Director on the Board of the Stock Exchange of Mauritius Ltd.

Directorships in other listed companies in Mauritius:
Alteo Limited (Chairperson), CIEL Limited, Harel Mallac & Co. Ltd, MIWA Sugar Limited and Riveo Limited.

Core competencies: Corporate Finance & Strategic Planning, Financial Re-engineering & Restructuring, Audit, Risk & Compliance Oversight, Governance & Board Leadership, International Expansion & Transaction Execution and Transparency & Accountability Advocacy.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

DIRECTORS' PROFILES (cont'd)

Francois Eynaud

Executive Director

Appointed Director
on 19 September 2019

*Member of the Investment
Committee*



Francois Eynaud has been the CEO of Sun Limited since 1 September 2019 and now acts as CEO of Sunlife and Riveo following the scheme of arrangement, whereby Sun Limited was split in two distinct listed entities.

Prior to joining Sun Limited, he served as CEO of Veranda Leisure & Hospitality (VLH), the Hotels Division of the Rogers Group, where he led the business for 11 years.

Before his tenure in the hospitality sector, Francois Eynaud spent 14 years at CIEL Textile in the position of Executive Director at Tropic Knits.

Early in his career, he spent seven years with SAGEM in France, where he held various international roles, including Export Director and Country Manager in both the Caribbean and the United Kingdom.

A respected voice in the tourism industry, Francois Eynaud served as President of AHRIM (Association des Hôteliers et Restaurateurs de l'île Maurice) in 2013 and 2014.

He holds a diploma from the Institut Commercial de Nancy (ICN Business School), France.

Directorships in other listed companies in Mauritius:
Riveo Limited.

Core competencies: Hospitality Industry Leadership, Strategic Business Transformation, Cross-Sector Executive Experience, International Business Development, Investment & Operational Oversight, Tourism Industry Engagement & Advocacy and Board Governance & Corporate Stewardship.

Hélène Echevin

Non-Executive Director

Appointed Director
on 22 June 2017



Hélène Echevin is the CEO of C-Care Group since July 2019, overseeing healthcare operations across Mauritius, Madagascar and Uganda.

She holds an engineering degree from Polytech Montpellier, France, and has completed an Executive Management Programme at INSEAD.

Hélène Echevin joined CIEL Group in 2017 as Chief Officer – Operational Excellence, where she led the Group's performance transformation and supported the expansion of its healthcare portfolio.

Prior to joining CIEL, she held key operational roles at Eclosia Group and Harel Mallac Group, and brings over 22 years of experience in operations and project management.

In 2015–2016, she became the first female President of the Mauritius Chamber of Commerce and Industry (MCCI), highlighting her prominence in the Mauritian business landscape.

Directorships in other listed companies in Mauritius:
C-Care (Mauritius) Limited and Mauritius Chemical & Fertilizer Industry Ltd.

Core competencies: Business Development, Executive Leadership, Healthcare Strategy & Delivery, Operational Excellence, Corporate Governance & Board Oversight, Cross-Sector Project Management and Women in Leadership Advocacy.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

DIRECTORS' PROFILES (cont'd)

J. Harold Mayer

Non-Executive Director

Appointed Director
on 24 July 2014



J. Harold Mayer holds an Honours Degree in Commerce and is a qualified Chartered Accountant (South Africa). He joined CIEL Textile in 1990 and has held several key leadership positions within that Group over the course of his career.

He began as Head of Finance at New Island Clothing and in 1995 was appointed General Manager of Aquarelle Clothing Ltd. He later served as Chief Operating Officer of the Group's clothing operations and ultimately as Chief Executive Officer of CIEL Textile, a role he held until his retirement on 30 June 2020.

Post-retirement, J. Harold Mayer continues to contribute his expertise through Horizon Property Partners, where he offers property advisory and transaction services.

He also serves as Chairman of the Horizon Group's property cluster and acts as a corporate consultant specialising in strategy, finance and operational excellence.

Directorships in other listed companies in Mauritius:
CIEL Limited, Omnicane Limited and Riveo Limited.

Core competencies: Executive Leadership & Organisational Growth, Financial Management & Control Operational Excellence & Efficiency, Strategic Planning & Transformation, Property Advisory & Asset Management and Governance & Board Oversight.

Vincent Ménez

Non-Executive Director

Appointed Director
on 26 May 2023

Member of the Corporate Governance, Ethics, Nomination & Remuneration Committee

Member of the Investment Committee



Since July 2024, Vincent Ménez has been serving as Senior Advisor to the Presidency of Dentressangle, the investment holding company of the Dentressangle family. Prior to this role, he was Managing Director of Dentressangle from 1999 to June 2024, where he led the company's development and investment strategy for over two decades.

Earlier in his career, Vincent Ménez was responsible for treasury and funding strategies at the Norbert Dentressangle Group, overseeing areas such as foreign exchange and interest rate risk management. Before joining the Dentressangle Group, he held a leadership role in business management at Crédit National.

Vincent Ménez is a graduate of Audencia Nantes and holds an MBA in Finance from Laval University, Québec, Canada.

He currently serves as a member of the Board of Directors of Mauritius Freeport Development Co. Ltd, a position he has held since June 2024.

Directorships in other listed companies in Mauritius:
Riveo Limited.

Core competencies: Investment Strategy & Capital Allocation, Corporate Finance & Treasury Management Strategic Governance & Board Participation, Private Equity & Holding Company Oversight, Ethics, Nomination & Remuneration Oversight and International Financial Expertise.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

DIRECTORS' PROFILES (cont'd)

Mushtaq N. Oosman

Independent Non-Executive Director

Appointed Director
on 1 October 2021

**Chairperson of the
Audit & Risk Committee**

**Member of the Corporate
Governance, Ethics, Nomination
& Remuneration Committee**



Mushtaq N. Oosman trained and qualified as a Chartered Accountant with Sinclairs in the UK before returning to Mauritius in 1983, where he joined the audit department of De Chazal du Mée (then the representative of Arthur Andersen in Mauritius). He subsequently moved to Roger de Chazal & Partners, founders of Price Waterhouse in Mauritius in 1988, and remained with the firm through its evolution into PwC Mauritius.

He was appointed Partner at PwC Mauritius on 1 July 1991, serving primarily as an Assurance Partner, while also leading Business Recovery Services and acting as the firm's Chief Operating Partner in Mauritius. He served on the Africa Central Governance Board, gaining deep experience in corporate governance and board responsibilities.

A Fellow of the Institute of Chartered Accountants in England and Wales, Mushtaq N. Oosman has over 25 years of professional experience in audit and financial

advisory services. His client portfolio spanned diverse sectors, including banking, insurance, manufacturing, sugar, hospitality, betting operations, textiles and trading.

He retired from PwC in November 2015 and currently serves as a Board member of several companies.

Directorships in other listed companies in Mauritius:

MUA Ltd, Automatic Systems Ltd, United Docks Ltd, PIM Ltd and Riveo Limited.

Core competencies: Audit & Assurance Expertise, Corporate Governance & Risk Oversight, Financial Advisory & Business Recovery, Sectoral Breadth & Analytical Acumen, Board Leadership & Independence, Regulatory Compliance & Ethics, Financial Re-engineering & Restructuring and Audit.

Jean-Louis Savoye

Non-Executive Director

Appointed Director
on 22 June 2017

**Member of the
Audit & Risk Committee**



Jean-Louis Savoye is the Co-Chief Executive Officer of Dentressangle, a French société par actions simplifiée, which serves as the investment holding company of the Dentressangle family. Over the past 20 years, he has played a key role in executing the Group's investment strategy, contributing significantly to its growth and diversification.

He joined Dentressangle in 2003 as Chief Financial Officer, following an earlier career at PwC, where he led acquisition due diligence in M&A for a broad portfolio of clients, including private equity firms and leading French industrial companies. His professional experience spans finance, investment, international business and strategic acquisitions, with a focus on long-term value creation.

Jean-Louis Savoye graduated from the Toulouse Business School in France, where he majored in Finance.

Directorships in other listed companies in Mauritius:

None.

Core competencies: Finance & Accounting, Mergers & Acquisitions, Private Equity Investment, International Business Strategy, Corporate Management and Property Investment & Financing.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

DIRECTORS' PROFILES (cont'd)

Pierre Vaquier

Independent Non-Executive Director

Appointed Director
on 14 February 2018

*Chairperson of
the Investment Committee*



Pierre Vaquier brings over 42 years of experience in principal investment and asset management, with a career spanning global financial institutions and leadership roles across Europe, the United States and Asia.

Until recently, he served as Chief Executive Officer of AXA Investment Managers – Real Assets (AXA IM – Real Assets) for a decade. In that role, he chaired the Management Board and Executive Committee and was a member of the AXA Investment Managers Management Board, where he oversaw the firm's strategic direction and its global implementation.

Prior to this, Pierre Vaquier was Director of Business Development at AXA Immobilier, where he led key assignments, including the restructuring of real estate investments following the late 1980s/early 1990s property crisis, the evaluation of M&A transactions for the AXA Group and oversight of Equitable Real Estate Investment governance.

Before joining AXA, he spent 13 years at Paribas, working in various investment and merchant banking roles. His responsibilities included managing real estate investments for Paribas and its clients in the United States, where he

founded and led Paribas Properties Inc., a New York-based real estate investment and advisory platform. Throughout multiple property cycles, he led opportunistic investments, workout situations and investment banking mandates.

Pierre Vaquier graduated from HEC Paris in 1980. He currently serves as:

- CEO of Real Assets Investment Managers SAS
- Global Head of Real Estate at Tikehau Investment Management SAS
- Senior Advisor to Soposa, the real estate arm of Tethys Group

Directorships in other listed companies in Mauritius:
Riveo Limited.

Core competencies: Principal Investment & Asset Management, Investment Committee Leadership, Real Estate & Alternative Assets Expertise, M&A & Business Restructuring, International Financial & Strategic Oversight, Governance & Board Stewardship and Academic Excellence & Thought Leadership.

Tommy Wong Yun Shing

Executive Director

Appointed Director
on 12 November 2014



Tommy Wong holds a BSc from the London School of Economics and is a Fellow of the Institute of Chartered Accountants in England and Wales. He began his career with Deloitte UK before returning to Mauritius, where he became a Partner at Deloitte Mauritius, overseeing the corporate finance department and audits of listed and major corporations.

He joined Sun Limited in July 1998 as part of the Executive Team and currently serves as Chief Finance Officer, responsible for the Group's finance, legal, asset management and treasury functions, along with selected operational oversight.

A former President of the Association des Hôteliers et Restaurateurs de l'île Maurice (AHRIM), he remains an active Board Member, serving as Treasurer and Chairman of the Finance Committee.

Directorships in listed companies in Mauritius:
Riveo Limited.

Core competencies: Financial Leadership & Strategic Planning, Chartered Accountancy & Corporate Finance, Operational Oversight & Business Support Functions, Tourism & Hospitality Sector Expertise, Governance & Financial Risk Management and Board-Level Reporting & Stakeholder Engagement.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

BOARD PROCEEDINGS

Meeting Scheduling	Meeting dates are planned well in advance and communicated to the Directors by the Company Secretary.
Frequency of Meetings	The Board generally meets four times per year, with additional ad-hoc meetings convened to address urgent or substantive matters.
Decision Making	Decisions may also be taken by written resolution when appropriate, in accordance with legal and governance provisions.
Document Distribution	Board papers are circulated through a secure online portal at least five working days prior to meetings, ensuring sufficient preparation time.
Information Assurance	The Chairperson of the Board, in collaboration with the Company Secretary and management, ensures that Directors receive timely, reliable, and relevant information.
Deliberation Approach	To avoid groupthink, the Chairperson of the Board systematically invites Directors to express individual views on matters requiring board deliberation or vote.

BOARD GOVERNANCE AND APPOINTMENT FRAMEWORK

At SUN, the strength of the Board lies not only in the depth of its expertise but also in the robust governance structures that support the appointment, induction, and ongoing engagement of its members. SUN’s approach ensures that the Board remains dynamic, diverse, and well-equipped to guide the Group in delivering long-term value.

A Defined Framework for Board Composition

SUN’s Board Charter establishes that all Directors must be natural persons aged 18 or above. The Chairperson of the Board may not exceed 70 years of age and is appointed for a term of five years, renewable by the Board for a further five years or another term as determined by simple majority. Mr. Guillaume Dalais was appointed Chairperson of the Board on 25 October 2024, succeeding Mr. Jean-Pierre Dalais.

A Rigorous and Transparent Nomination Process

The CGENRC leads all director nomination efforts. Its process is underpinned by criteria including relevant skills, industry experience, independence, diversity, and time availability. SUN has clear guidelines to prevent overboarding and engages reputable executive search firms when nominating independent directors.

Board Appointment in Practice

Director appointments are made by the Board in accordance with the Company’s Constitution, either to fill a casual vacancy or to expand Board capacity. All appointments are subject to shareholder approval at the next Annual Meeting. Directors appointed in that manner hold office until the following Annual Meeting and are eligible for re-election.

Structured Induction and Ongoing Support

SUN places great emphasis on a comprehensive onboarding experience for newly appointed Directors. Each receives a formal letter of appointment outlining the duties under the law and SUN’s governance framework.

The induction programme includes one-on-one sessions with the Chairperson of the Board, Executive Directors and the Company Secretary. Site visits are conducted to deepen operational understanding when Directors are in Mauritius.

All corporate documents are shared through a secure board portal, and directors are made aware of the time commitments expected of them. Directors are also covered by a Directors’ and Officers’ Liability Insurance policy applicable across the Group and benefit from unrestricted access to Company records, senior management, and, when required, external advice at the Company’s expense.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

BOARD GOVERNANCE AND APPOINTMENT FRAMEWORK (cont'd)

Annual Re-election and Statutory Compliance

All Directors are subject to annual re-election by shareholders, with separate resolutions presented at the Annual Meeting.

In compliance with Section 138(6) of the Companies Act 2001, any director over the age of 70 must be appointed or reappointed annually by shareholders through a dedicated resolution.

Professional Development

As part of their responsibilities, Directors are expected to maintain a sound understanding of the economic and strategic environment in which the Group's clusters operate.

Directors receive at each board meeting information on tourism industry, benchmarks with major industry players, tourism statistics, key financial and non-financial KPIs, customer satisfaction scores etc., as part of the Board packs.

Apart from these, no further training was offered to the Directors.

In line with the Board's commitment to continuous learning and staying abreast of emerging trends, Directors have expressed interest in receiving training on Artificial Intelligence and its implications for corporate strategy and governance for SUN. Management will work on a programme to address this request.

FOCUS AREAS OF THE BOARD

Throughout the financial year, the Board dedicated its attention to key areas aligned with its governance and oversight responsibilities, structured around three core themes:

1. Recurring Agenda Items

- Declaration of interests
- Approval of previous meeting minutes
- Reports from the Chairpersons of Board Committees
- Quarterly operational and financial performance reviews by Executives
- Sales and marketing updates (including industry analysis and forward bookings)
- Oversight of renovations and capital developments across resorts
- SUN's properties and real estate development reviews

2. Governance and Risk Oversight

- Review and approval of the Annual Report, including the Corporate Governance Report
- Reports from the Audit & Risk Committee on internal audit findings and risk mitigation
- Governance matters from the Corporate Governance, Ethics, Nomination & Remuneration Committee
- Review and approval of public communiqués

3. Strategy, Financial Monitoring & Capital Management

- Approval of audited annual and unaudited quarterly financial statements
- Review of financial forecasts and budget approvals (including capital expenditure)
- Approval of bank facilities and account signatories
- Monitoring of capital restructuring initiatives (e.g., SUN's Scheme of Arrangement)
- Adoption of management contracts (Anahita Residences & Villas Limited and Anahita Golf Ltd)

WHISTLEBLOWING AND REPORTING CONCERNS

Employees and suppliers are encouraged to report any concerns relating to fraud, unethical conduct, business malpractice, or other integrity issues through the whistleblowing mechanism outlined in the Code of Conduct. Reports can be made confidentially and anonymously.

As a first step, employees may raise concerns verbally or in writing with their direct manager or the Human Resources department. If they believe it is inappropriate or ineffective to report through these channels, concerns may be escalated directly to the Chief Executive Officer (CEO).

Should the CEO also not be deemed an appropriate recipient, concerns may be reported to the Chairperson of CGENRC via a dedicated whistleblowing email:

whistleblowing@yoursunlife.com.

Where necessary, the CEO consults with the Chairpersons of both the **CGENRC** and the Audit & Risk Committee ("**ARC**") to ensure appropriate investigation and follow-up of reported matters.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

BOARD COMMITTEES

The Board delegates specific roles and responsibilities to its committees to enhance the depth and efficiency of its oversight functions. While the Board retains ultimate accountability, its committees are mandated to examine matters in greater detail, report on key discussions and decisions, and, where applicable, make recommendations for Board approval. These committees play a vital role in supporting the Board’s effectiveness and overall governance framework.

Each committee is supported by the Company Secretary, who also serves as secretary to the Board. The Board is satisfied that the committees are appropriately structured, skilled, and equipped to address both existing and emerging issues, and that they have effectively discharged their responsibilities during the year under review in accordance with their respective terms of reference.

The terms of reference for each committee, which guide their scope of work and authority, are available on SUN’s website. These are generally reviewed every two years, or earlier if warranted by regulatory or operational developments.

Corporate Governance, Ethics, Nomination & Remuneration Committee		
Number of Meetings: 2	Members	Attendance
	Naderasen P. Veerasamy, <i>Chairperson until 25 October 2024</i>	1/1
	Jean-Pierre Dalais, <i>Chairperson as from 25 October 2024</i>	2/2
	P. Arnaud Dalais, <i>Member until 12 September 2024</i>	0/1
	Guillaume Dalais, <i>Member as from 12 September 2024</i>	1/1
	Vincent Ménez	2/2
	Mushtaq N. Oosman	2/2
Note: Decisions were also taken by the Committee by circular email.		
Main Terms of Reference		
<ul style="list-style-type: none">To ensure compliance with corporate governance reporting requirements as outlined in the Code and to guide the Board on the adoption of best practices.To review, advise, and make recommendations to the Board on matters related to ethics, remuneration, and Board and senior management nominations.To oversee the implementation of the Code of Conduct and promote ethical leadership and tone from the top.		
Focus Areas during the Year		
<ul style="list-style-type: none">Recommended Committee nominations for Board approval.Approved the FY24 Corporate Governance Report.Reviewed and proposed Board compositions for SUN and Riveo.Reviewed the outcomes of the Board Evaluation Exercise and follow-up action plan.Reviewed the succession plan for key leadership roles, including the CEO.Approved the remuneration of the Chief Commercial and Operations Officer.Reviewed and recommended performance bonuses, incentive schemes, and remuneration structures for employees and managers of SUN.Approved Phantom Share Scheme awards for FY24.Reviewed results from the Employee Engagement Survey.Approved the CEO’s performance bonus for FY24 and set the CEO’s objectives for FY25.		

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

BOARD COMMITTEES (cont'd)

Investment Committee		
Number of Meetings: 3	Members	Attendance
	Pierre Vaquier, <i>Chairperson</i>	2/3
	Jean-Pierre Dalais, <i>Member until 12 September 2024</i>	N/A
	Guillaume Dalais, <i>Member as from 12 September 2024</i>	3/3
	Francois Eynaud	3/3
	Vincent Ménéz	3/3
Main Terms of Reference <ul style="list-style-type: none">• Ensure alignment of investment and development strategies with the Group’s strategic objectives.• Provide a regular platform to debate and review investment strategy options and any proposed changes.• Assess potential investment and divestment opportunities available to the Group.• Ensure alignment between investment decisions and financing/treasury strategies.• Serve as a forum to review and discuss deal flow opportunities.		
Focus Areas during the Year <ul style="list-style-type: none">• Four Seasons Resort Mauritius at Anahita: Review of renovation budget and cost updates.• Ambre Resort: Assessment of the resort’s shareholding structure.• La Pirogue: Progress updates on the residential development project.• Shangri-La Le Touessrok: Strategic overview of ongoing and future property projects.• Long Beach real estate development partnership: Consideration of a new property development initiative.• Ile aux Cerfs Leisure Island: Review of the site’s master plan and eco-lodge development concept.		

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

BOARD COMMITTEES (cont'd)

Audit & Risk Committee		
Number of Meetings: 5	Members	Attendance
	Mushtaq N. Oosman, <i>Chairperson</i>	5/5
	L. J. Jérôme De Chasteauneuf	5/5
	Jean-Louis Savoye	3/5
	Naderasen P. Veerasamy, <i>member until 10 February 2025</i>	4/4
Main Terms of Reference <ul style="list-style-type: none">Review the quality, integrity, and transparency of the Group’s financial statements and related public disclosures.Evaluate significant accounting issues and judgements, as highlighted by internal and external auditors.Monitor the effectiveness and robustness of internal controls and risk management systems.Oversee the execution and performance of the internal audit function and ensure corrective actions are taken.Recommend the appointment, reconduction, or termination of internal and external auditors.Ensure continuous improvement in financial reporting and compliance practices.		

Focus Areas during the Year

- Reviewed the key audit matters for SUN and its subsidiaries for FY24.
- Reviewed Internal audit reports from Ernst & Young Limited (“EY”), as further detailed under the section Internal Audit.
- Approved the internal audit plan from EY for FY25.
- Reviewed the risk management and compliance report.
- Reviewed the new and ongoing material legal cases.
- Reviewed Deloitte Audit Fees for FY25.
- Discussed external audit plan for FY25 for SUN and its subsidiaries.
- Monitored the progress with respect to the IT framework of SUN.
- Reviewed the forecasts for FY25 including cash flow.
- Reviewed the audited accounts of SUN and its subsidiaries for the FY24 and the abridged version of these accounts.
- Reviewed the quarterly financial results with their respective abridged versions.
- Discussed the external audit plan for FY25 for SUN and its subsidiaries.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

CODE OF CONDUCT AND CONSTITUTION

SUN operates under a robust Code of Conduct, endorsed by the Board of Directors, which applies to all employees, officers, directors, and suppliers. This Code reflects the Group’s steadfast commitment to delivering exceptional service while conducting business with the highest standards of integrity, transparency, and accountability.

The Group’s Constitution is fully aligned with the provisions of the Companies Act 2001 and the Listing Rules of the SEM. At the time of reporting, there are no provisions within the Constitution which are considered material enough to warrant specific disclosure.

Both the Code of Conduct and the Constitution are reviewed periodically by the Board to ensure ongoing relevance and alignment with evolving regulatory and ethical expectations.

An enhanced version of the Code of Conduct was approved by the Board on 16 September 2025.

These documents are available for public consultation on SUN’s website.

GOVERNANCE WITHIN THE GROUP

In line with the Guidance for Groups under the Code, the ultimate holding company of a group is expected to apply all principles of the Code and provide appropriate explanations. Wholly owned subsidiaries, however, are exempt from this requirement.

As the holding company of the Group, SUN ensures strong governance oversight across its subsidiaries, considering the nature, scale, and complexity of the various risks to which SUN is exposed. The current governance framework is considered appropriate and effective in supporting SUN’s growth trajectory, increased operational complexity, and geographic expansion.

CONFLICT OF INTERESTS/RELATED PARTY TRANSACTIONS POLICY & SHARE DEALING POLICY

The Company discloses all related party transactions in its financial statements in accordance with applicable accounting standards and regulatory requirements. To reinforce transparency and ensure that decisions are made in the best interests of the Company, the Board has adopted a formal Conflict of Interest and Related Party Transactions Policy. This policy is designed not only to ensure compliance with statutory obligations, but also to protect officers from any perceived or actual impropriety.

As part of its governance framework, Directors are invited annually by the Company Secretary to declare any direct or indirect interests in existing or proposed transactions with the Company. These declarations are documented in a Register of Interests, maintained by the Company Secretary and available for shareholder inspection upon written request.

The Board also ensures that Directors’ dealings in the Company’s securities are conducted in strict adherence to the principles outlined in the Model Code for Securities Transactions by Directors of Listed Companies, as provided in Appendix 6 of the Listing Rules of the SEM. In support of this, the Board has approved a dedicated Share Dealing Policy, which offers clear procedural guidance to directors and officers on share transactions, with the objective of preventing any misuse of price-sensitive or insider information.

In accordance with this policy, Directors are strictly prohibited from dealing in the Company’s shares during close periods or when in possession of unpublished price-sensitive information.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

SUCCESSION PLANNING

The Board assumes its responsibility for succession planning which is a systematic effort and process of identifying and developing candidates for key leadership positions over time to ensure the continuity of management and leadership in an organisation. The objective of succession planning is to ensure that the organisation continues to operate successfully when individuals occupying critical positions and hard to replace competencies depart. As part of its terms of reference, the Corporate Governance, Ethics, Nomination & Remuneration Committee has reviewed the succession plan for key executives of the Group. Top 20 roles, the Senior Management team, were, in the first place identified to kick-start the succession planning process as part of a long-term initiative to prepare potential candidates. The job incumbents in the current Top 20 roles (except the new recruits) went through an evaluation exercise in view of assessing their potentials as well as understanding their ambitions to better address their personal/ career development plan. The outcome of this exercise has also been considered.

The following was also carried out:

- A Talent Management Review in collaboration with the General Managers in Business Units (for employees at Head of Department level); and
- A career chat with the Head of Departments, both to understand their ambitions and as career counselling. The output of this exercise was also considered in the identification of the successors.

The successors are identified in 4 categories, namely:

Emergency	The individual is ready to step into the role/job/ position in case of an emergency vacancy but may not be the most suitable successor long-term. Typically oversees role for 3-6 months pending permanent replacement.
Ready Now	This indicates that this employee was in the highest level of readiness and could transition into the role with minimal development.
Ready C+1	The employee would be ready for the role within the next two to three years and may include one additional role or assignment for development purposes.
Ready C+2	The employee will be ready for the role in 3 to 5 years and may include one or two additional roles or assignments for development purposes.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

REMUNERATION POLICY

SUN’s remuneration philosophy is underpinned by the principle of setting remuneration at an appropriate level to attract, retain, and motivate high-calibre talent, while aligning rewards with both individual and collective contributions to the achievement of the Company’s strategic objectives and overall performance. In determining remuneration, the Board considers prevailing market conditions, industry benchmarks, and the Company’s financial position.

Non-executive directors are compensated for the knowledge, experience, and strategic oversight they contribute to the Board and its Committees. Directors’ fees are submitted for Board approval, based on the recommendations of the CGENRC.

REMUNERATION OF THE DIRECTORS

The following table depicts the fees paid to Non-Executive Directors for their involvement during the year under review.

Non-Executive Directors (all in Rs)	Board Fees	Audit & Risk Committee Fees	Corporate Governance, Ethics, Nomination & Remuneration Committee Fees	Investment Committee Fees	Total Fees
Jean-Pierre Dalais	150,000	NIL	187,500	NIL	337,500
P. Arnaud Dalais (Pro-rated until dated of resignation)	87,500	NIL	72,917	NIL	160,417
R. Thierry Dalais	150,000	NIL	NIL	NIL	150,000
Hélène Echevin	150,000	NIL	NIL	NIL	150,000
J. Harold Mayer	150,000	NIL	NIL	NIL	150,000
Mushtaq N. Oosman	200,000	440,000	125,000	NIL	765,000
Vincent Ménéz Note 2	150,000	NIL	125,000	NIL	275,000
Jean-Louis Savoye Note 2	150,000	175,000	NIL	NIL	325,000
Pierre Vaquier	200,000	NIL	NIL	350,000	550,000
Naderasen Pillay Veerasamy (Pro-rated until dated of resignation)	87,500	102,083	160,417	NIL	350,000

Note 1: Messrs. Guillaume Dalais and L. J. Jérôme De Chasteauneuf are remunerated by CIEL Corporate Services Ltd (“CCS”), which holds a service agreement with SUN for the provision of strategic support & Group strategy harmonisation, legal, company secretarial and payroll services. They therefore do not perceive Board and Committee fees from SUN.

Note 2: Payment to Di Cirne HLT Ltd.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

REMUNERATION OF THE DIRECTORS (cont'd)

The remuneration and benefits payable for the financial year ended 30 June 2025 to the Executive Directors, namely, Mr. Francois Eynaud, CEO and Mr. Tommy Wong Yun Shing, Chief Finance Officer, are made up of the following components: a basic salary representing an average of 38% of the remuneration, a performance bonus representing 53% of same and the difference of 9% comprised pension contributions and other benefits. The total amount payable of Rs. 77.3M, is split between the CEO and the CFO 60% and 40% respectively.

To retain and reward its executives while strengthening the mutuality of interests between the latter and the Company, executive directors are entitled to a long-term incentive plan, the details of which are included under note 21(b) of the financial statements.

Non-executive directors have not received remuneration in the form of share options or bonuses associated with the Company's performance.

None of the Directors of SUN received remuneration from subsidiaries of the Company.

In addition to directors' fees payable by SUN, Directors are encouraged to experience the *Sunlife* resorts and quality standards and provide feedback to management. They receive an annual hotel allowance (complimentary room nights and discounts on certain benefits in *Sunlife* resorts, subject to availability) and golf allowance. Unused allocations during the year are not carried forward to the following year.

BOARD EVALUATION

As part of its commitment to continuous improvement and high standards of governance, SUN undertook a formal Board Effectiveness Survey in July 2024. The survey was conducted by Grant Thornton, in association with Board Benchmarking, an internationally recognised consultancy specialising in board performance assessments.

The results were analysed by the CGENRC on 09 September 2024 and presented to the Board at its meeting held on 12 September 2024. The evaluation benchmarked SUN's performance against comparable boards across key dimensions of effectiveness. The findings confirmed that there has been a good improvement from the June 2022 survey, with 14 of the 20 Board effectiveness factors now being rated as more effective than other Boards and none in the bottom quartile.

For the first time, the scope of the 2024 review also included a targeted evaluation of the Audit & Risk Committee and the CGENRC. The insights gained enabled the formulation of specific recommendations to further enhance the effectiveness and efficiency of committee meetings.

An action plan addressing the identified areas for improvement was submitted to the CGENRC on 03 February 2025.

The Board is of the view that such independent evaluations contribute meaningfully to governance enhancement and has resolved to carry out this exercise on a biennial basis.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

A liability insurance cover for directors and officers has been subscribed for by SUN and its subsidiaries, as part of the CIEL Group insurance cover.



REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

AUDIT & RISK OVERSIGHT AND EFFECTIVENESS

RISK GOVERNANCE AND RISK MANAGEMENT FRAMEWORK OVERVIEW

SUN’S APPROACH

SUN’s extensive risk management structure and practices enable its businesses to make well-informed choices by outlining both acceptable and unacceptable risks. It implements procedures and internal checks to evaluate these risks and keep them within tolerable levels. SUN’s Risk Management Framework underpins its risk management activities that pre-emptively identify potential hindrances to customer satisfaction and reinforce its ability to withstand external challenges.

RISK GOVERNANCE

Risk Governance and Risk Management

At SUN, robust risk governance is integral to protecting stakeholder value, ensuring operational resilience, and supporting long-term strategic goals. The approach to risk management is grounded in clear accountability, transparent oversight, and continuous improvement, empowering the business to operate confidently in an evolving risk landscape.

Board Oversight and Governance Structure

The Board holds ultimate responsibility for risk governance. It is supported by the ARC, which provides structured oversight of risk-related matters and ensures the effective implementation of SUN’s Risk Management Framework across all levels of the organisation.

Audit & Risk Committee Role

Risk is a standing item on the ARC’s quarterly agenda. The committee:

- Reviews updated risk heat maps and registers at both Group and business unit levels
- Tracks movements in inherent and residual risk scores
- Evaluates emerging risks and management’s proposed mitigation responses
- Monitors the implementation status of corrective actions and controls

This process ensures that risks remain within defined tolerance thresholds and that remedial measures are timely and effective.

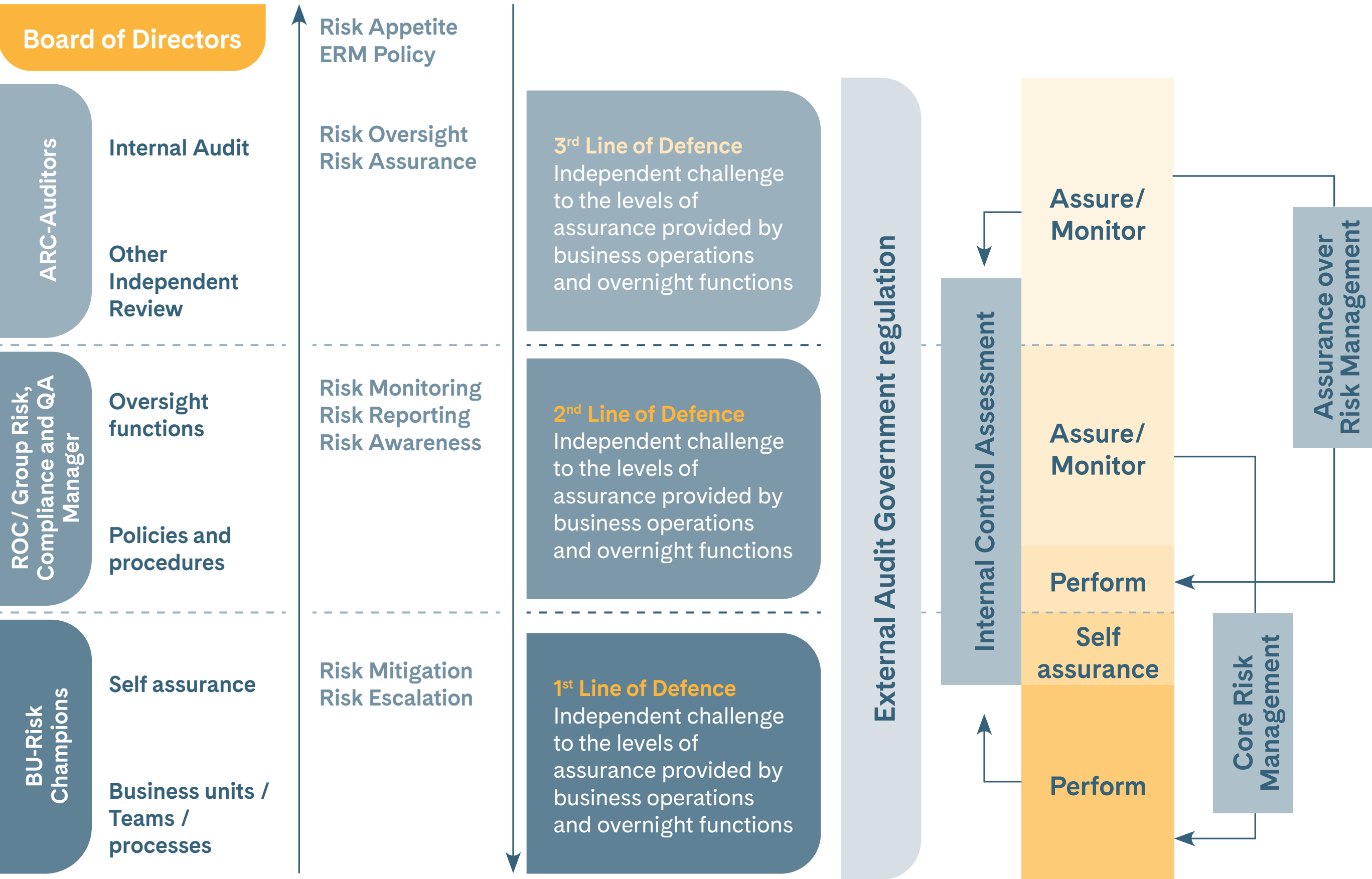
Risk Management Framework

SUN operates a comprehensive Risk Management Framework that supports the proactive identification, assessment, and management of strategic, operational, financial, and compliance risks. The Framework is underpinned by clearly defined roles, escalation protocols, and governance policies.



REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

RISK GOVERNANCE (cont'd)



SUN's Three Lines of Defence Approach

Three Lines of Defence Model

First Line: Operational teams identify, assess, and manage risks within their specific areas of operation, implementing controls and mitigating actions as needed.

Second Line: The Risk, Compliance & Quality Assurance function develops policies, monitors adherence and provide oversight.

Third Line: Internal Audit provides independent objective assurance on the effectiveness of the overall risk management system.

Independent Assurance & Continuous Monitoring

Periodic internal audits mandated by the ARC assess the maturity and effectiveness of risk practices. Recommendations are tracked to closure, ensuring accountability and sustained improvement.

Enhanced Risk Visibility and Reporting

In FY25, a risk voting exercise was conducted and updated risk dashboards were deployed across business units to improve transparency, timeliness, and access to critical risk information.

Risk Management Methodology

SUN identifies and ranks its risks through an annual structured process facilitated by the Risk, Compliance & Quality Assurance Team, involving both senior and middle management. This incorporates:

- **Bottom-up** assessments at business unit and departmental levels
- **Top-down** assessments at Group level

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

RISK GOVERNANCE (cont'd)

Risks are prioritised using the following impact-likelihood matrix:

		Likelihood				
		1 Rare	2 Unlikely	3 Possible	4 Likely	5 Expected
Impact	5 Catastrophic	5	10	15	20	25
	4 Major	4	8	12	16	20
	3 Moderate	3	6	9	12	15
	2 Minor	2	4	6	8	10
	1 Insignificant	1	2	3	4	5

Result			
Low	Medium	High	Critical
1 to 4	5 to 9	10 to 19	20 to 25

A scoring is applied to the effectiveness of existing controls using the following protocol:

Score	Rating	Occurrence in Future
1	Low	Urgent need to mitigate - controls are weak.
1.5	Low-Medium	Controls not strong enough - recurrence may occur.
2	Medium	Controls address part of the risks - short term improvements needed.
2.5	Medium-High	Controls most of the risk - medium term reinforcement desirable.
3	High	Controls are sufficient to prevent the occurrence of the risk.

The involvement of the entire management team in this risk assessment exercise assists in ensuring the broadest set of perspectives is captured, thereby delivering a balanced view of risks and controls.

This approach allows SUN to understand both the inherent risks (being risks before controls operate) and the residual risks (being risks that are left after controls have operated) it is exposed to. This in turn allows it to determine any additional actions it needs to take to further mitigate risks to within tolerable levels.

The outcome of the above annual exercise is documented in risk heat maps and detailed risk registers at the resort and group levels. These serve as inputs not only for management decisions, but for budgeting purposes to ensure that resources are allocated to remedial actions needed to contain risks within tolerable levels and in line with SUN’s strategic objectives.

The Risk Compliance and Quality Assurance Team reviews and updates the risk heat maps and detailed risk registers quarterly to reflect changes in the risk universe and effectiveness of the controls.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

RISK GOVERNANCE (cont'd)

Key Risk Areas

SUN’s current risk landscape includes areas such as business continuity, financial control, cyber and information security, regulatory compliance, and third-party dependency. These are monitored regularly and updated based on internal reviews and external developments.

Inherent Risk	Risk Description	Mitigating
IR01 Climate Change: Disruption in water supply	Water shortage could disrupt operations, cause customer dissatisfaction and harm the brand reputation.	<ul style="list-style-type: none">• Water control strategies and saving initiatives.• Representation with CWA for increased supply.• Desalination plant at Long Beach serving Ambre.
IR02 Climate Change: Natural Disasters	Severe weather (cyclones, droughts, floods, beach erosion) may damage infrastructure, disrupt operations and reduce destination’s appeal.	<ul style="list-style-type: none">• Preparedness plans.• Insurance covering losses that may result from natural disasters.• Regular fire, tsunami and cyclone drills• Capex projects addressing beach erosion.• Business continuity plans.

Inherent Risk	Risk Description	Mitigating
IR03 Compliance	Non-compliance with environmental, Occupational Safety and Health, food and data protection legislations could lead to penalties and reputation harm.	<ul style="list-style-type: none">• Policies and controls.• Regular compliance assessment by outside independent/third parties.• Monitoring of identified remedial actions until closure.• Regular training of associates.• Monitoring legislation changes.• Action plans for implementation.
IR04 Cyber threat	Lack of adequate cybersecurity and crisis recovery could lead to financial and reputational loss.	<ul style="list-style-type: none">• Cybersecurity investments in appropriate tools/solutions.• Cybercity related policies and framework in place.• Regular independent IT security plans.• Staff awareness programmes.• Adherence to cybersecurity roadmap.• Robust business continuity plan.
IR05 Digital Transformation	Weakness in project execution could impact success and sustainability of transformation initiatives.	<ul style="list-style-type: none">• Digital and IT forum.• Change management.• Adoption of trust by design principles.• Digital Roadmap.• Dedicated project management team.• External consultant support.• Continuous monitoring and optimisation.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

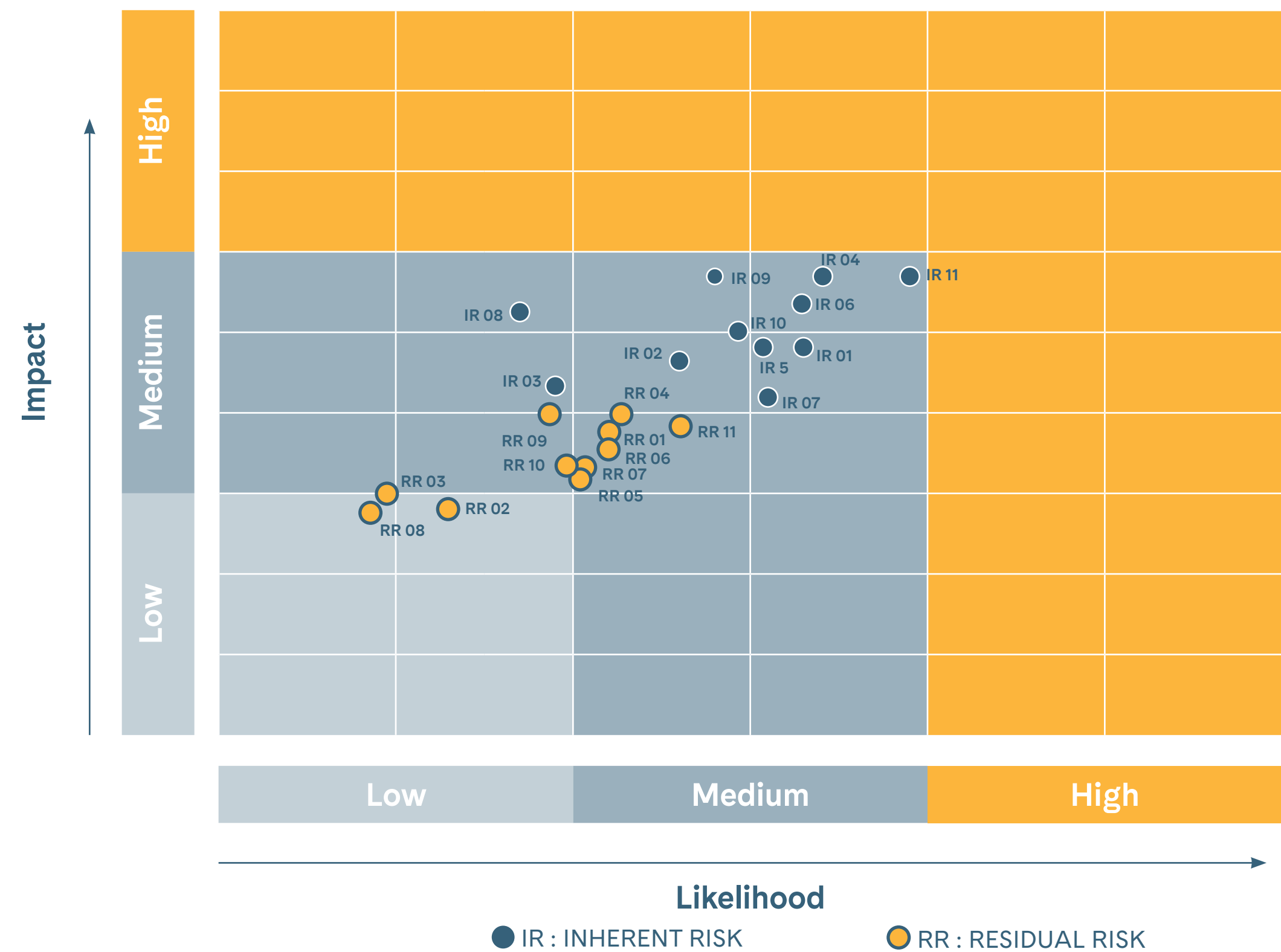
RISK GOVERNANCE (cont'd)

Inherent Risk	Risk Description	Mitigating
IR06 Disruption in electricity supply	CEB inability to meet demand could disrupt operations and harm reputation.	<ul style="list-style-type: none">• Backup generators.• Preventive maintenance programme.• Optimisation of peak usage.
IR07 Foreign Exchange	Currency fluctuations could affect financial performance.	<ul style="list-style-type: none">• Hedging strategies per Treasury policy.• Matching liabilities and revenues in same currency.
IR08 Geopolitical Instability	Conflicts, sanctions, or trade restrictions could disrupt travel patterns and operations.	<ul style="list-style-type: none">• Close monitoring of geopolitical situation, with focus on countries that represent Sunlife’s key source markets.• Scenario planning and stress testing.• Adaptive business strategies.• Culture of agility for rapid operational decision-making.

Inherent Risk	Risk Description	Mitigating
IR09 Market Concentration	Heavy reliance on UK, France, Germany could affect performance if these markets decline.	<ul style="list-style-type: none">• B2C platform development.• Secondary market growth.• Regional tourism promotion.• New guest experiences for diverse markets.
IR10 Supply Chain	Global conflicts could delay or increase cost of imports, affecting service quality and profitability.	<ul style="list-style-type: none">• Alternative sourcing.• Local procurement.• Product/process re-engineering.• Innovation in offerings.
IR11 Talent Management	Inability to attract, develop, and retain talent could disrupt operations and guest service.	<ul style="list-style-type: none">• Investment in training and upskilling.• Comprehensive onboarding.• Recruitment strategy aligned to needs.• Updated grooming policy.• Foreign labour recruitment.• Implementation of Employee Value Proposition.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

RISK GOVERNANCE (cont'd)



SUN remains focused on growth opportunities that align with its long-term strategy and commitment to sustainability, guest excellence, and value creation:

- **Sustainable Hospitality Leadership:** Leverage sustainability roadmap, green certifications, and eco-conscious guest experiences to capture demand for responsible tourism.
- **Diversification of Source Markets:** Reduce reliance on traditional European markets via targeted marketing and strategic partnerships in Africa, the Middle East, and Asia.
- **Acceleration of Digital Transformation:** Deploy digital platforms, CRM systems, and automation tools and AI to enhance service delivery, personalise guest engagement, and improve operational efficiency.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

EXTERNAL AUDITOR

In accordance with the provisions of the Financial Reporting Act 2004 and the Code, which require the rotation of external auditors every seven (7) years for listed entities, CIEL Limited (SUN's shareholder) has appointed Deloitte as its group external auditor effective as from the financial year 2025. Pursuant to this group-level appointment, Deloitte was formally appointed as SUN's external auditor at the annual meeting of shareholders held on 06 December 2024.

Audit and financial reporting matters of the Group are discussed from a groupwide perspective at the level of the ARC in the presence of the external auditor. A rounded approach is used by determining the effectiveness of the external auditor which focuses on the audit plan and scope, discussion of significant audit risks and accounting issues and how the external auditor provided the required assurances to the Board for the latter to discharge its duties effectively. Feedback from management on the quality of the audit process is also gathered to appraise the external auditor.

The Board is therefore comforted that its ARC has discussed critical accounting policies, judgments and estimates with the external auditor in relation to the preparation of the audited financial statements for the year ended 30 June 2025.

The ARC generally meets with the external auditor without management being present.

Fees payable by SUN to external auditors for the year ended 30 June 2025 for audit and non-audit services are disclosed under Other Statutory Disclosures.

Non-audit services may also be availed from the external auditor as and when required and shall not impede on its objectivity and independence since these services are permitted services.

INTERNAL AUDIT

The Internal audit function provides independent assurance to the Board and other key stakeholders over the adequacy and effectiveness of the Company's system of internal controls, the governance model, and the Enterprise-wide Risk Management Framework. EY has served as the Company's internal auditor for two mandates, the latest concluded on 30 June 2024. The Company has extended EY's engagement for three additional years.

EY conducts risk based internal audit reviews at both operational and corporate level as per an agreed audit plan and reports systematically to the ARC. Plans and tools for corrective actions and improvements are identified with the management team to address any shortfalls arising from the audit findings.

To ensure that the internal auditor remains independent and sufficiently objective, and meets its responsibilities, the internal audit team reports functionally to the ARC and administratively to the management team of SUN. The internal auditors have unrestricted access to the Company's records and information, its employees and the management team as required, to enable them to deliver effectively.

The internal auditor also conducts follow-up reviews on those audit exercises conducted to ensure that the necessary remedial action points have been duly implemented. In addition to areas covered by the annual internal audit plan, the ARC may request the internal auditors to review other areas it requires insights on.

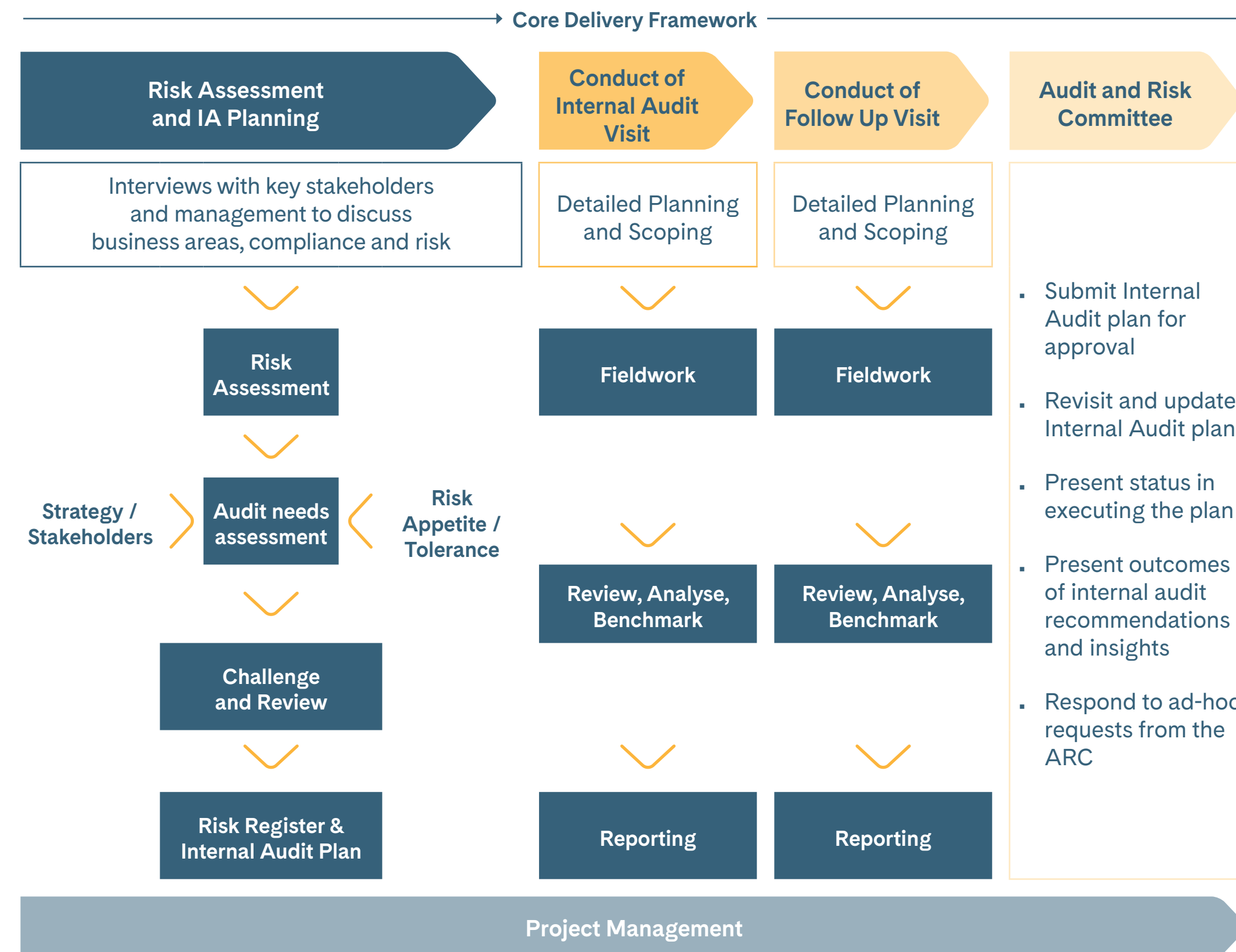
REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

INTERNAL AUDIT (cont'd)

The internal audit function adds value to SUN by helping management answer the following key questions related to the areas reviewed by the internal auditors:

- What risks are we exposed to?
- How effective are our controls in containing the key risks?
- What are the root causes of the control gaps observed?
- What do we need to do to better contain these risks?
- How can we make better use of what we have?
- How can we do things better?
- How can we build resilience?
- How do we compare ourselves to others?
- What are the leading practices we could adopt?

The framework adopted by the internal audit function is summarised as below:



Preparation of the internal audit plan involves conducting a risk assessment exercise at Group and entity level to identify and rank the main risks they are exposed to, and thereby identify what areas need to be audited and in what order of priority. Highly ranked risks that have corresponding auditable controls are typically prioritised for being audited. This exercise involves collaboration amongst the members of the ARC, the internal audit function and management to draw out consensus on those material risks areas that warrant attention from the internal auditors.

The internal audit function typically executes its internal audit assignments through the following 5 main phases consistent with its methodology, which is simultaneously aligned to the Institute of Internal Auditors (IIA) standards and leading internal audit practices.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

INTERNAL AUDIT (cont'd)

	1.  Plan and Scope	2.  Conduct Fieldwork	3.  Review Findings	4.  Issue Report	5.  Conduct Follow Up
Approach	<ul style="list-style-type: none">• Meet with appointed contact person to agree on audit project scope, objective and communication protocols• Confirm appropriate resources required to execute the audit program• Agree audit timelines	<ul style="list-style-type: none">• Conduct understanding interviews and review key business documentation• Formulate audit programs including risk and control matrices (RACM)• Assess the design of controls through interviews with relevant personnel, review of process documentation and ‘walkthrough’ of the control• Assess the effectiveness of controls in operation via execution of the test work program	<ul style="list-style-type: none">• Review and analyse findings from fieldwork conducted• For issues identified, perform root cause analysis and impact analysis to understand the materiality and ‘why’ the issue has occurred• Identify any compensating controls associated with the preliminary findings• Draft the report in a pre-agreed format and structure• Submit draft report to management for preliminary comments and validation	<ul style="list-style-type: none">• Close comments and agree with management on content of draft report• Collect management comments and remediation actions, and include these in the internal audit report• Finalise the report and release	<ul style="list-style-type: none">• Agree with management timing for follow up audits• Agree which remediation actions have been implemented to date and plan to independently confirm that these are operating effectively• Interview relevant management for status update inquiry and determine required test• Verify that action plans for each finding have been implemented• Verify reasons for failing to implement any action plans and recommend way forward to close out any remaining issues
Deliverables	<ul style="list-style-type: none">▪ Mobilize the project team and assign roles▪ Confirmed scope and objectives▪ Project schedule, plan and timelines	<ul style="list-style-type: none">▪ Audit program including RACM▪ Audit Working Papers and supporting documents	<ul style="list-style-type: none">▪ Preliminary List of Issues▪ Draft Audit Report	<ul style="list-style-type: none">▪ Final Audit Report including management actions	<ul style="list-style-type: none">▪ Follow-up Report including the status for each action plan within the issued reports

←———— Continuous project management and status updates as agreed in communication protocol —————→

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

INTERNAL AUDIT (cont'd)

Remedial actions to address findings are identified with the relevant management teams, who assign responsibility and a deadline to each action to enforce accountability for remediating these gaps. The internal auditor also conducts desktop follow-up reviews on those audit exercises conducted to ensure that the necessary remedial actions have been duly and effectively implemented.

EY has a specialist team of internal auditors in Mauritius who are part of a larger multi-disciplinary consulting team, which it leverages to ensure that the internal audits conducted at SUN are resourced with the appropriate mix of experience, knowledge and skills. Members of this team are university graduates who hold recognised international qualifications in their respective fields (e.g., ACCA, Institute of Chartered Accountants of England & Wales, Certified Internal Auditors (CIA), Certified Information Systems Auditor (CISA), Certified in Risk and Information Systems Control (CRISC)). This team can advise SUN on improvements needed, and share leading practices based on first-hand experience of working across many geographies for EY clients. Members of this specialist team are continuously trained in leading practices related to internal audit.

EY maintains the independence and objectivity of its staff who are part of the internal audit team through strict EY independence related policies that apply to all staff, regular training and awareness raising on these subjects, as well as regular verification of the compliance of partners and executives with EY independence related policies.

As introduced in 2022, the internal auditor has maintained surprise spot checks in its audit plan for the current financial year to assess the extent to which control owners were operating baseline controls effectively following a lengthy period of relative inactivity due to closed borders and pandemic related lockdowns.

The following audit reviews were conducted and analysed at the ARC meetings during the year under review:

1. La Pirogue Resort: Overtime review.
2. Sugar Beach Resort: Overtime review/ Linen review/ F&B review/ OPEX review.
3. Ambre Resort: Inventory spot check/ Spot check review.
4. Long Beach Resort: Inventory spot check.
5. Sunlife Hotel Management Ltd: Payroll and Bonus Data review/ Follow-up of payroll and bonus report.



REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

RELATIONS WITH SHAREHOLDERS, STAKEHOLDERS, SUSTAINABILITY AND INCLUSIVENESS

SHAREHOLDING STRUCTURE

Issued share capital as at 30 June 2025: 194,545,072 no par value ordinary shares, including 20,181,046 treasury shares.

SUBSTANTIAL SHAREHOLDERS OF SUN

Shareholders holding more than 5% of the stated capital of SUN as at 30 June 2025 were:

Name of Shareholder	Number of Shares Owned	% Holding
CIEL Limited	87,387,690	50.12
Di Cirne HLT Ltd	30,558,768	17.53

COMMON DIRECTORS WITHIN THE HOLDING STRUCTURE

Directors of SUN	CIEL Limited	Di Cirne HLT Ltd
Jean-Pierre Dalais	√*	
Guillaume Dalais	√	
R. Thierry Dalais	√	
L. J. Jérôme De Chasteauneuf	√	
J. Harold Mayer	√	
Vincent Ménez		Nominee
Jean-Louis Savoye		√

*Chairperson of the Board

SHARES IN PUBLIC HANDS

In accordance with the Listing Rules of the SEM, more than 25% of the shareholding of SUN is in the hands of the public.

SHAREHOLDERS' AGREEMENTS

CIEL Limited, Dentressangle Initiatives SAS and Di Cirne HLT Ltd have entered into a shareholders' agreement to regulate their respective rights and obligations in respect of their shareholdings in SUN (usual reserved matters, dividend policy, governance, exit clauses and mechanism).

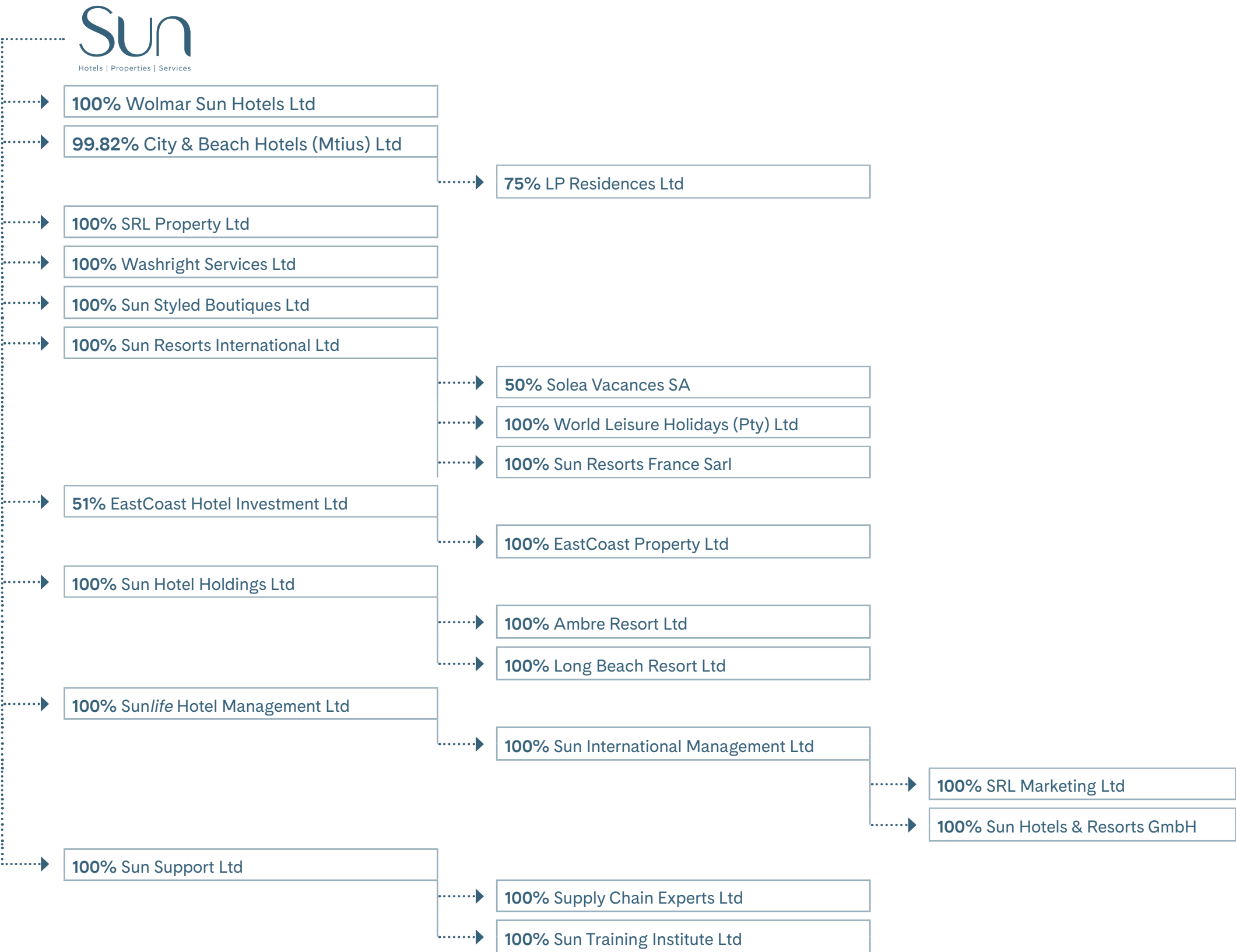
RELATED PARTY AGREEMENTS

- SUN holds an agreement with CCS (a subsidiary of CIEL Limited) for the provision of strategic support & group strategy harmonisation, legal and company secretarial to the companies of the Group. Rs. 21.4M was paid to CCS for the financial year. This fee also covers the time allocation dedicated to SUN by executive directors of CIEL, who are currently employed by CCS.
- SUN holds a treasury agreement with Azur Financial Services Ltd (a subsidiary of CIEL Limited) for the provision of cash management services, treasury advisory services and foreign exchange & money market brokerage services to the Group. SUN pays a fixed monthly fee for the cash management together with a variable fee, based on the volume of intercompany transactions processed by Azur Financial Services Ltd for SUN. Rs. 3.2M was paid to Azur Financial Services Ltd for the financial year.



REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

GROUP STRUCTURE AS AT 30 JUNE 2025



Note: Following the Restructuring, the ownership of Riveo Hospitality Ltd (formerly known as Anahita Hotel Limited and trading as Four Seasons Resort Mauritius at Anahita), SRL Touessrok Hotel Ltd and Loisirs des Iles Ltée trading as Ile aux Cerfs Leisure Island, were transferred to Riveo Limited.

SHAREHOLDERS’ INFORMATION AND CALENDAR OF EVENTS

Event	Month
Publication of first quarter results to 30 September	October/November
Annual Meeting of shareholders	December
Publication of half-yearly results to 31 December	February
Publication of third-quarter results to 31 March	May
Publication of end-of-year results	September

During the financial year, shareholders were convened at the annual meeting on 06 December 2024. The notices, including the agenda, were published in the press, in line with statutory requirements. The resolutions submitted to the approval of the shareholders were all approved by the requisite majority.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

KEY STAKEHOLDERS

SUN is committed to engage actively with its stakeholders to meet their expectations and interests in an effective and efficient manner. SUN’s key stakeholders and the way it has responded to their expectations are described in the following table:

Shareholders	SUN communicates to its shareholders through its annual report, annual meeting of shareholders (“AMS”), press announcements, publication of unaudited quarterly, audited abridged financial statements and its website hosted at https://www.yoursunlife.com . The Company’s AMS remains foremost the ideal platform for shareholders to interact with Board members and the management team on matters pertaining to SUN and its performance. Shareholders are strongly encouraged to attend the AMS to remain updated on SUN’s initiatives/projects and goals. Notices of shareholders’ meetings are posted/mailed to the shareholders within 21 days of holding the meetings and include the resolutions to be transacted at the said meetings. Notices are also posted on SUN’s website by virtue of Listing Rule 11.16 and Rule 14(a) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007. The minutes of proceedings of the last AMS are available for inspection by the shareholders who may also opt for a copy by written request to the Company Secretary, CIEL Corporate Services Ltd, 5 th Floor, Ebène Skies, Rue de l’Institut, Ebène.
Financial Partners	Communication with financial institutions and the financial community in general usually takes places through investor meetings on a semi-annual basis following the publication of the quarterly abridged results. The main recurring topic of discussion is financial performance.
Regulators	SUN’s business activities are conditional on regulatory requirements meaning that regulators have a high level of influence and interest in the Company’s operations. The Company ensures that it complies with regulatory provisions and guidelines in the conduct of its activities.
Employees of the Group	SUN recognises that its workforce is key to its performance and development. During the year, an employee engagement survey has been launched within specific clusters of the Group which provides the basis for improvements in some areas.

DIVIDEND

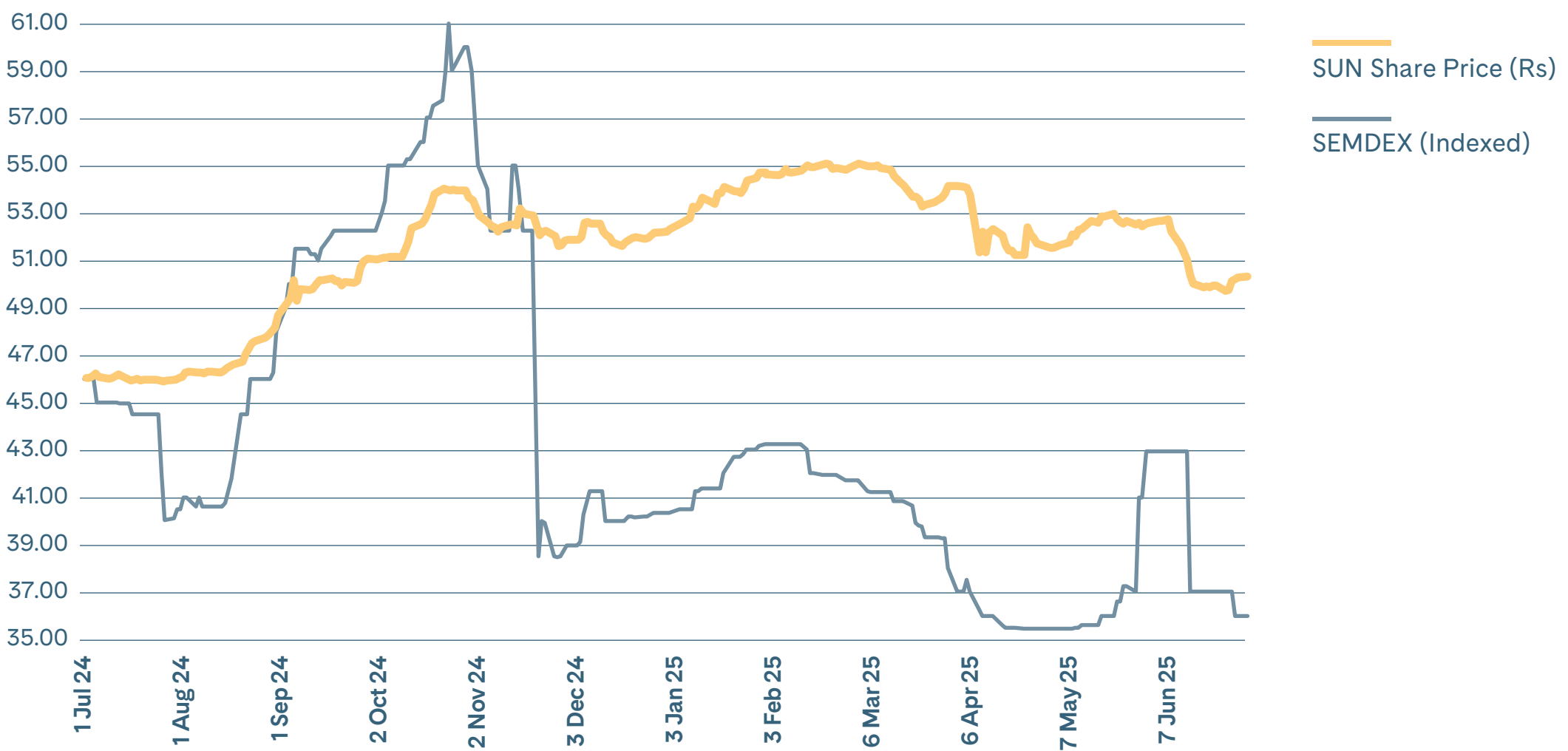
On 26 May 2025, SUN declared a dividend of Rs. 2.60 (2024: Rs. 2.50) per ordinary share to all shareholders registered at close of business on 12 June 2025, in respect of the financial year ended 30 June 2025.

SHARE PRICE INFORMATION

SUN’s share price versus SEMDEX - indexed on share price of Rs. 46.00 on 1 July 2024

Subsequent to SUN’s Restructuring, the shares of Riveo were successfully listed on the Official Market of the SEM on 25 November 2024 at a trading price of Rs. 24.65 per share. Shares of SUN were therefore adjusted accordingly and traded ex-dividend on 18 November 2024. Shares of SUN were traded ex-dividend on 10 June 2025 following the dividend declaration of Rs. 2.60 per share.

SUN Share Price versus SEMDEX (indexed on SUN Share Price)



REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

INFORMATION, INFORMATION TECHNOLOGY AND INFORMATION SECURITY GOVERNANCE

Board Information: The Chairman, with the assistance of the company secretary, ensures that directors receive the necessary information for them to perform their duties and that the Board has sufficient time for consultation and decision-making. The use of an online board portal facilitates this process.

Information Technology Policy: There are formalised Information Technology and Information Security Policies in place currently at SUN. An IT Steering Committee (“ITSC”) composed of representatives of management ensures that companies within the Group participate in critical information technology decision-making which are based on organisational goals. The ITSC meets at the digital and IT Forum on a yearly basis, at which major information technology investments are considered for approval. A budget for information technology is allocated annually, based on business needs for the financial year. A clear process has been determined to drive information technology projects from start to end, while adopting a cost/time effective approach.

Data Protection: SUN is committed in protecting the privacy, confidentiality and security of personal information of individuals and it is critical for it to maintain the trust of its employees, customers, service providers, partners and all relevant stakeholders. SUN has therefore implemented a Data Privacy Policy (the “Policy”) to ensure that all personal information which it processes is protected in accordance with the Mauritius Data Protection Act and any other applicable laws and regulations. The Policy ensures that SUN manages data privacy risks, maintains and continuously improves its data privacy culture and promotes the safeguarding of personal information. It also aims to guarantee that SUN processes personal information in a lawful and reasonable manner, thus ensuring that SUN is protected from reputational damage, fines and penalties. SUN has published on its website a Privacy Notice which details how it collects and processes personal information.

DIRECTORS’ INTERESTS IN THE SHAREHOLDING OF THE COMPANY AS AT 30 JUNE 2025

	Direct Number of Ordinary Shares	Indirect Number of Ordinary Shares
Guillaume Dalais	Nil	Nil
Jean-Pierre Dalais	192,301	222,966
R. Thierry Dalais	Nil	Nil
L. J. Jérôme De Chasteauneuf	Nil	Nil
Hélène Echevin	Nil	33,200
Francois Eynaud	3,915	Nil
J. Harold Mayer	349,829	Nil
Vincent Ménez	Nil	Nil
Mushtaq N. Oosman	Nil	Nil
Jean-Louis Savoye	Nil	Nil
Pierre Vaquier	Nil	Nil
Tommy Wong Yun Shing (Note 1)	237,500	133,328
Transactions during FY2025	Number of Ordinary Shares Acquired/ (Disposed of) Directly	Number of Ordinary Shares Acquired/ (Disposed of) Indirectly
Hélène Echevin	-	(18,000)

Note 1: 237,500 ordinary shares held under an Executive Share Scheme, pledged in favour of SUN

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

SUSTAINABILITY

Corporate Governance & Strategic Oversight

At SUN, sustainability governance is not a standalone function. It is an integrated strategic priority embedded in how the Group creates value, builds trust, and delivers on its brand promise: *“For a World Where Kindness Shines.”*

ESG Accountability and Governance Integration

In 2025, SUN continued to mature its governance systems to ensure that sustainability remains a shared responsibility across all business units. The Sustainability Core Team works closely with operational leaders to embed ESG performance into day-to-day management and decision-making. This is supported by property-level implementation working groups, which drive initiatives across the company’s three strategic pillars: Climate Action, Inclusive Growth, and A Vibrant Workforce. This coordinated approach ensures strong alignment with operational realities while advancing SUN’s long-term sustainability ambitions.

Alignment with CIEL Group’s ESG Priority KPIs

SUN’s sustainability agenda is guided by the CIEL Group’s 17 ESG Priority KPIs, which span a comprehensive set of goals across environmental stewardship, ethical conduct, and inclusive development. Among the key targets:

- **Energy and Climate:** Transitioning toward 60% renewable energy by 2028 and 80% by 2030
- **Value Chains:** Ensuring environmental and social responsibility in supplier relationships
- **Biodiversity:** Expanding ecological restoration and conservation efforts
- **Community Empowerment:** Supporting long-term social investment at the cluster level
- **Workforce Equity:** Promoting gender balance, inclusive recruitment, and zero tolerance for misconduct

By aligning with this group-wide performance architecture, SUN ensures that its sustainability outcomes are not only locally impactful but also regionally harmonized and globally relevant.

Policy Integration and Sustainability Standards

Robust policies and external certifications support governance maturity across the business. In FY2025, SUN maintained:

- EarthCheck Gold Certification at Sugar Beach, Long Beach, and La Pirogue
- EarthCheck Silver Certification at Ambre
- Active compliance with Travelife and the Code, reinforcing commitments to responsible tourism and the protection of children

Emissions Monitoring and ESG Data Systems

Digital platforms underpin SUN’s transparency and reporting capabilities. The UL360 ESG system provides real-time tracking of operational metrics, including Scope 1 and 2 greenhouse gas (GHG) emissions. To enhance value chain visibility, SUN started Scope 3 emissions mapping.

REPORT ON CORPORATE GOVERNANCE – FINANCIAL YEAR ENDED 30 JUNE 2025

Biodiversity Leadership and External Partnerships

In 2025, SUN was formally selected for the CAP Business Biodiversity Coaching Programme, part of the regional Business for Biodiversity (B4B) initiative led by Cap Business Océan Indien. This 15-month programme supports the integration of biodiversity priorities into corporate strategy through diagnostics, action planning, expert coaching, and team capacity building.

Participation in this initiative reflects SUN's leadership in regenerative tourism and its commitment to protecting the natural ecosystems on which its brand and operations depend.

Strategic Integration and Governance in Practice

Sustainability is regularly discussed at leadership forums and is fully embedded within SUN's strategic framework, which links ESG outcomes with operational excellence, guest experience, innovation, and long-term enterprise value. This integrated approach ensures sustainability remains both a business driver and a purpose anchor, enabling continuous improvement and board-level visibility.

Forward Outlook

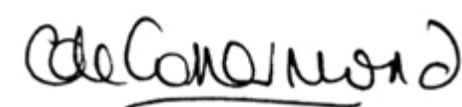
Looking ahead, SUN will continue strengthening its governance framework to meet evolving stakeholder expectations and international disclosure norms. Priorities include deeper integration of ESG into enterprise-wide KPIs and broader biodiversity performance tracking.

Through disciplined governance, collaborative partnerships, and a forward-looking strategy, SUN aims to lead the Indian Ocean region in responsible and regenerative hospitality.

This report has been approved by the Board upon recommendation of the Corporate Governance, Ethics, Nomination & Remuneration Committee.



Guillaume Dalais
Chairperson of the Board



Clothilde de Comarmond, ACG
Group Company Secretary
For and on behalf of CIEL Corporate Services Ltd

16 September 2025



Mushtaq N. Oosman
Chairperson of the Audit & Risk Committee
Member of the Corporate Governance, Ethics,
Nomination & Remuneration Committee

OTHER STATUTORY DISCLOSURES

(Section 221 of the Mauritius Companies Act 2001)

DIRECTORS’ SERVICE CONTRACTS

The Chief Executive Officer and Chief Finance Officer hold service contracts with SUN without expiry date.

CONTRACT OF SIGNIFICANCE

To the best of SUN’s knowledge, there was no contract of significance subsisting during the year to which SUN or its subsidiaries was a party and in which a Director was materially interested, either directly or indirectly.

SHAREHOLDING PROFILE

Ownership by Size of Shareholding	Ordinary Shares		
	Shareholder Count	Number of Shares	Percentage Held
1 - 500	8,014	1,164,703	0.6680
501 - 1,000	1,326	942,522	0.5405
1,001 - 5,000	1,378	3,046,906	1.7474
5,001 - 10,000	302	2,094,282	1.2011
10,001 - 50,000	324	6,733,238	3.8616
50,001 - 100,000	49	3,336,249	1.9134
100,001 - 250,000	39	6,608,069	3.4801
250,001 - 500,000	10	3,328,476	1.9089
Over 500,001	17	147,649,581	84.6789
Total	11,459	174,364,026	100
Ownership by Category of Shareholding	Ordinary Shares		
	Shareholder Count	Number of Shares	Percentage Held
Individuals	10,871	14,700,053	8.4307
Insurance and Assurance companies	19	9,277,304	5.3207
Investments and Trust companies	32	2,087,529	1.1972
Pensions and Provident funds	73	22,988,195	13.1840
Other Corporate Bodies	474	125,310,945	71.8674
Total	11,459	174,364,026	100

The above number of shareholders is indicative due to consolidation of multi portfolios for reporting purposes. The total number of active shareholders as at 30 June 2025 was 11,459.

OTHER STATUTORY DISCLOSURES

(Section 221 of the Mauritius Companies Act 2001)

DIRECTORS OF SUBSIDIARIES

Directors of subsidiaries as at 30 June 2025 are listed in Appendix A.

AUDIT FEES AND DONATIONS

Audit fees and donations paid by the Company and its subsidiaries are listed under Appendix B.

MAJOR TRANSACTIONS UNDER THE MAURITIUS COMPANIES ACT 2001

During the financial year, neither SUN nor its subsidiaries entered into any major transaction, as defined under section 130 (2) of the Companies Act 2001.

RELATED PARTY TRANSACTIONS

Transactions with any related parties are disclosed in the financial statements.

SHARE REGISTRY & TRANSFER OFFICE

SUN's Share Registry and Transfer Office is administered by MCB Registry & Securities Ltd. If you have any queries regarding your shares, wish to change your name or address, or have questions about lost certificates, share transfers or dividends, you may contact either your Investment Dealer or the Share Registry and Transfer Office, whose contact details are as follows:

MCB Registry & Securities Ltd, Ground Floor, Raymond Lamusse Building 9-11 Sir William Newton Street, Port Louis, Tel: +230 202 5640.

On Behalf of the Board



Guillaume Dalais
Chairperson of the Board



Mushtaq N. Oosman
Chairperson of the Audit & Risk Committee
Member of the Corporate Governance, Ethics,
Nomination & Remuneration Committee

16 September 2025

OTHER STATUTORY DISCLOSURES

(Section 221 of the Mauritius Companies Act 2001)

Appendix A - Directorships of Subsidiaries of SUN Limited - Financial Year ended 30 June 2025

	Ambre Resort Ltd	City & Beach Hotels (Mauritius) Limited	EastCoast Hotel Investmen Ltd	EastCoast Property Ltd	Long Beach Resort Ltd	LP Residences Ltd	SRL Marketing Ltd	SRL Property Ltd	Sun Hotel & Resorts GmbH	Sun Hotel Holdings Ltd	Sun International Management Ltd	Sun Resorts France Sarl	Sun/life Hotel Management Ltd	Sun Resorts International Ltd	Sun Styled Boutiques Ltd	Sun Support Ltd	SUN Training Institute Ltd	Supply Chain Experts Ltd	Washright Services Limited	Wolmar Sun Hotels Ltd	World Leisure Holidays (Pty) Ltd
BALSOM Lisa							A														
BISSESSUR Jitendra			R	R	R																
CAMALAPEN Reema			R	R																	
DEEPOO Karishma			R																		
DURR Elaine Mercia																					✓
EYNAUD Francois	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
JEENARAIN Rameswarsingh																					✓
KHADAROO Saleem					✓			✓												✓	
KOA WING Jane					✓			✓									✓				
PARK Aurelie						AD															
RAMLAGUN Neelmanee																	✓				
SALEHMOHAMED Junaid Haroon																					
WONG WAN KHIN Jean-Noël																					
WONG YUN SHING Tommy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

R: Resigned as director during the year
AD: Alternate Director

OTHER STATUTORY DISCLOSURES

(Section 221 of the Mauritius Companies Act 2001)

Appendix B - Audit Fees and Donations Financial Year ended 30 June 2025

	Sun Limited	Ambre Resort Limited	City & Beach Hotels (Mtius) Ltd	EastCoast Hotel Investment Ltd	EastCoast Property Ltd	LP Residences Ltd	Long Beach Resort Ltd	SRL Marketing Ltd	Sun Hotels & Resorts GMBH	Sun International Management Ltd	Sun/life Hotel Management Ltd	Sun Resorts France Sarl	Sun Resorts International Limited	Sun Styled Boutiques Ltd	SRL Property Ltd Sun Hotel Holdings Ltd Sun Support Ltd Sun Training Institute Ltd	Supply Chain Experts Ltd	Washright Services Limited	Wolmar Sun Hotels Limited	World Leisure Holidays (Pty) Ltd	World Leisure Holidays (Pty) Ltd
Auditor	Deloitte	Deloitte	Deloitte	Kemp Chatteris	Kemp Chatteris	Deloitte	Deloitte				Kemp Chatteris			Kemp Chatteris			Kemp Chatteris	Deloitte	Foreign external auditor	Foreign external auditor
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Audit fees	1,350	1,200	1,200	208	390	600	1,200	901	-	59	250	142	81	114	-	-	200	1,250	401	366
Fees for other services*	52	56	59	143	217	-	59	-	247	11	85	-	11	47	-	15	52	59	-	-
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Donations																				
Charitable**	696	-	2,562	-	-	-	-	-	-	-	338	-	-	-	-	7	-	124	-	-
Political	7,000	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* Fees rendered for other services relate to tax computation, reporting fees to component auditors and internal audit.

** Includes CSR donations which have been channeled by CIEL and its subsidiaries to CIEL Foundation, registered as a special purpose vehicle accredited to receive CSR contributions.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires the directors to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Group and the Company.

In preparing those Financial Statements, the Directors are required to:

- ensure that adequate accounting records and an effective system of internal controls and risk management have been maintained;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards have been adhered to, subject to any material departures disclosed, explained and quantified in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business;
- keep proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Group and the Company while ensuring that the Financial Statements fairly present the state of affairs of the Group and the Company, as at the financial year end, and the results of their operations and cash flows for that period; and

- ensure that the Financial Statements have been prepared in accordance with and comply with IFRS Accounting Standards, the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements. The directors are also responsible for safeguarding the assets of the Group and the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors hereby report that:

- adequate accounting records and an effective internal control system and risk management framework have been maintained;
- the Financial Statements fairly present the state of affairs of the Group and the Company, as at the financial year end, and the results of their operations and cash flows for that period;
- appropriate accounting policies supported by reasonable and prudent judgements and estimates have been consistently used;
- the Financial Statements have been prepared in accordance with IFRS Accounting Standards, the Mauritius Companies Act 2001 and the Financial Reporting Act 2004; and
- the Financial Statements have been prepared on the going concern basis.

On behalf of the Board,



Guillaume Dalais
Chairperson of the Board



Mushtaq N. Oosman
Chairperson of the Audit & Risk Committee
Member of the Corporate Governance, Ethics,
Nomination & Remuneration Committee

16 September 2025

STATEMENT OF COMPLIANCE

(Section 75 (3) of the Financial Reporting Act 2004)

Name of Public Interest Entity (“PIE”): Sun Limited (“SUN”/the “Company”)

Reporting Period: 30 June 2025

Throughout the financial year ended 30 June 2025, and to the best of the Board of Directors’ knowledge, SUN has complied with the National Code of Corporate Governance Mauritius (2016) (the “**Code**”). SUN has applied the principles set out in the Code and explained how these principles have been applied.



Guillaume Dalais
Chairperson of the Board



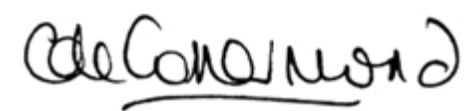
Mushtaq N. Oosman
Chairperson of the Audit & Risk Committee
Member of the Corporate Governance, Ethics,
Nomination & Remuneration Committee

16 September 2025



CERTIFICATE FROM THE COMPANY SECRETARY

In our capacity as Company Secretary of Sun Limited (the “**Company**”), we hereby confirm that, to the best of our knowledge and belief, the Company has lodged with the Registrar of Companies as at 30 June 2025, all such returns as are required for a company in terms of the Mauritius Companies Act 2001, and that such returns are true, correct and up to date.



Clothilde de Comarmond, ACG
Group Company Secretary
For and on behalf of CIEL Corporate Services Ltd

16 September 2025





Through the learning
experiences we offer,
we make dreams
come true.

Syjane

Learning & Development (L&D) Coordinator

INDEPENDENT AUDITOR’S REPORT – TO THE SHAREHOLDERS OF SUN LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OPINION

We have audited the consolidated and separate financial statements of **Sun Limited** (the “**Company**” or the “**Public Interest Entity**”) and its subsidiaries (the “**Group**”) set out on pages 82 to 136, which comprise the consolidated and separate statements of financial position as at 30 June 2025, and the consolidated and separate statements of profit or loss, statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and Company as at 30 June 2025, and of their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the “**IESBA Code**”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key matter
Fair valuation of unquoted investment in subsidiaries in the separate financial statements	
<p>As at 30 June 2025, the Company held unquoted investments in subsidiaries amounting to Rs 13.5 billion which are carried at fair value as disclosed in note 8 to the separate financial statements. The fair value of the unquoted investments is determined by applying valuation methodologies which include the discounted cash flow approach and the net asset value approach.</p> <p>The fair value was determined in line with IFRS 13 to which certain valuation methods are subscribed to determine the fair value. The fair value is computed by the external valuer using factual information and professional judgment concerning market conditions and factors impacting the individual companies.</p> <p>The fair value of investment in subsidiaries is considered as a key audit matter owing to its magnitude, the estimation uncertainties in the assumptions, and the degree of judgment required from management.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none">• Obtained the valuation reports from the qualified independent professional valuer. Tested the mathematical accuracy of the reports;• Assessed the qualifications and objectivity of the qualified independent professional valuer engaged by the Company for the valuation of investment in subsidiaries;• Involved our internal valuation specialists in validating the appropriateness of the methodologies and assumptions used;• Discussed with the qualified independent professional valuer and assessed the reasonableness of key inputs and assumptions used in the fair value determination by involving our internal valuation specialist; and• Assessed the appropriateness of the disclosures made in the separate financial statements as per the requirements of IFRS 13 <i>Fair Value Measurements</i>.

INDEPENDENT AUDITOR’S REPORT – TO THE SHAREHOLDERS OF SUN LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONT'D)

KEY AUDIT MATTERS (cont'd)

Key audit matter	How our audit addressed the key matter
Gain arising on group restructuring	
<p>In June 2024, the board of directors announced its decision to apply to the Supreme Court to proceed with a Scheme of Arrangement under Sections 261 to 264 of the Mauritius Companies Act 2001 to separate the activities of the Group in two distinct groups:</p> <ul style="list-style-type: none">• one focused on the activities associated with owner-managed resorts; and• another one focused on the activities associated with owning and asset managing the resorts which are managed by international luxury operators. <p>As disclosed in note 29 to the consolidated financial statements, the Supreme Court sanctioned the Scheme in September 2024 and in November 2024, Sun Limited transferred its shareholdings in three subsidiaries (SRL Touessrok Hotel Ltd, Riveo Hospitality Ltd (formerly known as Anahita Hotel Limited) and Loisirs des Îles Ltée) to Riveo Limited in exchange for shares in Riveo Limited. Subsequently Sun Limited distributed its investments in the shares of Riveo Limited to its shareholders in the proportion of their respective shareholding as at record date. The effective date for the derecognition of the subsidiaries and distribution to its shareholders following the scheme of arrangement was 1 December 2024.</p> <p>As a result of the application of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, IFRS 10 Consolidated Financial Statements and the guiding principles of IFRIC 17 Distributions of Non-cash Assets, the Group has recognised a gain on group restructuring of Rs 2.978 billion for the year ended 30 June 2025.</p> <p>Specific audit focus is needed to assess the derecognition and accounting treatment of the group restructuring.</p> <p>Given the significance of the above, we have considered it as a key audit matter.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none">• Assessed the applicability of the distribution of non-cash assets that is ultimately controlled by the same party or parties before and after distribution under IFRIC 17 read together with IAS 8;• Assessed whether the procedures for accounting for the gain on distribution of non-cash assets to owners are in as per the guiding principles of IFRIC 17;• Reviewed management’s assessment on the measurement of the distribution of non-cash asset to owners.• Reviewed management’s decision for the effective date of derecognition and loss of control of discontinued operations in accordance with IFRS 10;• Reviewed the computations to assess whether the gain on restructuring has been appropriately measured; and• Assessed the appropriateness of disclosures on the gain on restructuring in the consolidated financial statements.

INDEPENDENT AUDITOR’S REPORT – TO THE SHAREHOLDERS OF SUN LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONT'D)

EMPHASIS OF MATTER – RESTATEMENT OF COMPARATIVE INFORMATION

We draw attention to note 31 to the separate financial statements which describes the retrospective adjustments to the comparative information presented in the accompanying separate financial statements. Consequently, the comparative information in the accompanying separate financial statements has been restated as at 30 June 2024 and 1 July 2023 and for the year ended 30 June 2024. Our opinion is not modified in respect of this matter.

OTHER MATTER RELATING TO COMPARATIVE INFORMATION

The consolidated and separate financial statements of the Group and the Company as at and for the years ended 30 June 2024 and 30 June 2023 (from which the statement of financial position as at 1 July 2023 has been derived), excluding the adjustments described in note 31 to the separate financial statements of the Company, were audited by another auditor who expressed an unmodified opinion on those separate financial statements on 12 September 2024 and 15 September 2023 respectively.

As part of our audit of the separate financial statements for the year ended 30 June 2025, we also audited the adjustments described in note 31 that were applied to restate the comparative information presented. We were not engaged to audit, review, or apply any procedures to the

separate financial statements for the years ended 30 June 2023 and 30 June 2024 of the Company and, accordingly, we do not express an opinion or any other form of assurance on the consolidated and separate financial statements for the years ended 30 June 2024 and 30 June 2023, taken as a whole.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the corporate governance report, the other statutory disclosures, appendix A, appendix B, the statement of directors’ responsibilities, the statement of compliance and the Company secretary’s certificate but, does not include the consolidated and separate financial statements and our auditor’s report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group’s and the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group’s and the Company’s financial reporting process.

INDEPENDENT AUDITOR'S REPORT – TO THE SHAREHOLDERS OF SUN LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONT'D)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe those matters in our auditor's report unless laws or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR’S REPORT – TO THE SHAREHOLDERS OF SUN LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONT'D)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company and its subsidiaries other than in our capacity as auditor and tax advisor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Financial Reporting Act 2004

Corporate Governance Report


Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Public Interest Entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Use of this report

This report is made solely to the Company’s shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company’s shareholders those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company’s shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



Deloitte
Chartered Accountants



R, Srinivasa Sankar, FCA
Licensed by FRC

16 September 2025

Numbers tell a story,
and our people make
it ComeAlive.

Nora

Assistant Financial Controller

Financial Statements

STATEMENTS OF FINANCIAL POSITION


AS AT 30 JUNE 2025

	Note	THE GROUP		THE COMPANY		
		30 June 2025	30 June 2024	30 June 2025	30 June 2024	1 July 2023
		Rs'000	Rs'000	Rs'000	Restated Rs'000	Restated Rs'000
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	4	9,916,995	7,989,994	22,535	18,200	14,791
Right-of-use assets	5	1,836,522	880,543	1,887,208	-	-
Operating equipment	6	17,224	15,662	-	-	-
Intangible assets	7	226,228	13,351	5,328	5,082	8,012
Interest in subsidiaries	8	-	-	13,477,633	20,346,279	17,518,711
Interest in associate	9	-	630,000	-	702,445	285,207
Interest in joint venture	10	146,451	118,649	-	-	-
Deferred tax assets	19	76,108	91,817	73,921	31,905	31,101
Other financial assets	12	13,995	13,995	141,995	354,020	306,995
		12,233,523	9,754,011	15,608,620	21,457,931	18,164,817
CURRENT ASSETS						
Inventories	13	238,444	99,647	-	-	-
Trade and other receivables	14	871,470	615,195	399,943	588,144	169,019
Current tax assets	24	443	3,675	-	-	-
Cash and short-term deposits	36(ii)	1,016,114	1,086,708	378,391	514,557	802,740
		2,126,471	1,805,225	778,334	1,102,701	971,759
Assets held for distribution	29	-	12,021,290	-	-	-
		2,126,471	13,826,515	778,334	1,102,701	971,759
TOTAL ASSETS		14,359,994	23,580,526	16,386,954	22,560,632	19,136,576

Note	THE GROUP		THE COMPANY		
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	1 July 2023
	Rs'000	Rs'000	Rs'000	Restated Rs'000	Restated Rs'000
EQUITY AND LIABILITIES					
Capital and reserves (attributable to owners of the parent)					
Stated capital	15	1,945,451	1,945,451	1,945,451	1,945,451
Share premium	15	-	3,138,833	-	3,138,833
Reserves	17	3,196,861	6,560,058	7,830,679	8,149,271
Retained earnings/(accumulated losses)		34,467	(1,104,881)	4,626,006	2,907,743
		5,176,779	10,539,461	13,263,758	20,863,2 77
Treasury shares	15	(1,454,314)	(1,454,314)	(1,454,314)	(1,454,314)
Equity attributable to owners of the Company		3,722,465	9,085,147	11,809,444	19,408,963
Non-controlling interests		1,561,810	948,488	-	-
Convertible bonds	16	1,991,742	3,086,192	-	-
TOTAL EQUITY		7,276,017	13,119,827	11,809,444	14,686,984
NON-CURRENT LIABILITIES					
Loans and other borrowings	18	2,140,687	1,929,907	1,078,700	1,430,000
Lease liabilities	5	1,405,015	1,158,011	2,008,788	-
Deferred tax liabilities	19	667,539	579,477	-	-
Provisions	22	20,827	19,261	5,052	5,000
Contract liabilities	23	55,630	56,902	-	-
Employee benefit liability	20	283,154	282,011	74,996	54,196
		4,572,852	4,025,569	3,167,536	1,489,196
CURRENT LIABILITIES					
Loans and other borrowings	18	369,517	716,841	-	17,806
Lease liabilities	5	22,623	17,644	73,658	-
Dividend payable	35	453,346	435,910	453,346	435,910
Provisions	22	16,889	22,307	179	290
Trade and other payables	21	1,447,590	1,327,327	876,899	1,189,970
Current tax liabilities	24	201,160	72,158	5,892	18,497
		2,511,125	2,592,187	1,409,974	1,662,473
Liabilities directly associated with the assets held for distribution	29	-	3,842,943	-	-
		2,511,125	6,435,130	1,409,974	1,662,473
TOTAL LIABILITIES		7,083,977	10,460,699	4,577,510	3,151,669
TOTAL EQUITY AND LIABILITIES		14,359,994	23,580,526	16,386,954	22,560,632

Approved by the Board of Directors and authorised for issue on 16 September 2025.


Guillaume Dalais
Chairperson of the Board


Mushtaq N.Oosman
Chairperson of the Audit & Risk Committee

The notes set out on pages 87 to 136 form an integral part of the financial statements. Auditors' report on page 76 to 80.

STATEMENTS OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	THE GROUP		THE COMPANY	
		2025	2024	2025	2024
		Rs'000	Rs'000	Rs'000	Rs'000
Continuing operations					
Revenue	25	6,392,465	5,408,864	1,263,394	1,458,418
Other income	27	109,773	5,403	1,169	1,693
Total revenue		6,502,238	5,414,267	1,264,563	1,460,111
Operating expenses	26	(4,430,251)	(3,603,251)	(309,969)	(238,468)
Earnings before interest, tax, depreciation and amortisation and impairment (charges)/reversals		2,071,987	1,811,016	954,594	1,221,643
Impairment (charges)/reversals of financial and non-financial assets	32	(4,916)	(2,820)	62,721	423,575
Earnings before interest, tax, depreciation and amortisation		2,067,071	1,808,196	1,017,315	1,645,218
Depreciation and amortisation	28	(336,990)	(270,988)	(104,841)	(6,872)
Operating profit		1,730,081	1,537,208	912,474	1,638,346
Finance income	33(a)	166,822	211,162	24,883	240,765
Finance costs	33(b)	(267,215)	(296,513)	(158,577)	(98,039)
Share of result of joint venture	10	33,443	34,784	-	-
Share of result of associate	9	5,611	264,867	-	-
Impairment reversals of investment in associate	9	-	107,044	-	417,238
Profit before tax from continuing operations		1,668,742	1,858,552	778,780	2,198,310
Income tax (charge)/credit	24(b)	(340,458)	(183,359)	22,720	(21,836)
Profit for the year from continuing operations		1,328,284	1,675,193	801,500	2,176,474
Discontinued operations					
(Loss)/profit for the year from discontinued operations	29(d)	(118,628)	356,918	-	-
Gain arising on group restructuring	29(f)	2,978,431	-	-	-
Profit for the year from discontinued operations		2,859,803	356,918	-	-
Profit for the year		4,188,087	2,032,111	801,500	2,176,474
Profit attributable to:					
Owners of the Company		4,169,232	1,995,169	801,500	2,176,474
Non-controlling interests		18,855	36,942	-	-
		4,188,087	2,032,111	801,500	2,176,474
Earnings per share for profit from continuing operations attributable to the equity holders of the Company:					
Basic and diluted earnings per share (Rs.)	34	7.31	9.40		
Earnings per share for profit attributable to the equity holders of the Company:					
Basic and diluted earnings per share (Rs.)	34	23.91	11.44		

The notes set out on pages 87 to 136 form an integral part of the financial statements. Auditors' report on page 76 to 80.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Note	THE GROUP		THE COMPANY	
		2025	2024	2025	2024
		Rs'000	Rs'000	Rs'000	Rs'000
Profit for the year		4,188,087	2,032,111	801,500	2,176,474
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss:</i>					
Revaluation of interest in subsidiaries	8	-	-	1,037,468	3,003,716
Revaluation of other investments	11	-	531	-	-
Remeasurements of employee benefit liability	20	23,084	(120,265)	(19,908)	(26,869)
Income tax relating to these items	19, 29(d)	(106,272)	23,798	3,783	4,568
		(83,188)	(95,936)	1,021,343	2,981,415
<i>Items that may be reclassified to profit or loss:</i>					
Exchange differences arising on translation of foreign operations		27,445	5,404	-	-
Share of other comprehensive income of associate and joint venture	9, 10	4,396	4,354	-	-
Gains/(losses) on cash flow hedges		33,394	(62,540)	-	-
		65,235	(52,782)	-	-
Other comprehensive (loss)/income for the year, net of tax		(17,953)	(148,718)	1,021,343	2,981,415
Total comprehensive income for the year		4,170,134	1,883,393	1,822,843	5,157,889
Total comprehensive income attributable to:					
Owners of the Company		4,129,587	1,860,431	1,822,843	5,157,889
Non-controlling interests		40,547	22,962	-	-
		4,170,134	1,883,393	1,822,843	5,157,889

The notes set out on pages 87 to 136 form an integral part of the financial statements. Auditors' report on page 76 to 80.

STATEMENTS OF CHANGES IN EQUITY

FINANCIAL YEAR ENDED 30 JUNE 2025

THE GROUP

Attributable to owners of the Company											
Note	Stated capital	Share premium	Revaluation reserve	Foreign currency translation reserve	Cash flow hedge reserve	(Accumulated losses)/ Retained earnings	Treasury shares	Total	Non- controlling interests	Convertible bonds	Total equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2023	1,945,451	3,138,833	6,380,211	644,978	(285,157)	(2,612,196)	(1,454,314)	7,757,806	926,097	3,086,192	11,770,095
Other comprehensive income for the year	-	-	3,884	9,758	(56,689)	(91,691)	-	(134,738)	(13,980)	-	(148,718)
Profit for the year	-	-	-	-	-	1,995,169	-	1,995,169	36,942	-	2,032,111
Total comprehensive income for the year	-	-	3,884	9,758	(56,689)	1,903,478	-	1,860,431	22,962	-	1,883,393
Dividends	35	-	-	-	-	(435,910)	-	(435,910)	(501)	-	(436,411)
Convertible bonds	16	-	-	-	-	(97,180)	-	(97,180)	-	-	(97,180)
Acquisition of subsidiary		-	-	-	-	-	-	-	(54)	-	(54)
Movement in reserves arising on winding up of subsidiaries		-	-	(1,242)	(135,685)	136,927	-	-	(16)	-	(16)
Total transactions with owners of the Company		-	-	(1,242)	(135,685)	(396,163)	-	(533,090)	(571)	-	(533,661)
At 30 June 2024	1,945,451	3,138,833	6,382,853	519,051	(341,846)	(1,104,881)	(1,454,314)	9,085,147	948,488	3,086,192	13,119,827
Other comprehensive income for the year	-	-	(97,685)	18,471	20,888	18,681	-	(39,645)	21,692	-	(17,953)
Profit for the year	-	-	-	-	-	4,169,232	-	4,169,232	18,855	-	4,188,087
Total comprehensive income for the year	-	-	(97,685)	18,471	20,888	4,187,913	-	4,129,587	40,547	-	4,170,134
Derecognition of subsidiaries following scheme of arrangement	29	-	-	(3,390,794)	-	85,923	3,304,871	-	(917,999)	(1,094,450)	(2,012,449)
Distribution following scheme of arrangement	29	-	(3,138,833)	-	-	(5,830,183)	-	(8,969,016)	-	-	(8,969,016)
Dividends	35	-	-	-	-	(453,346)	-	(453,346)	(998)	-	(454,344)
Convertible bonds	16	-	-	-	-	(69,907)	-	(69,907)	-	-	(69,907)
Acquisition of subsidiary	30	-	-	-	-	-	-	-	1,491,772	-	1,491,772
Total transactions with owners of the Company		-	(3,138,833)	(3,390,794)	-	85,923	(3,048,565)	(9,492,269)	572,775	(1,094,450)	(10,013,944)
At 30 June 2025	1,945,451	-	2,894,374	537,522	(235,035)	34,467	(1,454,314)	3,722,465	1,561,810	1,991,742	7,276,017

The notes set out on pages 87 to 136 form an integral part of the financial statements. Auditors' report on page 76 to 80.

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

THE COMPANY

	Note	Stated capital	Share premium	Investment revaluation reserve	Retained profits	Treasury shares	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 30 June 2023							
- As previously reported		1,945,451	3,138,833	11,235,463	2,907,743	(1,454,314)	17,773,176
- Prior year adjustment	31	-	-	(3,086,192)	-	-	(3,086,192)
- As restated		1,945,451	3,138,833	8,149,271	2,907,743	(1,454,314)	14,686,984
Other comprehensive income for the year		-	-	3,003,716	(22,301)	-	2,981,415
Profit for the year		-	-	-	2,176,474	-	2,176,474
Total comprehensive income for the year		-	-	3,003,716	2,154,173	-	5,157,889
Dividends	35	-	-	-	(435,910)	-	(435,910)
Total transactions with owners of the Company		-	-	-	(435,910)	-	(435,910)
At 30 June 2024		1,945,451	3,138,833	11,152,987	4,626,006	(1,454,314)	19,408,963
Other comprehensive income for the year		-	-	1,037,468	(16,125)	-	1,021,343
Profit for the year		-	-	-	801,500	-	801,500
Total comprehensive income for the year		-	-	1,037,468	785,375	-	1,822,843
Distribution following scheme of arrangement	29	-	(3,138,833)	-	(5,830,183)	-	(8,969,016)
Movement in reserves on distribution following scheme of arrangement		-	-	(4,329,860)	4,329,860	-	-
Other movement in reserves		-	-	(29,916)	29,916	-	-
Dividends	35	-	-	-	(453,346)	-	(453,346)
Total transactions with owners of the Company		-	(3,138,833)	(4,359,776)	(1,923,753)	-	(9,422,362)
At 30 June 2025		1,945,451	-	7,830,679	3,487,628	(1,454,314)	11,809,444

The notes set out on pages 87 to 136 form an integral part of the financial statements. Auditors' report on page 76 to 80.

FINANCIAL YEAR ENDED 30 JUNE 2025

		THE GROUP		THE COMPANY	
	Note	2025	2024	2025	2024
		Rs'000	Rs'000	Rs'000	Rs'000
OPERATING ACTIVITIES					
Profit before tax from continuing operations		1,668,742	1,858,552	778,780	2,198,310
Profit before tax from discontinued operations		2,898,281	415,183	-	-
Adjustment for:					
Depreciation and amortisation	28	454,227	551,231	104,841	6,872
Write off of intangible assets	7	-	49	-	-
Write off of property, plant and equipment and other investments	4, 11	50	2,625	-	-
Operating equipment usage	6	7,120	8,797	-	-
Net finance costs/(income)	33(b)	157,777	183,782	133,694	(142,726)
Gain arising on acquisition of subsidiary	30(c)	(75,704)	-	-	-
Movement in provisions		(20,419)	37,195	(59)	(2,283)
(Profit)/loss on disposal of property, plant and equipment		(654)	3,514	(584)	(913)
Share of result of associate	9	(5,611)	(264,867)	-	-
Share of result of joint venture	10	(33,443)	(34,784)	-	-
Impairment charges/(reversals) of financial and non-financial assets	32	4,411	10,289	(62,721)	(423,575)
Impairment reversals of investment in associate	9	-	(107,044)	-	(417,238)
Gain arising on group restructuring	29(f)	(2,978,431)	-	-	-
Gain on derecognition of lease liabilities	27	-	(30,540)	-	-
Write off of investment in subsidiaries	8	-	-	-	160,262
Amortised cost on borrowings	36(iii)	417	417	-	-
Unrealised exchange differences		54,215	248,485	116,477	164,536
Fair value gains on other investments		(25,000)	-	-	-
Movement in employee benefit liability		32,221	11,747	892	2,261
		(2,428,824)	620,896	292,540	(652,804)
OPERATING CASH FLOWS BEFORE WORKING CAPITAL CHANGES		2,138,199	2,894,631	1,071,320	1,545,506
Movement in working capital	36(i)	(6,542)	(175,735)	(295,124)	(684,133)
CASH GENERATED FROM OPERATIONS		2,131,657	2,718,896	776,196	861,373
Income taxes paid	24	(167,297)	(159,244)	(28,118)	(17,746)
NET CASH FLOWS FROM OPERATING ACTIVITIES		1,964,360	2,559,652	748,078	843,627

Interest income

- Interest income
- Purchase of property, plant and equipment
- Lease received on additions to right-of-use assets
- Proceeds from disposal of property, plant and equipment
- Purchase of intangible assets
- Purchase of operating equipment
- Acquisition of subsidiary
- Dividend received from joint venture
- Loans to subsidiaries repaid
- Derecognition of cash flows from loss of control of subsidiaries

FINANCING ACTIVITIES

Proceeds from borrowing

- Proceeds from borrowings
- Repayment of borrowings
- Lease payments
- Dividend paid to non-controlling interests
- Dividend paid to equity holders
- Interest paid

NET CASH FLOWS USED IN FINANCING ACTIVITIES

NET DECREASE IN CASH AND CASH EQUIVALENTS

- Cash and cash equivalents at 1 July
- Net foreign exchange difference

The notes set out on pages 87 to 136 form an integral part of the financial statements. Auditors' report on page 76 to 80.

	THE GROUP		THE COMPANY	
Note	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
33	28,064 (931,933) 13,486 5,697	46,618 (691,512) 11,775 11,584	7,420 (10,826) - 1,763	- (7,851) - 1,413
7	(8,314)	(6,471)	(3,349)	-
30(d)	(25,245) (721,746)	(16,352) -	- (760,457)	- -
10	12,997 - (365,405)	10,029 - -	- - -	- 52,975 -
	(1,992,399)	(634,329)	(765,449)	46,537
	985,716 (720,698) (91,461) (998)	241,350 (1,474,839) (140,603) (501)	493,700 - (93,010) -	200,000 (957,247) - -
	(435,910) (243,389) (506,740)	(348,728) (533,074) (2,256,395)	(435,910) (71,495) (106,715)	(348,728) (104,581) (1,210,556)
	(534,779) 1,534,125 16,768	(331,072) 1,822,217 42,980	(124,086) 496,751 5,726	(320,392) 802,740 14,403
36(ii)	1,016,114	1,534,125	378,391	496,751

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 30 JUNE 2025

1. GENERAL INFORMATION

Sun Limited (the “Company”) is a public company incorporated in Mauritius and listed on the Official Market of the Stock Exchange of Mauritius. Its registered office is situated at 5th Floor, Ebène Skies, Rue de L’Institut, Ebène, Republic of Mauritius.

The Group’s main activity is in the tourism sector of the leisure industry. It currently owns four properties in the Republic of Mauritius: Long Beach, Sugar Beach, La Pirogue and Ambre. The Company operates as an investment holding company.

At 30 June 2024, the assets and corresponding liabilities of Shangri-La’s Le Touessrok Resort & Spa, Four Seasons Resort Mauritius at Anahita and Ile aux Cerfs were classified as held for distribution. In November 2024, Sun Limited transferred its shareholdings in these three subsidiaries to Riveo Limited in exchange for shares in Riveo Limited. Subsequently, following the approval through a Scheme of Arrangement, Sun Limited distributed its shares in Riveo Limited to its shareholders in the proportion of one Riveo share for every ordinary share herein as at the record date, 20 November 2024. This transaction was considered as effective from 1 December 2024 (refer to note 29).

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements to the extent that they have not already been disclosed in the other notes. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements comprise both the separate financial statements of Sun Limited and the consolidated financial statements of Sun Limited and its subsidiaries. The accounting policies adopted are consistent with those of the previous financial year except for the following new and amended IFRS Accounting Standards adopted in the year commencing 1 July 2024.

2.1 Basis of preparation

(a) Basis of accounting

The financial statements of the Group and the Company have been prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB) and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

(b) Historical cost convention

The financial statements are prepared under the historical cost basis, except for certain financial assets and liabilities (including derivative financial instruments), certain classes of property, plant and equipment measured at revalued amount, plan assets measured at fair value and assets held for distribution measured at the lower of carrying amount and fair value less costs to sell. The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest thousand (Rs’000) except where otherwise indicated. Where necessary, the comparative figures have been amended to conform with change in presentation in the current year.

(c) New and revised IFRS Accounting Standards that are effective for the current year

The following relevant revised IFRS Accounting Standards have been applied in these financial statements. Their application have not had any significant impact on the amounts reported for the current and prior periods but may affect the accounting treatment for future transactions or arrangements.

- **IAS 1** Presentation of Financial Statements - Amendments regarding the classification of liabilities
- **IAS 1** Presentation of Financial Statements - Amendments regarding the classification of debt with covenants
- **IAS 1** Presentation of Financial Statements - Amendment to defer the effective date of the January 2020 amendments
- **IAS 7** Statement of Cash Flows - Amendments regarding supplier finance arrangements
- **IFRS 7** Financial Instruments: Disclosures - Amendments regarding supplier finance arrangements
- **IFRS 16** Leases - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions

(d) Relevant new and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant IFRS Accounting Standards were in issue but effective on annual periods beginning on or after the respective dates as indicated:

- **IAS 21** The Effects of Changes in Foreign Exchange Rates - Lack of exchangeability (effective 1 January 2025)
- **IFRS 7** Financial Instruments: Disclosures - Amendments regarding the classification and measurement of financial instruments (effective 1 January 2026)
- **IFRS 9** Financial Instruments: Disclosures - Amendments regarding the classification and measurement of financial instruments (effective 1 January 2026)
- **IFRS 10** Consolidated Financial Statements - Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture (deferred indefinitely)
- **IFRS 18** Presentation and Disclosures in Financial Statements - Original issue (effective 1 January 2027)
- **IFRS 19** Subsidiaries without Public Accountability: Disclosures - Original issue (effective 1 January 2027)

The Directors anticipate that these IFRS Accounting Standards will be applied on their effective dates in future periods. The Directors have not yet assessed the potential impact of the application of these amendments.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of Sun Limited and its subsidiaries as at 30 June 2025.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-Group balances, transactions, income and expenses and profits and losses resulting from intra-Group transactions that are recognised in assets, are eliminated in full. Unrealised losses are also eliminated. Appropriate adjustments are made to the consolidated financial statements where a member of the Group uses accounting policies other than those adopted by the Group.

2.3 Foreign currency

The individual financial statements of the Group’s entities are presented in the currency of the primary economic environment in which the entity operates (their functional currency). For the purpose of the financial statements, the results and financial position of each entity are expressed in Mauritian Rupees, which is the functional currency of the Company, and the presentation currency for the separate and consolidated financial statements.

In preparing the financial statements of each individual entity, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group’s foreign operations are translated into Mauritian Rupee using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group’s entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income and accumulated in equity.

3. GOING CONCERN

The Group’s and the Company’s retained earnings/(accumulated losses) and net current (liabilities)/assets were as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs’000	Rs’000	Rs’000	Rs’000
Retained earnings/(accumulated losses)	34,467	(1,104,881)	3,487,628	4,626,006
Net current (liabilities)/assets	(384,654)	7,391,385	(631,640)	(559,772)

With cash and cash equivalents at year end of Rs 1.02 billion and undrawn overdraft facilities, management considers the Group to have sufficient financial resources in order to meet any short-term external obligations especially in the low seasons period.

Accordingly, the Directors are of the view that the Group and Company will be able to meet their financial obligations in the next financial year. Accordingly, they continue to adopt the going concern basis in preparing the Group and the Company’s Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT

Accounting policies

Property, plant and equipment, except for freehold land and buildings and site improvements are stated at cost less accumulated depreciation and/or accumulated impairment losses, if any. Freehold land is stated at revalued amounts and buildings are stated at revalued amounts less subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at each financial year end. It is the Group’s policy to revalue its freehold land and buildings at least every three years. The basis used is market value derived using the Sales Comparison Approach and the Depreciated Replacement Cost Approach and independent valuers are used for such exercises. Any revaluation surplus is credited to other comprehensive income, except to the extent that it reverses a revaluation deficit for the same asset previously recognised in profit or loss, in which case the surplus is credited to profit or loss to the extent of the deficit previously charged. A decrease in an asset’s carrying amount arising on revaluation is charged to profit or loss to the extent that it exceeds the balance, if any, held in the property revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to profit or loss. On the subsequent disposal or retirement of a revalued property, the attributable revaluation surplus remaining in the property revaluation reserve is transferred directly to the retained earnings.

Properties in the course of construction are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group’s accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land and capital work in progress are not depreciated.

It is the Group’s policy to maintain its buildings in a continued state of sound repair, such that their value is not significantly diminished by the passage of time or usage. Accordingly, in estimating the residual values, the Group has assessed the value of the building at the end of their useful life based on today’s rate and this exercise is done by an independent qualified valuer. Therefore, buildings are depreciated on a straight line basis to their estimated residual values over their estimated useful lives.

Leasehold land improvements are depreciated over the shorter of their useful life and the lease period. On other property, plant and equipment, depreciation is calculated on a straight line basis to write off their depreciable amounts (cost less residual value) over their estimated useful lives.

The annual rates are as follows:

Buildings, improvements to leasehold land and sites	2% to 10%
Plant and machinery	10% to 25%
Furniture and soft furnishings	10% to 25%
Motor vehicles and boats	10% to 25%
Computers and telecommunication equipment	10% to 33%

Freehold land and capital work in progress are not depreciated.

The gain or loss arising on the disposal or retirement of an item (or part of an item) of property, plant and equipment is determined as the difference between the disposal proceeds and the carrying amount of the item (or part of the item, as applicable) and is recognised in profit or loss.

Work in progress is valued at the cost of the project. Costs include an appropriate portion of fixed and variable overhead expenses.

Impairment testing, including recognition and measurement of an impairment charge

See “Annual Impairment Testing” in note 7 for our policies relating to impairment testing and the related recognition and measurement of impairment charges. The impairment policies for property, plant and equipment are similar to the impairment policies for intangible assets with finite useful lives.

Significant judgements

Property, plant and equipment are depreciated over their useful lives. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In reassessing assets’ lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. The Directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets.

Sources of estimation uncertainty

The Group accounts for land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. Last revaluation conducted by independent valuation specialist to determine the fair value dated at 30 June 2023. There has been no significant change in values during the year ended 30 June 2025.

In determining the recoverable amount of property, plant and equipment, the Group used estimates which has been disclosed in note 7.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) THE GROUP

	Land and buildings, Improvements to leasehold land and sites	Capital work in progress	Plant and machinery	Furniture and soft furnishings	Motor vehicles and boats	Computers and telecommunication equipment	Total
<u>COST OR VALUATION</u>	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2023	17,482,896	135,754	1,880,373	2,182,310	79,706	237,965	21,999,004
Additions	145,482	378,087	106,215	73,015	19,285	26,903	748,987
Transfers	59,491	(114,262)	28,682	4,014	-	5,747	(16,328)
Disposals	-	(2,503)	(24,467)	(10,551)	(8,811)	-	(46,332)
Transfer to assets held for distribution (note 29)	(9,866,472)	(326,031)	(779,206)	(700,270)	(54,376)	(115,680)	(11,842,035)
Assets written off	(20,225)	-	-	-	-	-	(20,225)
Retranslation difference	-	-	81	306	-	521	908
At 30 June 2024	7,801,172	71,045	1,211,678	1,548,824	35,804	155,456	10,823,979
Additions	62,038	69,970	141,291	26,185	7,550	6,181	313,215
Acquisition through business combination (note 30)	2,026,340	-	-	-	-	-	2,026,340
Transfer to right-of-use assets	-	-	(10,803)	-	-	-	(10,803)
Transfers	7,767	(64,172)	51,709	3,945	-	751	-
Disposals	-	-	(2,628)	(3,481)	(4,887)	(184)	(11,180)
Transfer to inventories (note 13)	(107,003)	-	-	-	-	-	(107,003)
Assets written off	-	-	-	(2,044)	-	(3,879)	(5,923)
Retranslation difference	-	-	85	48	-	56	189
At 30 June 2025	9,790,314	76,843	1,391,332	1,573,477	38,467	158,381	13,028,814
<u>ACCUMULATED DEPRECIATION AND IMPAIRMENT</u>							
At 1 July 2023	282,151	-	1,523,704	1,858,904	59,966	203,935	3,928,660
Charge for the year	279,437	-	83,971	81,598	7,616	18,657	471,279
Disposals	-	-	(19,453)	(3,470)	(8,311)	-	(31,234)
Transfer to assets held for distribution (note 29)	(145,965)	-	(620,948)	(612,891)	(38,515)	(97,740)	(1,516,059)
Assets written off	(17,600)	-	-	-	-	-	(17,600)
Transfers	-	-	(1,835)	-	-	-	(1,835)
Retranslation difference	-	-	70	238	-	466	774
At 30 June 2024	398,023	-	965,509	1,324,379	20,756	125,318	2,833,985
Charge for the year	169,298	-	57,302	46,596	4,173	12,382	289,751
Disposals	-	-	-	(2,402)	(3,709)	(43)	(6,154)
Assets written off	-	-	-	(2,011)	-	(3,879)	(5,890)
Transfer to right-of-use assets	-	-	(71)	-	-	-	(71)
Retranslation difference	-	-	61	51	-	86	198
At 30 June 2025	567,321	-	1,022,801	1,366,613	21,220	133,864	3,111,819
<u>NET BOOK VALUE</u>							
At 30 June 2025	9,222,993	76,843	368,531	206,864	17,247	24,517	9,916,995
At 30 June 2024	7,403,149	71,045	246,169	224,445	15,048	30,138	7,989,994

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) THE COMPANY

	Plant and machinery	Furniture and soft furnishings	Motor vehicles and boats	Computers and telecommunication equipment	Total
COST	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2023	14,021	35,615	16,457	26,768	92,861
Additions	3,181	35	4,000	635	7,851
Disposals	-	-	(8,687)	-	(8,687)
At 30 June 2024	17,202	35,650	11,770	27,403	92,025
Additions	918	3,792	5,800	316	10,826
Disposals	-	-	(4,887)	-	(4,887)
At 30 June 2025	18,120	39,442	12,683	27,719	97,964
ACCUMULATED DEPRECIATION					
At 1 July 2023	13,272	34,611	10,494	19,693	78,070
Charge for the year	67	253	1,495	2,127	3,942
Disposals	-	-	(8,187)	-	(8,187)
At 30 June 2024	13,339	34,864	3,802	21,820	73,825
Charge for the year	156	701	2,298	2,157	5,312
Disposals	-	-	(3,708)	-	(3,708)
At 30 June 2025	13,495	35,565	2,392	23,977	75,429
NET BOOK VALUE					
At 30 June 2025	4,625	3,877	10,291	3,742	22,535
At 30 June 2024	3,863	786	7,968	5,583	18,200

(c) If land and buildings were stated on the historical cost basis, the carrying amounts would have been as follows:

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Net book value	5,921,791	4,101,947

(d) The Group’s policy is to revalue its freehold land and buildings at least every three years. A revaluation exercise was conducted by Chartered Valuers, Elevante Property Services Ltd for the Group at 30 June 2023. The Chartered Valuers have confirmed that there has been no material change to the property value at 30 June 2025.

Freehold land was valued taking into consideration comparable sales evidences. Sales prices of comparable land in close proximity were adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre. The basis of valuation in estimating the market value has been undertaken in accordance with the principles set out by the International Valuation Standards Committee as per the International Valuation Application 1 (IVA 1) which deals with Valuation for Financial Reporting and which is to be used in the context of IFRS Accounting Standards published by the International Accounting Standards Board (IASB).

The buildings, structures and site improvement have been valued on a depreciated replacement cost basis taking into consideration their replacement cost, with adjustments being made for age and condition. This method of valuation is based on the theory of substitution and is used in situations where it is difficult to estimate inputs to be used to calculate value due to volatile market factors. The most significant input into this method of valuation is the replacement cost per square metre.

(e) Management assessed the recoverable amount of assets for which indicators of impairment exists as at 30 June 2025 and details of assessment have been disclosed under note 32.

(f) Hierarchy level

Details of the Group’s freehold land and buildings and site improvements and information about the fair value hierarchy are as follows:

	THE GROUP			
	Level 1	Level 2	Level 3	Fair value
	Rs'000	Rs'000	Rs'000	Rs'000
2025				
Freehold land	-	1,053,659	-	1,053,659
Buildings and improvement to leasehold land	-	-	8,065,755	8,065,755
Site improvements	-	-	103,579	103,579
	-	1,053,659	8,169,334	9,222,993
2024				
Freehold land	-	1,160,375	-	1,160,375
Buildings and improvement to leasehold land	-	-	6,139,144	6,139,144
Site improvements	-	-	103,630	103,630
	-	1,160,375	6,242,774	7,403,149

There were no transfers from one level to another during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (g) Bank borrowings are secured on fixed and floating charges on property, plant and equipment of the Group and the Company. Further details are disclosed in Note 18(g).
- (h) The following summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

	Valuation technique and key inputs	Sensitivity used	Effect on fair value Increase/(decrease)	
			2025	2024
Buildings and improvement to leasehold land	Depreciated replacement cost approach	1% increase in current cost of replacing property	Rs'000 80,658	Rs'000 61,391
		1% decrease in current cost of replacing property	(80,658)	(61,391)
Site improvements	Depreciated replacement cost approach	1% increase in current cost of replacing property	1,036	1,036
		1% decrease in current cost of replacing property	(1,036)	(1,036)

5. LEASES

Accounting policies

(i) The Group as a lessee

On inception of a contract, the Group assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Group statement of financial position as a right-of-use asset and a lease liability.

Lease contracts may contain both lease and non-lease components. The Group allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use asset recognised at lease commencement includes the amount of lease liability recognised and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the asset's estimated useful life or lease term whichever is lower. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. All other variable lease payments are not included in the lease liability measurement and are charged to profit or loss.

The lease term includes periods subject to extension options which the Group is reasonably certain to exercise and excludes the effect of early termination options where the Group is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Group is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

The Group has opted not to apply the lease accounting model to intangible assets, leases of low-value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

(ii) The Group as a sublessor

For subleases classified as finance lease, the Group derecognises the right-of-use asset and recognises a finance lease receivable (net investment in the lease). The non-current portion of the finance lease receivable is presented within "Other financial assets" and the current portion is presented under "Trade and other receivables".

Any difference between the right-of-use assets and the net investment in the finance sublease is recognised in profit or loss. At the commencement date, net investment in the finance lease is measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The Group recognises a finance income over the lease term, based on a pattern reflecting a constant period rate of return on the lessor's net investment in the lease.

(iii) Sale and leaseback

A sale and leaseback transaction is where the Group sells an asset and immediately reacquires the use of the asset by entering into a lease with the buyer. A sale occurs when control of the underlying asset passes to the buyer. A lease liability is recognised, the associated property, plant and equipment asset is derecognised, and a right of use asset is recognised at the proportion of the carrying value relating to the right retained. Any gain on the sale is deferred and recognised as income over the lease term. Any loss on the sale is immediately recognised as an impairment loss when the sale occurs.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

5. LEASES (CONT'D)

Significant judgements

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination, including: whether there are significant penalties to terminate (or not extend); whether any leasehold improvements are expected to have a significant remaining value; historical lease durations; the importance of the underlying asset to the Group's operations; and the costs and business disruption required to replace the leased asset. The lease term is reassessed if a significant event or a significant change in circumstances occurs which affects the assessment of reasonable certainty.

The Group is also required to determine its incremental borrowing rate (IBR) to measure lease liabilities. Judgement is applied in determining the components of the IBR used for each lease including risk-free rates, the Group's credit risk and any lease-specific adjustments. The IBR is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; and a credit risk adjustment based on the average credit spend of entities with similar ratings to the Group.

(a) THE GROUP

This note provides information where the Group is a lessee.

Amounts recognised in the Statements of Financial Position

(i) Right-of-use assets

	Leasehold Land and buildings	Others	Total
	Rs'000	Rs'000	Rs'000
At 1 July 2023	1,583,743	12,243	1,595,986
Additions	-	22,024	22,024
Lease de-recognition (note (v))	(162,540)	-	(162,540)
Depreciation	(51,607)	(9,741)	(61,348)
Transfer from property, plant and equipment	-	14,493	14,493
Lease re-assessment (note (iv))	49,218	-	49,218
Transfer to assets held for distribution (note 29)	(542,615)	(34,675)	(577,290)
At 30 June 2024	876,199	4,344	880,543
Additions	-	20,372	20,372
Depreciation	(33,798)	(1,566)	(35,364)
Transfer from property, plant and equipment	-	10,732	10,732
Lease re-assessment (note (iv))	31,832	-	31,832
Exchange differences	17,219	-	17,219
Acquisition through business combination (note 30)	911,188	-	911,188
At 30 June 2025	1,802,640	33,882	1,836,522

(ii) Lease liabilities

	Leasehold Land and buildings	Others	Total
	Rs'000	Rs'000	Rs'000
At 1 July 2023	1,700,230	12,803	1,713,033
Additions	-	33,799	33,799
Interest expense (note 33)	103,259	875	104,134
Payments	(128,218)	(12,385)	(140,603)
Lease re-assessment (note (iv))	49,218	-	49,218
Lease de-recognition (note (v))	(193,080)	-	(193,080)
Transfer to assets held for distribution (note 29)	(365,131)	(32,129)	(397,260)
Exchange differences	6,414	-	6,414
At 30 June 2024	1,172,692	2,963	1,175,655
Additions	-	21,987	21,987
Interest expense	87,530	394	87,924
Payments	(82,717)	(3,297)	(86,014)
Lease re-assessment (note (iv))	31,832	-	31,832
Acquisition through business combination (note 30)	197,943	-	197,943
Exchange differences	(1,689)	-	(1,689)
At 30 June 2025	1,405,591	22,047	1,427,638

	2025	2024
	Rs'000	Rs'000
Current liabilities	22,623	17,644
Non-current liabilities	1,405,015	1,158,011
	1,427,638	1,175,655

(iii) Lease liabilities relate to:

- Leased vehicles and equipment with an average duration varying between 4 and 5 years and for which the Group may have the option to purchase the asset for a nominal amount at the termination of the lease period;
- Leases of rooms under the Invest Hotel Scheme which run for a period between 52 and 59 years; and
- Other leasehold land and buildings which run for a period between 25 to 60 years.

The Group's leases are secured by the lessors' title to the leased assets and carry average interest rate ranging from 3.00% to 7.05% (2024: 2.20% to 7.05%) per annum.

(iv) Lease re-assessment relates primarily to the escalation in the rental rate of leasehold land which is carried on every three-year anniversary based on CPI. The lease liability was subsequently remeasured to reflect this change and adjustment brought to the right-of-use asset.

(v) In 2024, the lease agreement between one of the subsidiaries of the Group and Montagu Limited for the rental of villas and for which a right-of-use asset and liability were recognised in accordance with IFRS 16, was terminated before the lease term. This de-recognition resulted in a gain of Rs 30.5m which was recognised in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

5. LEASES (CONT'D)

(a) THE GROUP (CONT'D)

(vi) Minimum lease payments and present value of minimum lease payments are as follows:

	Minimum lease payments		Present value of minimum lease payments	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Repayable:				
Within one year	114,442	93,864	22,623	17,644
After one year but before two years	102,779	81,751	11,534	5,852
After two years but before three years	102,382	81,751	11,711	6,192
After three years but before five years	201,520	161,914	22,084	11,842
After five years	3,801,838	3,262,354	1,359,686	1,134,125
	4,208,519	3,587,770	1,405,015	1,158,011
	4,322,961	3,681,634	1,427,638	1,175,655
Less: Future finance charges	(2,895,323)	(2,505,979)	-	-
	1,427,638	1,175,655	1,427,638	1,175,655

(vii) The statement of profit or loss shows the following amounts relating to leases:

	2025	2024
	Rs'000	Rs'000
Depreciation charge of right-of-use assets	(35,364)	(61,348)
Interest expense (included in finance costs)	(87,924)	(104,134)
Expense relating to leases of low-value assets and short term leases	(94,925)	(116,317)
Gain on derecognition of lease (included in other income) (note 27)	-	30,540

(b) THE COMPANY

(i) Right-of-use assets

	Leasehold building	
	2025	2024
	Rs'000	Rs'000
At 1 July	-	-
Additions	1,983,634	-
Depreciation	(96,426)	-
At 30 June	1,887,208	-

(ii) Lease liabilities

At 1 July	-	-
Additions	1,983,634	-
Interest expense	54,958	-
Exchange differences	136,864	-
Payments	(93,010)	-
At 30 June	2,082,446	-
Current liabilities	73,658	-
Non-current liabilities	2,008,788	-
	2,082,446	-

(iii) Minimum lease payments and present value of minimum lease payments are as follows:

	Minimum lease payments		Present value of minimum lease payments	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Repayable:				
Within one year	170,856	-	73,658	-
After one year but before two years	198,590	-	105,592	-
After two years but before three years	222,222	-	135,372	-
After five years	464,644	-	312,196	-
	2,745,753	-	2,082,446	-
	(663,307)	-	-	-
	2,082,446	-	2,082,446	-
Less: Future finance charges				

(iv) The statement of profit or loss shows the following amounts relating to leases:

	2025	2024
	Rs'000	Rs'000
Depreciation charge of right-of-use assets (note 28)	(96,426)	-
Interest expense (included in finance costs)	(54,958)	-
Expense relating to leases of low-value assets and short term leases	(3,834)	(3,543)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

6. OPERATING EQUIPMENT

Washright Services Limited, a subsidiary of Sun Limited, provides laundry and linen services to the hotels within the Group and to external clients. Operating equipment relates to linen garments which are kept at the hotel.

Accounting policies

Operating equipment is shown at cost less amounts written off for usage, breakages and losses. Operating equipment arising from renovation projects are capitalised and amortised over a period of 3 to 5 years depending on the nature of assets. All other operational replacement are expensed in the profit or loss at the time of replacement.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	15,662	21,225	-	-
Additions	15,722	16,352	-	-
Charge for the year (note 28)	(7,040)	(13,118)	-	-
Usage	(7,120)	(8,797)	-	-
At 30 June	17,224	15,662	-	-

7. INTANGIBLE ASSETS

Accounting policies

Upon initial recognition, intangible assets are measured at cost unless acquired through a business combination, in which case they are measured at fair value. Intangible assets are amortised with finite useful lives when the asset is ready for its intended use. Subsequently, the asset is carried at cost less accumulated amortisation and accumulated impairment losses.

Computer software is amortised on a straight-line basis over its estimated useful life of 4 to 8 years. Any impairment in value is recognised in profit or loss.

Pre-operational costs, marketing launch costs and expenses incurred during renovation and extension works and hotel redevelopments are written off to profit or loss in the period in which they are incurred.

Goodwill

Goodwill arising on the acquisition of subsidiaries is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated in Mauritian Rupee at the closing rate. Exchange differences arising are recognised in other comprehensive income.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

Impairment testing

Intangible assets with finite useful lives are tested for impairment whenever an event or change in circumstances indicates that their carrying amounts may not be recoverable. Indefinite-life intangible assets and goodwill are tested for impairment annually as at 30 June, or more frequently if there are indicators of impairment.

If the recoverable amount of an individual intangible asset cannot be estimated because it does not generate independent cash inflows, the entire cash-generating unit (CGU) to which it belongs is tested for impairment.

Goodwill is allocated to CGUs (or groups of CGUs) based on the level at which management monitors goodwill, which cannot be higher than an operating segment. The allocation of goodwill is made to CGUs (or groups of CGUs) that are expected to benefit from the synergies and future growth of the business combination from which the goodwill arose.

Recognition and measurement of an impairment charge

An intangible asset or goodwill is impaired if the recoverable amount is less than the carrying amount. The recoverable amount of a CGU or asset is the higher of its fair value less cost to sell and value in use.

If the asset's or CGU's recoverable amount is less than its carrying amount, its carrying amount is reduced to the recoverable amount and an impairment charge is recognised immediately.

A previously recognised impairment loss, except in respect of goodwill, is reversed if the estimate of the recoverable amount of a previously impaired asset or CGU has increased such that the impairment recognised in a previous year has reversed. The reversal is recognised by increasing the asset's or CGU's carrying amount to the new estimate of its recoverable amount. The carrying amount of the asset or CGU subsequent to the reversal cannot be greater than its carrying amount had an impairment loss been recognised in previous years.

Sources of estimation uncertainty

Impairment of goodwill and assets

Estimations have been used in determining the recoverable amount of goodwill and long-lived assets. The determination of the recoverable amount for the purpose of impairment testing requires the use of significant estimates, such as:

- future cash flows;
- terminal growth rates; and
- discount rates

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

7. INTANGIBLE ASSETS (CONT'D)

Sources of estimation uncertainty (cont'd)

Impairment of goodwill and assets (cont'd)

The value in use for impairment tests is estimated by discounting estimated future cash flows to their present value. The discounted future cash flows are estimated for periods of up to ten years, depending on the CGU, and a terminal value. The future cash flows are based on our estimates and expected future operating results of the CGU after considering economic conditions and a general outlook for the CGU’s industry. Our discount rates consider market rates of return, debt to equity ratios, and certain risk premiums, among other things. The terminal value is the value attributed to the CGU’s operations beyond the projected time period of the cash flows using a perpetuity rate based on expected economic conditions and a general outlook for the industry.

When deriving expected future cash flows, certain assumptions are made which may include assumptions pertaining to discount and terminal growth rates. These assumptions may differ or change quickly depending on economic conditions or other events. It is therefore possible that future changes in assumptions may negatively affect future valuations of CGUs and goodwill, which could result in impairment losses.

The growth in revenue is based on management’s best estimates of the occupancy rates and the average daily room rates of the Group for the year, taking into consideration historical entity specific data and future sales strategies. Room departmental profits are based on historical entity specific data and the anticipated improvement in cost optimisation strategies.

The rate used to discount the cash flows is the weighted average cost of capital (“WACC”) and reflects the risks specific to each GCU, taking into consideration the time value of money, individual risks of the underlying assets that have not been incorporated in the cash flow estimates, the specific circumstances of the CGU and the estimated evolution of the cost of debt and cost of equity.

Significant judgements

Judgements were made in determining CGUs and the allocation of goodwill to CGUs or groups of CGUs for the purpose of impairment testing.

ANNUAL IMPAIRMENT TESTING

For purposes of testing goodwill and assets for impairment, our CGUs, or groups of CGUs, correspond to the operating segments as disclosed in note 42.

Below is an overview of the methods and key assumptions used at the end of the reporting period, to determine recoverable amounts for CGUs or groups of CGUs.

		2025	2024	
		Sunlife	Sunlife	Assets held for distribution
Carrying value of Goodwill	Rs'000	210,772	1,374	223,689
Carrying value of property, plant and equipment of operating companies	Rs'000	9,669,724	7,526,207	10,325,979
Recoverable amount method		Value in use	Value in use	Value in use and market value
Period of projected cash flows	Years	10	10	10
Terminal capitalisation rate	%	8.00% - 9.75%	9.75%	9.00 - 9.25%
Discount rates	%	10.00 - 13.57%	13.60%	12.78% - 13.10%

At 30 June 2025:

Sunlife refers to Wolmar Sun Hotels Limited, Long Beach Resort Ltd, City and Beach Hotels (Mauritius) Limited, Ambre Resort Ltd and EastCoast Hotel Investment Ltd which were valued based on projected cash flows.

At 30 June 2024:

Sunlife refers to Wolmar Sun Hotels Limited, Long Beach Resort Ltd and City and Beach Hotels (Mauritius) Limited which were valued based on projected cash flows.

Assets held for distribution refer to Riveo Hospitality Ltd (formerly known as Anahita Hotel Limited), SRL Touessrok Hotel Ltd and Loisirs des Iles Ltée. The resorts were valued based on present value of projected cash flows while Loisirs des Iles Ltée was valued based on sales comparison approach.

For those assets and goodwill where the carrying values of the CGUs, or groups of CGUs, exceeded their recoverable amounts, an impairment charge was accounted for and disclosed under note 30.

The recoverable amounts of the CGUs would equal their carrying amounts if the key assumption, i.e. discount rate, was to change as follows:

	2025		2024	
	From	To	From	To
Change in discount rate				
City and Beach Hotels (Mauritius) Limited	13.32%	38.52%	13.60%	34.55%
Long Beach Resort Ltd	13.57%	15.59%	13.60%	16.80%
Wolmar Sun Hotels Limited	13.32%	34.54%	13.60%	29.80%
Ambre Resort Ltd and EastCoast Hotel Investment Ltd (combined)	10.00% - 13.57%	11.99% - 33.50%	-	-
Assets held for distribution as at 30 June 2024:				
Riveo Hospitality Ltd (formerly known as Anahita Hotel Limited)			12.78%	17.32%
SRL Touessrok Hotel Ltd			13.10%	14.89%

Refer to note 8 for the sensitivity analysis on the key estimates used.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

7. INTANGIBLE ASSETS (CONT'D)

(a) THE GROUP	Goodwill	Capital work in progress	Computer software	Total
	Rs'000	Rs'000	Rs'000	Rs'000
COST				
At 1 July 2023	225,016	-	191,781	416,797
Additions	161	-	6,471	6,632
Transfer to assets held for distribution (note 29)	(223,754)	-	(23,182)	(246,936)
Write off on winding up of companies	(49)	-	-	(49)
Retranslation difference	-	-	292	292
At 30 June 2024	1,374	-	175,362	176,736
Additions	-	2,970	5,344	8,314
Assets written off	-	-	(5,020)	(5,020)
Acquisition through business combination (note 30)	198,826	-	-	198,826
Retranslation difference	10,572	-	(21)	10,551
At 30 June 2025	210,772	2,970	175,665	389,407
ACCUMULATED AMORTISATION				
At 1 July 2023	-	-	178,601	178,601
Charge for the year	-	-	5,486	5,486
Transfer to assets held for distribution (note 29)	-	-	(20,989)	(20,989)
Retranslation difference	-	-	287	287
At 30 June 2024	-	-	163,385	163,385
Charge for the year	-	-	4,835	4,835
Assets written off	-	-	(5,020)	(5,020)
Retranslation difference	-	-	(21)	(21)
At 30 June 2025	-	-	163,179	163,179
NET BOOK VALUE				
At 30 June 2025	210,772	2,970	12,486	226,228
At 30 June 2024	1,374	-	11,977	13,351

(b) Goodwill has been allocated for impairment testing purposes to the following CGUs:

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
<u>Hotel property CGU*</u>		
At 1 July	-	223,689
Acquisition through business combination (note 30)	198,826	-
Transfer to assets held for distribution (note 29)	-	(223,689)
Retranslation difference	10,572	-
At 30 June	209,398	-
<u>Tour operator CGU</u>		
At 1 July	1,374	1,327
Additions	-	161
Write off on winding up of companies	-	(49)
Transfer to assets held for distribution (note 29)	-	(65)
At 30 June	1,374	1,374
Total goodwill - at 30 June	210,772	1,374

Goodwill arising at 30 June 2025 on hotel property CGU was with regards to EastCoast Hotel Invesment Ltd (2024: Riveo Hospitality Ltd, formerly Anahita Hotel Limited)

(c) THE COMPANY

	Computer software	
	2025	2024
	Rs'000	Rs'000
COST		
At 1 July	124,305	124,305
Additions	3,349	-
At 30 June	127,654	124,305
ACCUMULATED AMORTISATION		
At 1 July	119,223	116,293
Charge for the year	3,103	2,930
At 30 June	122,326	119,223
NET BOOK VALUE		
At 30 June	5,328	5,082

(d) Bank borrowings are secured on fixed and floating charges on intangible assets of the Group and the Company. Further details are disclosed in Note 18 (g).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

8. INTEREST IN SUBSIDIARIES

Accounting policies

In the Company’s separate financial statements, interest in subsidiaries are classified at fair value through other comprehensive income and are carried at fair value. The investment in subsidiaries are not quoted in an active market and are determined using valuation techniques such as net asset value or adjusted discounted cash flows, whichever is the most appropriate. Adjusted discounted cash flows take into consideration adjustments for debts, cash and cash equivalents, loan to/from subsidiaries and other relevant assets and liabilities.

Significant judgements

The Company exercises judgement and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

THE COMPANY	2025	2024
	Rs'000	Restated Rs'000
At valuation		
At 1 July		
- As previously reported	23,432,471	20,604,903
- Prior year adjustment (note 31)	(3,086,192)	(3,086,192)
- As restated	20,346,279	17,518,711
Additions	760,457	-
Transfer from investment in associate (note 9)	702,445	-
Write off during the year	-	(160,262)
Fair value adjustments accounted as other comprehensive income	1,037,468	3,003,716
Distribution following scheme of arrangement	(9,369,016)	-
Impairment charges (note 32)	-	(15,886)
At 30 June	13,477,633	20,346,279

The interest in subsidiaries are measured at fair value by an independent valuation specialist and are classified under level 3 of the fair value hierarchy.

The Group has fair valued its investment in subsidiaries as follows:

- Investment in companies holding the resorts - based on an income approach using discounted cash flow method which Management believes to be the best valuation technique for these resorts. The discounted cash flows approach includes some assumptions that are not supportable by observable market prices or rates.
- Investment in other companies - being on the net assets approach, as the net assets are deemed to approximate the fair value.

The table below depicts the sensitivity analysis of the key estimates used in deriving the fair value of the investment in subsidiaries:

	Decrease of 0.5% in discount rate	Decrease of 0.5% in terminal value
	Rs'000	Rs'000
2025	530,110	333,335
2024	854,767	557,192

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

8. INTEREST IN SUBSIDIARIES (CONT'D)

				2025					
				Stated capital	Proportion of ownership interest and voting rights held		Proportion of ownership interests held by non-controlling interests		
					Direct		Indirect		
(a) Unquoted Investments, at valuation	Country of incorporation and operation	Business Activity	Period end	30 June 2025	Ordinary shares	Preference shares	Ordinary shares	Ordinary shares	Preference shares
				Rs'000	%	%	%	%	%
Ambre Resort Ltd	Mauritius	Resort	30 June	10	-	-	100.00	-	-
City and Beach Hotels (Mauritius) Limited	Mauritius	Resort	30 June	15,532	99.82	99.99	-	0.18	0.01
EastCoast Hotel Investment Ltd ⁽¹⁾	Mauritius	Investment	31 December	2,104,620	51.00	-	-	49.00	-
EastCoast Property Limited ⁽¹⁾	Mauritius	Investment Property	31 December	71,000	-	-	51.00	49.00	-
Long Beach Resort Ltd	Mauritius	Resort	30 June	10	-	-	100.00	-	-
SRL Marketing Ltd	UK	Marketing Office	30 June	64	-	-	100.00	-	-
SRL Property Ltd	Mauritius	Non-trading	30 June	**	100.00	-	-	-	-
Sun Training Institute Ltd	Mauritius	Training	30 June	100	-	-	100.00	-	-
Sun Hotel Holdings Ltd	Mauritius	Investment	30 June	10	100.00	-	-	-	-
Sun International Management Ltd	Mauritius	Investment	30 June	36	-	-	100.00	-	-
Sun Resorts France Sarl	France	Marketing Office	30 June	4,219	-	-	100.00	-	-
Sunlife Hotel Management Ltd	Mauritius	Hotel Management	30 June	10	100.00	-	-	-	-
Sun Resorts International Limited	Mauritius	Investment	30 June	1,522,624	100.00	-	-	-	-
Sun Styled Boutiques Ltd	Mauritius	Retail	30 June	600	100.00	-	-	-	-
Sun Support Ltd	Mauritius	Investment	30 June	10	100.00	-	-	-	-
Supply Chain Experts Ltd	Mauritius	Procurement	30 June	10	-	-	100.00	-	-
Washright Services Limited	Mauritius	Laundry	30 June	10,000	100.00	-	-	-	-
Wolmar Sun Hotels Limited	Mauritius	Resort	30 June	25	100.00	-	-	-	-
World Leisure Holidays (Pty) Ltd	South Africa	Tour Operator	30 June	1,363	-	-	100.00	-	-
Sun Hotels & Resorts GMBH	Germany	Marketing Office	30 June	993	-	-	100.00	-	-
LP Residences Ltd	Mauritius	Property Developer	30 June	1	-	-	75.00	25.00	-

⁽¹⁾ These companies are subsidiaries as from November 2024

** : Represents investment amounting to Rs 100 which is not shown due to rounding off to the nearest thousand.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

8. INTEREST IN SUBSIDIARIES (CONT'D)

				2024					
				Stated capital	Proportion of ownership interest and voting rights held		Proportion of ownership interests held by non-controlling interests		
					Direct		Indirect		
(a) Unquoted Investments, at valuation	Country of incorporation and operation	Business Activity	Period end	30 June 2024	Ordinary shares	Preference shares	Ordinary shares	Ordinary shares	Preference shares
				Rs'000	%	%	%	%	%
Ambre Resort Ltd	Mauritius	Resort	30 June	10	-	-	100.00	-	-
City and Beach Hotels (Mauritius) Limited	Mauritius	Resort	30 June	15,532	99.82	99.99	-	0.18	0.01
Long Beach IHS Ltd ⁽¹⁾	Mauritius	Property Developer	30 June	**	100.00	-	-	-	-
Long Beach Resort Ltd	Mauritius	Resort	30 June	10	-	-	100.00	-	-
CTL Retail Ltd ⁽²⁾	Mauritius	Non-trading	30 June	10,001	-	-	100.00	-	-
SRL Maldives Ltd ⁽¹⁾	Seychelles	Hotel Investment	30 June	1,262,250	-	-	100.00	-	-
SRL Marketing Ltd	UK	Marketing Office	30 June	64	-	-	100.00	-	-
SRL Property Ltd	Mauritius	Non-trading	30 June	**	100.00	-	-	-	-
SRL FS Ltd	Mauritius	Investment	30 June	**	100.00	-	-	-	-
Sun Training Institute Ltd	Mauritius	Training	30 June	100	-	-	100.00	-	-
Sun Hotel Holdings Ltd	Mauritius	Investment	30 June	10	100.00	-	-	-	-
Sun International Management Ltd	Mauritius	Investment	30 June	36	-	-	100.00	-	-
Sun Leisure Hotels Limited ⁽¹⁾	Mauritius	Property	30 June	25	100.00	-	-	-	-
Sun Leisure Investments Limited ⁽¹⁾	Mauritius	Non-trading	30 June	14,264	99.89	-	-	0.11	-
Sun Resorts CSR Fund Ltd ⁽¹⁾	Mauritius	Charitable Fund	30 June	1	-	-	100.00	-	-
Sun Resorts France Sarl	France	Marketing Office	30 June	4,219	-	-	100.00	-	-
Sunlife Hotel Management Ltd	Mauritius	Hotel Management	30 June	10	100.00	-	-	-	-
Sun Resorts International Limited	Mauritius	Investment	30 June	1,522,624	100.00	-	-	-	-
Sun Styled Boutiques Ltd	Mauritius	Retail	30 June	600	100.00	-	-	-	-
Sun Support Ltd	Mauritius	Investment	30 June	10	100.00	-	-	-	-
Supply Chain Experts Ltd	Mauritius	Procurement	30 June	10	-	-	100.00	-	-
Washright Services Limited	Mauritius	Laundry	30 June	10,000	100.00	-	-	-	-
Wolmar Sun Hotels Limited	Mauritius	Resort	30 June	25	100.00	-	-	-	-
World Leisure Holidays (Pty) Ltd	South Africa	Tour Operator	30 June	1,363	-	-	100.00	-	-
Sun Hotels & Resorts GMBH	Germany	Marketing Office	30 June	993	-	-	100.00	-	-
GreenSun Management Ltd ⁽¹⁾	Mauritius	Non-trading	30 June	10	100.00	-	-	-	-
LP Residences Ltd ⁽³⁾	Mauritius	Property Developer	30 June	1	-	-	75.00	25.00	-
Assets held for distribution as at 30 June 2024:									
Riveo Limited ⁽⁴⁾	Mauritius	Investment	30 June	**	100.00	-	-	-	-
Anahita Hotel Limited	Mauritius	Resort	30 June	1,060,443	50.00	-	50.00	-	-
Loisirs des Iles Ltée	Mauritius	Golf & Restaurant	30 June	60,800	99.96	100.00	-	0.04	-
SRL Touessrok Hotel Ltd	Mauritius	Hotel	30 June	3,327,500	74.00	-	-	26.00	-
SRL Touessrok Residences & Villas Ltd	Mauritius	Non-trading	30 June	**	-	-	74.00	26.00	-

**: Represents investment amounting to Rs 100 which is not shown due to rounding off to the nearest thousand.

⁽¹⁾ These companies were wound up during the year ended 30 June 2024.

⁽²⁾ CTL Retail Ltd was amalgamated with Sun Styled Boutiques Ltd effective 30 June 2024. This amalgamation did not result in material adjustment in the Group.

⁽³⁾ LP Residences Ltd was acquired on 10 May 2024.

⁽⁴⁾ Riveo Limited was incorporated on 23 February 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

8. INTEREST IN SUBSIDIARIES (CONT'D)

(b) Summarised financial information on subsidiaries with material non-controlling interests

	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit from operations	Other comprehensive income for the year	Total comprehensive income for the year	Dividend paid to non-controlling interest
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2025									
EastCoast Hotel Investment Ltd - Group	114,266	3,229,643	16,414	197,420	100,289	58,356	27,286	85,642	-
LP Residences Ltd	358,635	344	258,717	-	575,625	100,478	-	100,478	-
SRL Touessrok Hotel Ltd*	-	-	-	-	245,780	(136,856)	31,886	(104,970)	-
2024									
SRL Touessrok Hotel Ltd*	135,444	5,181,314	356,036	1,326,242	1,511,653	139,396	(53,460)	85,936	-

	Operating activities	Investing activities	Financing activities	Net movement in cash and cash equivalents
	Rs'000	Rs'000	Rs'000	Rs'000
2025				
EastCoast Hotel Investment Ltd - Group	53,847	39,657	-	93,504
LP Residences Ltd	47,062	(369)	(1,299)	45,394
SRL Touessrok Hotel Ltd*	(52,910)	(522,130)	472,075	(102,965)
2024				
SRL Touessrok Hotel Ltd	326,525	(303,155)	(256,725)	(233,355)

Non-Controlling Interest (NCI)					
Principal place of business	Proportion of interest held by NCI	Profit allocated to non-controlling interest during the year		Accumulated non-controlling interest at	
		2025	2024	2025	2024
		Rs'000	Rs'000	Rs'000	Rs'000
EastCoast Hotel Investment Ltd - Group	Mauritius 49%	28,594	-	1,533,736	-
LP Residences Ltd	Mauritius 25%	25,245	-	25,191	-
SRL Touessrok Hotel Ltd*	Mauritius 26%	(35,583)	36,243	-	944,965

*At 30 June 2024, the assets and corresponding liabilities of SRL Touessrok Ltd were classified as held for distribution. Accordingly, the results above relate to profit or loss for the period from 1 July 2024 to date of split (effective 1 December 2024).

The summarised financial information above is prior to intra-group eliminations.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

9. INTEREST IN ASSOCIATE

Accounting policies

An associate is an entity over which the Group has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Any excess of the cost of acquisition and the Group’s share of the net fair value of the associate’s identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment. Any excess of the Group’s share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group’s share of the associate’s profit or loss.

Separate financial statements

In the separate financial statements, investments in associated companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

In the consolidated financial statements, investments in associates are accounted for using the equity method except when classified as held-for-sale. Investments in associates are initially recognised at cost as adjusted by post-acquisition changes in the Group’s share of profit and losses of the investee in profit and loss, and the Group’s share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group’s share of losses in an equity-accounted associate exceeds its interest in the associate, the Group does not continue to recognise further losses, unless it has incurred a legal or constructive obligation or made payments on behalf of the associate.

Unrealised profits and losses are eliminated to the extent of the Group’s interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associate to bring the accounting policies used in line with those adopted by the Group.

If the ownership in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Dilution gains or losses arising in investments in associates are recognised in profit or loss.

(a)

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs’000	Rs’000	Rs’000	Rs’000
At 1 July	630,000	258,089	702,445	285,207
Share of result of associate	5,611	264,867	-	-
Share of other comprehensive income	(2,960)	-	-	-
Disposal (note 30)	(632,651)	-	-	-
Transfer to interest in subsidiaries (note 8)	-	-	(702,445)	-
Impairment reversals	-	107,044	-	417,238
At 30 June	-	630,000	-	702,445

(b) Details of associate at the end of the reporting period are as follows:

Name	Period end	Nature of business	Principal place of business	Proportion of ownership interest and voting rights held	
2024				Direct	Indirect
EastCoast Hotel Investment Ltd	31 December	Investment holding	Mauritius	30%	-
EastCoast Property Limited (Formerly known as Armand Apavou & Co. Ltd)	31 December	Investment holding	Mauritius	-	30%

(i) In November 2024, the Company acquired additional 21% stake in EastCoast Hotel Investment Ltd, thus increasing its stake from 30% to 51%. The investment in EastCoast Hotel Investment Ltd has thus been transferred from interest in associate to subsidiary (note 8).

(ii) At 30 June 2024

In 2015, the Company subscribed to 30% of the Class A shares in EastCoast Hotel Investment Ltd for a consideration of Rs 702m. These Class A shares entitled the Company to a fixed dividend stream until the termination of the shareholders’ agreement. At 30 June 2024, following a change in the majority shareholder of EastCoast Hotel Investment Ltd, the existing shareholders’ agreement was deemed terminated and the Company ‘s right to fixed dividends was replaced by the right to ordinary dividends.

At Company level, an impairment reversal of Rs 417m was recognised to revert to the cost of interest in associate. The reversal was due to new contractual terms between the Company and EastCoast Hotel Investment Ltd. This removed the risks associated with the previous controlling party and improved the expected cash flows and overall financial outlook of the interest in associate. As a result of the new terms, the recoverable amount of the interest in associate was reassessed by using a discounted cash flow method with a discount rate of 7.9%. The discount rate captured the risk-free rate on 20-year Euro Government bond, the current market assessment of the risk specific to the associate taking into consideration the time value of money.

At Group level, the associate was accounted for using the equity method at 30 June 2024, resulting in reversal of previously recognised impairment of Rs 107m and recognising a share of profits of Rs 265m. Through the change in the majority shareholding of the associate, the Company will now participate more actively in EastCoast Hotel Investment Ltd’s financial and operating policy decisions. Consequently, the Company has resumed applying the equity method of accounting for its interest in EastCoast Hotel Investment Ltd.

(iii) EastCoast Hotel Investment Ltd is a private company and there is no quoted market price available for its shares.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

9. INTEREST IN ASSOCIATE (CONT'D)

(c) Summarised financial information - EastCoast Hotel Investment Ltd and its subsidiary		2024
		Rs'000
Statement of financial position		
Current assets		
Cash and cash equivalents		31
Other current assets		7,038
Total current assets		7,069
Total non-current assets		2,527,073
Total assets		2,534,142
Current liabilities		
Financial liabilities		40
Other current liabilities		7,705
Total current liabilities		7,745
Total non-current liabilities		426,397
Total liabilities		434,142
Net assets		2,100,000
(d) Reconciliation of summarised financial information - EastCoast Hotel Investment Ltd and its subsidiary		
Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:		
		2024
		Rs'000
Net assets		2,100,000
Ownership interest		30%
Interest in associate		630,000

(e) At 30 June 2024, no impairment was recognised for the Group and the Company. The impairment assessment was carried out based on discounted future dividend income at a discount rate of 7.9%. The discount rate captured the risk free rate on 20 year Euro Government bond, the current market assessment of the risk specific to the associate taking into consideration the time value of money. If the discount rate applied to the cash flow projections had been 0.5% higher than management’s estimates, the Group’s and Company’s recoverable amount would have decreased by Rs 306m.

10. INTEREST IN JOINT VENTURE

Accounting policies

The Group has an interest in a joint venture which is a jointly controlled entity, whereby the venturers have a contractual arrangement that establishes joint control over the economic activities of the entity. The Group recognises its interest in the joint venture using the equity method.

Under the equity method, the interest in joint venture is carried in the statement of financial position at cost plus post acquisition changes in the Group’s share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. The statement of profit or loss reflects the share of the results of operations of the joint venture.

Where there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture. The financial statements of the joint venture are prepared for the same reporting period as the Company.

(a)	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	118,649	89,540	-	-
Dividend income	(12,997)	(10,029)	-	-
Share of results after income tax	33,443	34,784	-	-
Share of other comprehensive income	7,356	4,354	-	-
At 30 June	146,451	118,649	-	-

(b) Details of joint venture at the end of the reporting period are as follows:

Name	Period end	Nature of business	Principal place of business	Proportion of ownership interest and voting rights held	
				Direct	Indirect
Solea Vacances SA	30 June	Investment holding	France	-	50%

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

10. INTEREST IN JOINT VENTURE (CONT'D)

(c) Summarised financial information

	Solea Vacances SA	
	2025	2024
	Rs'000	Rs'000
Statement of financial position		
Current assets	519,560	477,231
Non-current assets	24,262	11,490
Cash and cash equivalents	124,381	117,515
Current liabilities	297,808	296,793
Non-current liabilities	-	-
Current financial liabilities	297,808	296,793
Statement of profit or loss and other comprehensive income		
Revenue	2,861,193	3,019,983
Depreciation and amortisation	(4,180)	(2,789)
Net finance income	1,176	424
Income tax charge	(22,081)	(25,925)
Profit for the year	66,886	70,043
Other comprehensive income for the year, net of tax	14,712	8,708
Total comprehensive income for the year	81,598	78,751

(d) Reconciliation of summarised financial information

Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

	Solea Vacances SA	
	2025	2024
	Rs'000	Rs'000
Net assets	123,006	95,963
Goodwill	23,445	22,686
Interest in joint venture	146,451	118,649

11. OTHER INVESTMENTS

Accounting policies

Financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities which are not held for trading, and which the Group has irrevocable elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant. On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

The fair value of securities not quoted in an active market is determined using the net asset value.

Sources of estimation uncertainty

Fair value of securities not quoted in an active market

The Group would exercise judgement and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer also to note 42.7.

AT VALUATION

Fair value through other comprehensive income

Unlisted equity investments

At 1 July

Acquisition through business combination (note 30)

Write off during the year

Fair value adjustments

Transfer to assets held for distribution (note 29)

At 30 June

THE GROUP		THE COMPANY	
2025	2024	2025	2024
Rs'000	Rs'000	Rs'000	Rs'000
-	166,287	-	-
17	-	-	-
(17)	-	-	-
-	531	-	-
-	(166,818)	-	-
-	-	-	-

At 30 June 2024, the 12.23% investment in Anahita Golf Ltd held by Riveo Hospitality Ltd was transferred to assets held for distribution. This investment was unquoted, denominated in Mauritian Rupee and classified under level 3 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

12. OTHER FINANCIAL ASSETS

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Loans under Executive Share Scheme (note (a))	13,995	13,995	13,995	13,995
Loans to subsidiaries (note 36(i))	-	-	128,000	340,025
	13,995	13,995	141,995	354,020

(a) Loans under Executive Share Scheme

Loans under Executive Share Scheme relates to the previous scheme granted to key executives where cash was advanced to certain individuals to acquire shares in the Company at market value at grant date. The term of the scheme was such that when the shares are disposed, the proceed is to be used to settle the loan advanced.

The loan carries interest of 3% which is payable half yearly in December and June. The interest for the year has been waived by the Board.

The scheme was discontinued on 30 June 2016 and replaced by the Phantom Share Option Scheme (see Note 21(b)).

The Group and the Company have performed an impairment assessment for loans under Executive Share Scheme and the impairment loss is immaterial.

(b) Loans to subsidiaries

The loans to subsidiaries are unsecured with no fixed term of repayment and are interest bearing at 6.75% to 7.25% per annum (2024: 7.25%).

13. INVENTORIES

Accounting policy

Inventories - Hotel Operations

Inventories are valued at the lower of cost and net realisable value. Costs are assigned to inventories by the method most appropriate to the particular class of inventory, with the majority being valued on an average cost basis. Net realisable value is determined based on the estimated selling price in the ordinary course of business less any estimated costs associated with the sale.

Inventory property

Property being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV). Principally, this is residential property that the Group develops and intends to sell before, or on completion of development.

Cost incurred in bringing each property to its present location and condition includes:

(a) Freehold land;

(b) Amounts paid to contractors for development

For contracts that meet the over time revenue recognition criteria, the Group’s performance is measured using an output method, by reference to percentage of work completed. Costs incurred with respect to developing the property are capitalised. Development expenditure incurred with respect to work in progress dealt under with the percentage of completion method is recognised in profit or loss in the period incurred.

(a)

Inventory property
Food and beverages
Operating supplies
Spare parts
Fabric and linen
Retail products

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Inventory property	148,692	-	-	-
Food and beverages	34,484	33,006	-	-
Operating supplies	3,735	2,579	-	-
Spare parts	5,115	5,375	-	-
Fabric and linen	14,735	5,535	-	-
Retail products	31,683	53,152	-	-
	238,444	99,647	-	-

(b) The Group, through its subsidiary, develops residential properties which it sells in the ordinary course of business and has entered into contracts to sell these properties where control passes on to the customers as and when work progresses based on the milestones certified by the quantity surveyor. Costs incurred with respect to developing the property are accounted for in accordance with IFRS 15. Development expenditure incurred in respect of work in progress dealt with under the percentage of completion method is recognised in profit or loss in the period incurred. The construction of the inventory property is expected to occur over a period exceeding 12 months. During the year, Rs 576m was recognised as revenue based on percentage completion. Open contracts entered into with customers during the year amounted to Rs 592m (2024: Nil).

(c) A summary of the movement in inventory property is set out below:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	-	-	-	-
Development costs incurred	516,706	-	-	-
Cost of inventories recognised in P&L	(475,017)	-	-	-
Transfer from property, plant and equipment (note 4)	107,003	-	-	-
At 30 June	148,692	-	-	-

(d) The inventories’ pledged as security for the debts of the Group have been disclosed under note 18 (g). Write downs of inventories for the current year amount to Rs Nil (2024: Rs Nil).

(e) Cost of inventories expensed in food and beverages amounts to Rs 538.7m for the Group (2024: Rs 495.6m).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

14. TRADE AND OTHER RECEIVABLES

Accounting policies and significant judgements

Refer to note 42 on accounting policies and significant judgements on financial assets.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Trade receivables	412,710	384,571	-	-
Less: provision for impairment (note (iv))	(7,668)	(13,126)	-	-
Trade receivables - net	405,042	371,445	-	-
Prepayments	206,734	109,365	1,676	4,123
Other receivables	162,409	90,382	49,479	5,496
VAT recoverable	-	-	-	1,065
Derivative financial assets (note (e))	15,381	42,735	-	30,133
Amounts due by related parties, net of provision for impairment (note 38(ii))	81,904	1,268	348,788	547,327
	871,470	615,195	399,943	588,144

- (a) The carrying amounts of trade and other receivables approximate their fair value.
- (b)

(i) The average credit period on sales of services is 40 days. The Group has fully provided for all receivables where recovery is expected to be remote.

(ii) The Group and the Company do not hold any collateral over these balances but have an insurance cover for some major trade tour operators to mitigate the risks of irrecoverable debts. Before giving credit to any tour operators, the Group allows for a period of trading which is exclusively on a cash basis. Thereafter, a credit limit may be created in favour of the customer based on his past dealings and payment pattern. Furthermore, the Group uses, as far as possible, the database available through its credit insurer to check and monitor regularly the creditworthiness of the customer.

(iii) Ageing of past due trade debtors

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Within 31 - 60 days	89,412	104,603	-	-
Within 61 - 90 days	18,310	16,788	-	-
Over 90 days	7,514	9,766	-	-
Total	115,236	131,157	-	-

In determining the recoverability of trade receivables, the Group and the Company consider any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being diverse and unrelated.

- (iv) Movement in provision for impairment

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	13,126	16,145	-	-
Movement in impairment loss recognised on trade receivables:				
- Provision for receivable impairment	4,899	10,289	-	-
Receivable written off during the year as uncollectible	(10,357)	(2,076)	-	-
Transfer to assets held for distribution	-	(11,232)	-	-
At 30 June	7,668	13,126	-	-

- (v) The provision for impairment on amount receivables from related parties for the Company has been disclosed under note 38(i).

Other than trade receivables and receivables from related parties, the other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the end of the reporting period is the carrying value of each class of receivable mentioned above.

(c)

	Trade receivables - days past due				
	Current	Within 31 - 60 days	Within 61 - 90 days	Over 90 days	Total
(i) The Group					
30 June 2025					
Expected credit loss rate (%)	1.1%	0.7%	5.5%	37.9%	
Gross carrying amount (Rs'000)	297,474	89,412	18,310	7,514	
Loss allowance (Rs'000)	3,182	639	1,000	2,847	7,668
30 June 2024					
Expected credit loss rate (%)	2.2%	4.3%	80.0%	30.0%	
Gross carrying amount (Rs'000)	253,414	104,603	16,788	9,766	
Loss allowance (Rs'000)	5,521	4,547	133	2,925	13,126

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

14. TRADE AND OTHER RECEIVABLES (CONT'D)

- (d) The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are reviewed annually or when there is a significant increase in external factors, potentially impacting credit risk and are updated where management’s expectations of credit losses change. As at 30 June 2025, management has continued to adopt a conservation approach by maintaining a high provision on trade receivables that are due for more than 180 days.
- (e) The Group utilises foreign currency forward and swap contracts in the management of its exchange rate exposures. The Group had the following forward foreign exchange contracts outstanding at the end of the reporting period:

	Maturity date	Notional amount		Carrying amount	
		Selling currency	Buying currency	Assets	Liabilities
		Amount '000	Rs'000	Rs'000	Rs'000
(i) The Group					
30 June 2025					
EUR to MUR	July 2025 - June 2026	27,600	1,470,373	-	3,247
USD to MUR	August 2026	7,463	352,702	15,381	-
GBP to MUR	July 2025 - June 2026	12,550	776,404	-	299
ZAR to MUR	July 2025 - August 2025	8,000	20,537	-	190
				15,381	3,736
30 June 2024					
EUR to MUR	July 2024 - April 2025	25,500	1,334,110	34,716	-
GBP to MUR	July 2024 - March 2025	4,700	287,936	6,459	-
ZAR to MUR	July 2024 - April 2025	39,000	100,967	1,560	-
				42,735	-
(ii) The Company					
30 June 2025					
EUR to MUR	July 2025 - June 2026	27,600	1,470,373	-	3,247
GBP to MUR	July 2025 - June 2026	12,550	776,404	-	299
ZAR to MUR	July 2025 - August 2025	8,000	20,537	-	190
				-	3,736
30 June 2024					
EUR to MUR	July 2024 - April 2025	14,500	760,785	22,114	-
GBP to MUR	July 2024 - March 2025	4,700	287,936	6,459	-
ZAR to MUR	July 2024 - April 2025	39,000	100,967	1,560	-
				30,133	-

15. STATED CAPITAL

Accounting policies

- (a) Ordinary shares
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from proceeds.
- (b) Treasury shares
When the Company purchases its equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company’s equity holders until the shares are cancelled or reissued. When such shares are reissued, any net consideration received, is included in equity attributable to the Company’s equity holders.

	THE GROUP AND THE COMPANY				
	Number of shares	Ordinary shares	Share premium	Treasury shares	Total
		Rs'000	Rs'000	Rs'000	Rs'000
Issued and fully paid ordinary shares					
At 1 July 2024	194,545,072	1,945,451	3,138,833	(1,454,314)	3,629,970
Distribution following scheme of arrangement (note 29)	-	-	(3,138,833)	-	(3,138,833)
At 30 June 2025	194,545,072	1,945,451	-	(1,454,314)	491,137

In the issued and fully paid ordinary shares above, the Company held 20,181,046 treasury shares (2024: 20,181,046), for which the Company has the right to reissue these shares at a later date. Fully paid up ordinary shares have a par value of Rs 10 each, carry one voting right and a right to dividend.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

16. CONVERTIBLE BONDS

Accounting policy

A policy choice is available for the treatment of the convertible bonds, that is, the Group can either treat the convertible bonds as equity or compound financial instrument with an embedded derivative. The convertible bonds have been treated as equity where both the principal and interest components have been classified as equity on initial recognition based on the subscription proceeds received, net of transaction costs, and is not subsequently remeasured.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	3,086,192	3,086,192	-	-
Derecognition following scheme of arrangement (note 29)	(1,094,450)	-	-	-
At 30 June	1,991,742	3,086,192	-	-
Interest accrued accounted under Statements of changes in equity at 30 June	69,907	97,180	-	-

During the financial year ended 30 June 2021, the Group, through two of its wholly owned subsidiaries namely Long Beach Resort Ltd and Riveo Hospitality Ltd (formerly known as Anahita Hotel Limited), contracted with the Mauritius Investment Corporation Ltd (“MIC”), a wholly owned subsidiary of the Bank of Mauritius to issue redeemable convertible bonds for a total amount of Rs 3.1 billion comprising 310 bonds of Rs 10 million each.

One of the main objectives of the MIC was to provide financial support to companies impacted by the Covid-19 pandemic and in particular to the tourism sector which had the worst impact due to the full border closure. The MIC support is in the form of redeemable convertible bonds to companies which required urgent working capital to sustain its viability.

Key terms and conditions of the funding arrangements are as follows:

- The bonds shall be issued in four equal tranches.
- The maturity date is 9 years from first disbursement of the first tranche of the subscription proceeds being on 14 December 2029.
- The conversion has been pre-determined prior to the subscription.
- All outstanding bonds will be converted into ordinary shares at a pre-agreed formula and price on maturity date.
- The interest rates ranges between 3.00% to 3.25% p.a. over the duration of the bonds (from issue date to the earlier of the redemption date or the conversion date). On maturity date, any unpaid capital and interest is converted into ordinary shares in accordance with the predetermined conversion price.
- The conversion price is subject to certain adjustments such as capitalisation of profit or reserves, capital distribution, rights issues, share split, amongst others.
- Redemption of the bonds shall be at the option of the issuer. The issuer may redeem some or all the bonds, any time prior to the maturity date. The option price shall be determined as follows:
 - if redemption happens before the 4th anniversary of the first subscription, the redemption price shall be the nominal amount,
 - if redemption happens after the 4th anniversary of the first subscription, the redemption amount shall be 100.5% of the nominal amount.

17. RESERVES

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Restated Rs'000
Property revaluation (note (a))	2,894,374	6,362,414	-	-
Investment revaluation reserve (note (b))	-	20,439	7,830,679	11,152,987
Cash flow hedge reserve (note (c))	(235,035)	(341,846)	-	-
Foreign currency translation (note (d))	537,522	519,051	-	-
	3,196,861	6,560,058	7,830,679	11,152,987

- (a) Property revaluation reserve arises on the revaluation of land and buildings. When revalued land or buildings are sold, the portion of the property revaluation reserve that relates to that asset, is considered as effectively realised, and is transferred to retained earnings.
- (b) The investment revaluation reserve represents accumulated gains and losses arising on the revaluation of financial assets at fair value through comprehensive income.
- (c) Cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instruments relating to highly probable hedged transactions that have not yet occurred.
- (d) Exchange differences relating to the translation of the net assets of the Group’s foreign operations from their functional currencies to the presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operations.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

18. LOANS AND OTHER BORROWINGS

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Non-current liabilities				
Bank loans (note (a))	1,438,687	1,250,722	-	-
Bonds (note (b))	702,000	679,185	-	-
Loan from subsidiaries (note (d) and note 38(i))	-	-	1,078,700	1,430,000
	2,140,687	1,929,907	1,078,700	1,430,000
Current liabilities				
Bank loans (note (a))	341,593	227,724	-	-
Bonds (note (b))	-	427,635	-	-
Bank overdrafts (note (c) and note 36)	-	20,005	-	17,806
	341,593	675,364	-	17,806
Accrued interests	27,924	41,477	-	-
	369,517	716,841	-	17,806
Total loans and other borrowings	2,510,204	2,646,748	1,078,700	1,447,806

The maturity of the loans and other borrowings ranges between years 2025 - 2032 (2024: 2024 - 2032).

(a) Bank loans

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Repayable:				
Within one year	341,593	227,724	-	-
After one year but before two years	338,113	267,589	-	-
After two years but before three years	273,114	264,233	-	-
After three years but before five years	390,248	327,225	-	-
After five years	437,212	391,675	-	-
Non-current liabilities	1,438,687	1,250,722	-	-
Total	1,780,280	1,478,446	-	-
Included in the above loans are:				
Euro loans	1,780,280	1,478,446	-	-

The average interest rate on loans as at the end of the reporting period was as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	%	%	%	%
Average interest rate	5.32%	5.51%	-	-

(b) Bonds

The maturity of the bonds ranges between 2027 to 2030. The bonds are arranged at floating and fixed interest rates and the average interest as at the end of reporting period was 3.90 per annum (2024: 3.53%).

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Repayable:				
Within one year	-	427,635	-	-
After one year but before two years	442,000	-	-	-
After two years but before three years	-	427,635	-	-
After three years but before five years	260,000	-	-	-
After five years	-	251,550	-	-
Non-current liabilities	702,000	679,185	-	-
Total	702,000	1,106,820	-	-

(c) Bank overdrafts

The average interest rate of bank overdrafts was as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	%	%	%	%
Average interest rate	6.50	6.75	6.50	6.75

- (d) The loan from subsidiaries are unsecured, repayable after more than 12 months, denominated in Mauritian Rupee and carry interest at a rate between 3.30% to 7.25% per annum (2024: 3.30% to 6.50%).
- (e) The carrying amounts of borrowings are not materially different from the fair value. The borrowings are accounted for under amortised cost and there is a commitment for repayment.
- (f) The exposure of the Group’s borrowings to interest rate changes and the contractual repricing dates, as well as the currency profile, have been detailed in note 42.6.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

18. LOANS AND OTHER BORROWINGS (CONT'D)

(g) The carrying amount of assets pledged as security for current and non-current borrowings are:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Current				
<i>Fixed and floating charges</i>				
Cash and cash equivalents	948,178	1,109,456	378,391	514,557
Trade and other receivables	412,189	337,475	51,155	39,752
Inventories	122,593	100,878	-	-
Total current assets pledged as security	1,482,960	1,547,809	429,546	554,309
Non-current				
<i>First Mortgage</i>				
Freehold land and buildings	7,041,865	7,135,347	-	-
<i>Fixed and floating charges</i>				
Property, plant and equipment	330,078	223,398	1,894	781
Intangible assets	8,758	9,673	5,328	5,082
Investment in subsidiaries	-	-	13,477,632	20,346,279
Investment in associates	-	702,445	-	702,445
	338,836	935,516	13,484,854	21,054,587
Total non-current assets pledged as security	7,380,701	8,070,863	13,484,854	21,054,587
Total assets pledged as security	8,863,661	9,618,672	13,914,400	21,608,896

(h) The Group and the Company have complied with the financial covenants of its bank loans during the year ended 2025 and 2024.

19. DEFERRED TAX

Accounting policy

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Significant judgements

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The outcome of their actual utilisation may be different. Judgements made in the recoverability of the deferred tax asset are aligned to those made in the going concern note 3 where considerations of the future profitability of the group have been made.

(a) The following amounts are shown in the statements of financial position:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Deferred tax assets	76,108	91,817	73,921	31,905
Deferred tax liabilities	(667,539)	(579,477)	-	-
	(591,431)	(487,660)	73,921	31,905

Deferred tax assets are recognised for tax losses carry-forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. Deferred tax assets not recognised was Rs 41.7m (2024: Rs 36.2m) for the Group due to uncertainty of future profit streams. The tax losses due to operations expire on a rolling basis over 5 years whereas capital allowances can be utilised indefinitely.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

19. DEFERRED TAX (CONT'D)

(b) The movement on the deferred tax is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	487,660	1,448,099	(31,905)	(31,101)
Recognised in profit or loss (note 24(b))	48,447	79,570	(38,233)	3,764
Recognised in other comprehensive income	55,225	(23,798)	(3,783)	(4,568)
Exchange difference	99	(98)	-	-
Transfer to liabilities directly associated with the assets held for distribution (note 29)	-	(1,016,113)	-	-
At 30 June	591,431	487,660	(73,921)	(31,905)

(c) The movement in deferred tax assets and liabilities during the year is as follows:

(i) THE GROUP

	At 1 July	Recognised in profit or loss	Recognised in other comprehensive income	Exchange difference	At 30 June
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2025					
Temporary differences:					
Accelerated capital allowances	211,689	61,246	-	(1)	272,934
Employee benefit liability	(47,942)	(10,243)	4,389	-	(53,796)
Revaluation of property, plant and equipment	432,112	-	50,836	-	482,948
Other provisions	(14,275)	1,833	-	97	(12,345)
Contract liabilities	(9,891)	216	-	-	(9,675)
Right-of-use assets	(50,419)	(10,432)	-	-	(60,851)
Unused tax losses and credits	(33,614)	5,827	-	3	(27,784)
	487,660	48,447	55,225	99	591,431

	At 1 July	Recognised in profit or loss	Recognised in other comprehensive income	Exchange difference	Transfer to liabilities associated with assets held for distribution	At 30 June
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2024						
Temporary differences:						
Accelerated capital allowances	798,753	(10,928)	-	7	(576,143)	211,689
Employee benefit liability	(46,876)	(4,127)	(20,445)	-	23,506	(47,942)
Revaluation of property, plant and equipment	1,045,604	-	(3,353)	-	(610,139)	432,112
Other provisions	(10,508)	(8,393)	-	(99)	4,725	(14,275)
Contract liabilities	(10,107)	216	-	-	-	(9,891)
Right-of-use assets	(55,661)	(77)	-	-	5,319	(50,419)
Unused tax losses and credits	(273,106)	102,879	-	(6)	136,619	(33,614)
	1,448,099	79,570	(23,798)	(98)	(1,016,113)	487,660

(ii) THE COMPANY

2025

Temporary differences:

Accelerated capital allowances

Employee benefit liability

Right-of-use assets

	At 1 July	Recognised in profit or loss	Recognised in other comprehensive income	At 30 June
	Rs'000	Rs'000	Rs'000	Rs'000
2025				
Temporary differences:				
Accelerated capital allowances	(22,692)	115	-	(22,577)
Employee benefit liability	(9,213)	(1,253)	(3,783)	(14,249)
Right-of-use assets	-	(37,095)	-	(37,095)
	(31,905)	(38,233)	(3,783)	(73,921)

2024

Temporary differences:

Accelerated capital allowances

Employee benefit liability

	At 1 July	Recognised in profit or loss	Recognised in other comprehensive income	At 30 June
	Rs'000	Rs'000	Rs'000	Rs'000
2024				
Temporary differences:				
Accelerated capital allowances	(26,840)	4,148	-	(22,692)
Employee benefit liability	(4,261)	(384)	(4,568)	(9,213)
	(31,101)	3,764	(4,568)	(31,905)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

20. EMPLOYEE BENEFIT LIABILITY

Accounting policies

Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement usually dependent on one or more factors such as age, year of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent periods.

The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefits. Interest expense/(income) is recognised in profit or loss.

Service costs comprising current service cost, past service cost as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Payments to defined contribution plans are recognised as an expense when employees have rendered service that entitle them to the contributions.

Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pension plans), the net present value of gratuity on retirement payable under the Employment Rights Act 2008 (Amended) is calculated by a qualified actuary and provided for. The obligations arising under this item are not funded.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Sources of estimation uncertainty

The cost of defined benefit pension plans and related provisions requires the use of actuarial valuations. The actuarial valuation involves the use of significant estimates in respect of inter alia, discount rate, expected returns on plan assets, future salary increases, mortality rate and future pension increases. Due to long term nature of these plans, such estimates are subject to significant uncertainty. Any changes in the assumptions regarding the estimates will impact the carrying amount of the pension obligation. The net employee liability at 30 June 2025 is Rs 283.2m for the Group (2024: Rs 282.0m) and Rs 75.0m for the Company (2024: Rs 54.2m).

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Pension plan (note (a))	4,841	18,723	27,035	26,407
Other retirement benefits (note (b))	278,313	263,288	47,961	27,789
	283,154	282,011	74,996	54,196
Analysed as follows:				
Employee benefit asset	-	-	-	-
Employee benefit liability	283,154	282,011	74,996	54,196
	283,154	282,011	74,996	54,196

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

20. EMPLOYEE BENEFIT LIABILITY (CONT'D)

(a) Pension plan

(i) The Group pension scheme consists of a Career Average Revalued Earnings section (“CARE”) and a No Worse Off Guarantee (“NWOOG”) section. The CARE section provides all members of the fund with pensions secured by contributions to a Personal Accrued Pension accounts while the NWOOG section covers only those members who were transferred from a former Defined Benefit (“DB”) plan, guaranteeing them that at retirement their benefits are at least equivalent to those under the previous DB plans. Hence, the scheme is an hybrid plan with characteristics of both Defined Benefit and Defined Contribution.

The assets of the plan are independently administered by MUA Pension Ltd.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligations were carried out at 30 June 2025 by Aon Solutions Ltd. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Reconciliation of net defined benefit liability:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	18,723	(172)	26,407	13,947
Amount recognised in profit or loss (note 26)	45,707	51,617	9,625	12,192
Amount recognised in other comprehensive income	(10,175)	19,226	1,280	10,046
Contributions from employer	(49,414)	(58,650)	(10,277)	(9,778)
Transfer to liabilities directly associated with the assets held for distribution (note 29)	-	6,702	-	-
At 30 June	4,841	18,723	27,035	26,407

Amounts recognised in the statements of financial position:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Present value of funded obligations	864,415	800,278	320,058	308,777
Fair value of plan assets	(859,574)	(781,555)	(293,023)	(282,370)
At 30 June	4,841	18,723	27,035	26,407

(iii) Reconciliation of present value of the defined benefit obligations:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	800,278	808,312	308,777	250,721
Current service cost	46,214	53,648	8,771	7,803
Contributions from employees	7,565	9,755	1,214	1,131
Interest cost	42,338	47,236	15,926	16,155
Past service cost	-	-	(253)	3,655
Liability experience (gains)/losses	(1,780)	(5,510)	2,582	4,447
Liability losses due to change in financial assumptions	2,667	57,050	2,553	15,797
Benefits paid	(32,867)	(42,738)	(11,660)	(11,446)
Transfer from subsidiary company	-	-	(7,852)	20,514
Transfer to liabilities directly associated with the assets held for distribution (note 29)	-	(127,475)	-	-
At 30 June	864,415	800,278	320,058	308,777

(iv) Reconciliation of fair value of the plan assets:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	781,555	808,484	282,370	236,774
Interest income	42,845	49,267	14,819	15,421
Gains on plan assets excluding interest income	11,062	32,314	3,855	10,198
Contributions from employer	49,414	58,650	10,277	9,778
Contributions from employees	7,565	9,755	1,214	1,131
Benefits paid	(32,867)	(42,738)	(11,660)	(11,446)
Transfer from subsidiary company	-	-	(7,852)	20,514
Transfer to liabilities directly associated with the assets held for distribution (note 29)	-	(134,177)	-	-
At 30 June	859,574	781,555	293,023	282,370

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

20. EMPLOYEE BENEFIT LIABILITY (CONT'D)

(a) Pension plan (cont'd)

(v) Components of amount recognised in profit or loss:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Current service cost	46,214	53,648	8,771	7,803
Past service cost	-	-	(253)	3,655
Net interest on net defined benefit asset	(507)	(2,031)	1,107	734
Total included in employee benefits	45,707	51,617	9,625	12,192

(vi) Components of amount recognised in other comprehensive income:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Gains on plan assets excluding interest	(11,062)	(32,314)	(3,855)	(10,198)
Liability experience (gains)/losses	(1,780)	(5,510)	2,582	4,447
Liability losses due to change in financial assumptions	2,667	57,050	2,553	15,797
Total	(10,175)	19,226	1,280	10,046

(vii) The major categories of plan assets at fair value are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Local quoted equity instruments	232,085	195,389	79,116	70,593
Overseas quoted equity instruments	240,681	242,282	82,046	87,535
Overseas quoted debt instruments	68,766	93,787	23,442	33,884
Local quoted debt instruments	34,383	23,447	11,721	8,471
Local unquoted debt instruments	154,723	164,127	52,744	59,298
Cash and others	128,936	62,523	43,954	22,589
Total	859,574	781,555	293,023	282,370

At 30 June 2025, approximately 2% (2024: 2%) of the fund was invested in the shares of Sun Limited.

(viii) The history of experience adjustments is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Deficit arising on pension plan	4,841	18,723	27,035	26,407
Experience gains/(losses) on plan liabilities	1,780	5,510	(2,582)	(4,447)
Experience gains on plan assets	11,062	32,314	3,855	10,198

(ix) Sensitivity analysis on defined benefit obligation

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Increase in defined benefit obligations due to 1% decrease in discount rate	135,289	128,186	41,013	41,834
Decrease in defined benefit obligations due to 1% increase in discount rate	107,854	102,058	33,885	34,385

The above sensitivity analysis has been carried out by recalculating the present value of obligation at the end of the financial year after increasing and decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

20. EMPLOYEE BENEFIT LIABILITY (CONT'D)

(a) Pension plan (cont'd)

- (x) The defined benefit pension plan exposes the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Investment risk (where the plan is funded): The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan’s debt investments and a decrease in inflationary pressures on salary and pension increases.

Longevity risk (where the plan is funded and an annuity is paid over life expectancy): The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

(xi) Future Cashflows

- The funding requirements are based on the pension fund’s actuarial measurement framework set out in the funding policies of the plan. The funding policy is to pay contributions to an external legal entity as and when due.
- The Group expects to make a contribution of Rs 50.9m (2024: Rs 45.8m) and the Company of Rs 10.6m (2024: Rs 10.1m) to the defined benefit plans during the next financial year.
- The weighted average duration of the defined benefit obligation is 16.1 years (2024: 16.1 years) for the Group and 12 years (2024: 12 years) for the Company.

(b) Other retirement benefits

The Group has recognised a net defined benefit liability in respect of any additional residual retirement gratuities or full retirement gratuities that are expected to be paid out of the Company’s cash flow to its employees under the Workers Rights Act (WRA) 2019.

(i) Reconciliation of other retirement benefits:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs’000	Rs’000	Rs’000	Rs’000
At 1 July	263,288	288,446	27,789	11,119
Amount recognised in profit or loss (note 26)	32,031	32,833	3,096	(153)
Amount recognised in other comprehensive income	(12,909)	101,039	18,628	16,823
Benefits paid	(4,097)	(14,053)	(1,552)	-
Transfer to liabilities directly associated with the assets held for distribution (note 29)	-	(144,977)	-	-
At 30 June	278,313	263,288	47,961	27,789

(ii) Reconciliation of present value of the other retirement benefits:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs’000	Rs’000	Rs’000	Rs’000
At 1 July	263,288	288,446	27,789	11,119
Current service cost	17,911	25,427	1,631	1,189
Interest cost	14,109	16,353	1,460	553
Past service cost	11	(8,947)	5	(1,895)
Liability experience losses	3,504	82,608	19,461	16,221
Liability (gains)/losses due to change in financial assumptions	(16,413)	18,431	(833)	602
Benefits paid	(4,097)	(14,053)	(1,552)	-
Transfer to liabilities directly associated with the assets held for distribution (note 29)	-	(144,977)	-	-
At 30 June	278,313	263,288	47,961	27,789

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

20. EMPLOYEE BENEFIT LIABILITY (CONT'D)

(b) Other retirement benefits (cont'd)

(iii) Components of amount recognised in profit or loss:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Current service cost	17,911	25,427	1,631	1,189
Past service cost	11	(8,947)	5	(1,895)
Interest on defined benefit liability	14,109	16,353	1,460	553
Total	32,031	32,833	3,096	(153)

(iv) Components of amount recognised in other comprehensive income:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Liability experience losses	3,504	82,608	19,461	16,221
Liability losses/(gains) due to change in financial assumptions	(16,413)	18,431	(833)	602
Liability experience gains	(12,909)	101,039	18,628	16,823

(v) Sensitivity analysis on defined benefit obligations:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Increase in defined benefit obligations due to 1% decrease in discount rate	24,021	27,848	1,207	1,375
Decrease in defined benefit obligations due to 1% increase in discount rate	20,608	23,668	1,109	1,228

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Group expects to make a contribution of Rs 51.4M (2024: Rs 38.6M) and Rs.Nil (2024: Nil) for the Company during the next financial year.

The weighted average duration of the defined benefit obligations is 9.6 years (2024: 10.2 years) for the Group and 3 years (2024: 5 years) for the Company.

(c) Actuarial assumptions

The principal actuarial assumptions used for accounting purposes were:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
Discount rate - %	6.1	5.4	6.1	5.4
Future salary increases - %	3.2	3.2	3.2	3.2
Future pension increases - %	2.0	0.7	2.0	0.5
Average retirement age (ARA) - Years	65.0	65.0	65.0	65.0
Average life expectancy for under the pension plan:				
: Male at ARA - 60 Years	19.5	19.5	19.5	19.5
: Female at ARA - 60 Years	24.2	24.2	24.2	24.2

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

21. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Trade payables	236,243	213,618	13,828	5,650
Capital creditors	131,003	17,786	-	-
Client advances	404,080	357,541	-	-
Derivative financial liabilities (note 14(e))	3,736	-	3,736	-
Accruals and provisions	631,530	705,621	216,595	231,874
Interest payable on convertible bonds	30,167	30,417	-	-
Contract liabilities (note 23)	1,272	1,272	-	-
Amounts due to related parties (note 38(i))	9,559	1,072	642,740	952,446
	1,447,590	1,327,327	876,899	1,189,970

(a) The average credit period on purchases of certain goods is 45 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

(b) Share based payments

Accounting policy

Share-based payment comprises cash-settled liability awards which are measured at fair value at each balance sheet date until settlement and are included under ‘Accruals and provisions’ based on vesting conditions. The profit/(loss) of the period equals the addition to and/or the reversal of the provision during the reporting date.

Included in other creditors and accruals are share based payments liabilities of Rs 19.6m (2024: Rs 22.7m) for the Group and Company relating to the Phantom Share Option Scheme for executives of the Company and its subsidiaries. In accordance with the terms of the plan, executives are granted an option over a number of phantom shares at a base option price which is equal to the market value of the share at the date of the grant of the option. On exercise date, the holder of the options is entitled to a cash or share bonus, which subject to the rules of the plan, is equivalent to the increase of the Group’s share price between the grant date and the exercise date. Bonus may be paid either in cash or shares at discretion of the Board. However, the bonus will primarily be in cash as the conversion of part of the bonus is only retained by the Board as an option. Thus, it is unlikely that any shares if issued, will have a dilutive effect.

Under the plan, participants are granted options which only vest if certain performance standards are met. The option is exercisable:

(a) After three years, but before expiry of four years from the Award date, for a maximum of 70% of the Phantom Share option issued and

(b) After four years, but before the expiry of five years from Award Date, for the remaining share options that have not been exercised.

The rights must be exercised on the vesting date and will expire if not exercised on that date.

The number of phantom shares granted is calculated based on a percentage of their annual basic salary and after recommendation by the Corporate Governance, Ethics and the Remuneration and Nomination committee.

- improvement in share price
- improvement in profit after tax

Set out below are summaries of options granted under the plan:

	Number of options	
	2025	2024
As at 1 July	889,497	1,091,451
Granted during the year	307,116	303,629
Exercised during the year	(464,151)	(505,583)
Transfer to Riveo Limited during the year	(94,202)	-
As at 30 June	638,260	889,497
Vested and exercisable at 30 June	289,311	126,107

Share options outstanding at the end of the year have the following expiry dates:

Grant Date	Expiry date	Grant Date Fair value	Number of options	
			2025	2024
1 July 2022	30 June 2026	19.00	104,968	405,716
1 July 2023	30 June 2027	25.75	263,346	303,629
1 July 2024	30 June 2028	30.00	269,946	303,629
As at 30 June			638,260	1,012,974

The fair value of the cash settled share based payment arrangements was determined using the Black-Scholes model using the following inputs as at 30 June 2025:

Share price at measurement date	Rs 38.00
Expected volatility	35.00%
Dividend yield	6.84%
Risk-free interest rate	6.90%

464,151 of the options granted have been exercised as at 30 June 2025.

(c) The carrying amounts of trade and other payables approximate their fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

22. PROVISIONS

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Provision for legal claims (note (a))	16,727	17,867	5,000	5,000
Provision for vacation leaves (note (b))	20,989	23,701	231	290
	37,716	41,568	5,231	5,290
Included in the financial statements as:				
Non-current liabilities	20,827	19,261	5,052	5,000
Current liabilities	16,889	22,307	179	290
	37,716	41,568	5,231	5,290

(a) Provision for legal claims

Accounting policy

Provisions are recognised when the Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

Sources of estimation uncertainty

As disclosed below, the Company has recognised a provision in respect of claims on purchase of Anahita Four Seasons and disputes with employees. The crystallisation of such claims is inherently uncertain and as such management has fully provided for the claims.

(i)	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Riveo Hospitality Ltd (note (ii))	5,000	5,000	5,000	5,000
Disputes with employees (note (iii))	11,727	12,867	-	-
	16,727	17,867	5,000	5,000
Disclosed as follows:				
Non-current liabilities	16,727	17,867	5,000	5,000
Movement in provision for legal claims:				
At 1 July	17,867	20,940	5,000	7,573
Payment during the year	(1,140)	(500)	-	-
Unutilised amount reversed	-	(2,573)	-	(2,573)
At 30 June	16,727	17,867	5,000	5,000

(ii) This represents additional provision for legal charges for the appeal to the Assessment Review Committee in respect of the additional duty being claimed by the Registrar General on the purchase of Four Seasons Resort (Riveo Hospitality Ltd) by Sun Limited.

(iii) The provision is in respect of claims lodged by former employees who were dismissed for gross misconduct.

(b) Provision for vacation leaves

Accounting policy

Provision for vacation leaves are accrued as a liability, as stipulated under long term benefits in IAS 19, as these benefits are earned by eligible employees based on past service and it is probable that the employer will compensate these employees for the benefits through paid time off or cash payments. The assessment of this provision is carried out annually by Aon Solutions Ltd for eligible employees. Such employees are those who fall under the definition of a worker under The Workers' Rights Act 2019 and have covered a qualifying period of service.

The liability is measured using forecasted salary rates of the workers at the time of entitlement, which is then reduced by the average staff turnover applicable to the company. The present value of the provision for vacation leave is determined by discounting the estimated future cash flows using rates of government bonds.

Sources of estimation uncertainty

The present value of the provision for vacation leaves depend on a number of factors that are determined using a number of assumptions, which includes the discount rate. Any change in these assumptions will impact the carrying amount of the provision.

(i) The movement in the provision for leaves during the year is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	23,701	-	290	-
(Release)/charge for the year	(2,712)	23,701	(59)	290
At 30 June	20,989	23,701	231	290
Disclosed as follows:				
Non-current liabilities	4,100	1,394	52	-
Current liabilities	16,889	22,307	179	290
	20,989	23,701	231	290

(ii) Components of amount recognised in profit or loss:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Current service cost	2,899	3,326	19	33
Past service cost	11	19,686	6	248
Service cost	2,910	23,012	25	281
Interest expense	831	689	10	9
Liability experience gain	(6,278)	-	(92)	-
Liability gain due to change in financial assumptions	(175)	-	(2)	-
Remeasurement components	(6,453)	-	(94)	-
Total	(2,712)	23,701	(59)	290

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

22. PROVISIONS (CONT'D)

(b) Provision for vacation leaves (cont'd)

(iii) The principal assumptions used for the purpose of computing the provision were as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
Discount rate (%)	5.1	3.5	5.1	3.5
Rate of salary increases (%)	3.2	3.2	3.2	3.2
Average retirement age (ARA) (Years)	65.0	65.0	65.0	65.0

(iv) Sensitivity analysis on provision for vacation leaves:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
- Increase due to 1% decrease in discount rate	107	157	1	2
- Decrease due to 1% increase in discount rate	103	151	1	1

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged.

23. CONTRACT LIABILITIES

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Invest Hotel Scheme (note (a))	56,902	58,174
Golf membership fees (note (b))	-	-
	56,902	58,174
Non-current liabilities	55,630	56,902
Current liabilities (note 21)	1,272	1,272
	56,902	58,174

(a) Invest Hotel Scheme

The IHS transactions relate to the sale of 90 rooms at Long Beach, take the form of a sale and lease back and are accounted as a finance lease in the Group Financial Statements. As such, excess sales proceeds over the carrying amount has been deferred in the Group Financial Statements over the period of the lease term.

The profit generated on the sale and leaseback transactions between Long Beach IHS to investors have been deferred over the period until the end of the Government lease (i.e.) 2070.

Significant judgements

Considering the terms and conditions of the sale and leaseback of the IHS rooms, the leaseback transaction is considered to be a lease liability. Accordingly, the profit on sale of the IHS rooms is deferred and amortised to profit or loss over the lease period.

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
At 1 July	58,174	59,446
Release to profit or loss	(1,272)	(1,272)
At 30 June	56,902	58,174
Non-current liabilities	55,630	56,902
Current liabilities	1,272	1,272
	56,902	58,174

(b) Golf Membership fees

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
At 1 July	-	27,562
Release to profit or loss	-	(3,469)
Transfer to liabilities directly associated with the assets held for distribution (note 29)	-	(24,093)
At 30 June	-	-

This relates to Golf membership fees not recognised as revenue but deferred and amortised over an estimated player's career of 15 years.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

24. TAXATION

Accounting policy

Income tax expense represents the sum of the tax currently payable and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's and the Company's liability for current tax are calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Income Tax

Income tax is calculated at the rate of 0% to 26% (2024: 0% to 26%) for the Group and 19% (2024: 17%) for the Company on the profit for the period as adjusted for income tax purposes. Incorporated entities in Mauritius include a Corporate Social Responsibility Levy ("CSR") at 2% (2024: 2%) and Corporate Climate Change Levy ("CCR") at 2% (2024: Nil).

(a) Current tax liability

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	68,483	98,024	18,497	18,171
Translation difference	(169)	(103)	-	-
Payment during the year	(167,297)	(159,244)	(28,118)	(17,746)
Under/(over) provision in previous year	1,504	(7,085)	1,397	(5,599)
Tax deducted at source	(4,401)	-	-	-
Provision for the year	290,507	169,139	14,116	23,671
Acquisition through business combination (note 30)	12,090	-	-	-
Transfer to liabilities directly associated with the assets held for distribution (note 29)	-	(32,248)	-	-
At 30 June	200,717	68,483	5,892	18,497
Analysed as follows:				
Current liabilities	201,160	72,158	5,892	18,497
Current tax assets	(443)	(3,675)	-	-
At 30 June	200,717	68,483	5,892	18,497

(b) Tax charge

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Income tax:				
Provision for the year	290,507	169,139	14,116	23,671
Under/(over) provision in previous year	1,504	(7,085)	1,397	(5,599)
Current income tax expense	292,011	162,054	15,513	18,072
Deferred tax movement (note 19)	48,447	79,570	(38,233)	3,764
	340,458	241,624	(22,720)	21,836
Discontinued operations	-	(58,265)	-	-
Income tax charge	340,458	183,359	(22,720)	21,836

(c) Reconciliation of accounting profit to tax expense

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	%	%	%	%
Applicable tax rate of Mauritian companies	19.00	17.00	19.00	17.00
Tax effect of:				
- Tax differential on Corporate Climate Risk Levy (note 24 (c)(i))	4.64	-	(0.10)	-
- Expenses that are not deductible in determining taxable profit	0.45	(3.71)	0.55	0.35
- Over/(under) provision in previous year	0.17	0.88	0.17	(0.25)
- Tax losses for which no deferred income tax asset was recognised	(0.27)	(3.38)	-	-
- Income not subject to tax	(0.46)	(0.09)	(22.54)	(16.11)
- Other adjustments	0.32	(0.07)	-	-
Effective rate of tax	23.85	10.63	(2.92)	0.99

(i) Corporate Climate Risk Levy (CCR)

On 26 July 2024, the Finance (Miscellaneous Provisions) Act 2024 was enacted and any Company meeting the prescribed conditions is required, in every year, to pay a Corporate Climate Responsibility Levy ("CCR") equivalent to 2% of its chargeable income. The levy paid in respect of the year of assessment commencing on 1 July 2024, that is tax filing due on 31 December 2024 was based on the financial statements for the year ended 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

25. REVENUE

Accounting policy

Revenue corresponds to the value of goods and services sold by the Group in the ordinary course of business. The Group recognises revenue when it transfers the control of the promised goods and services to the customer, which may be over time or at a point in time. Revenue is recognized in an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring promised goods or services.

The Group applies the guidance provided in IFRS 15 to determine whether it acts as the principal or an agent in its contractual hotel management relationships. It is considered as acting as the principal if it controls the promised service before that service is transferred to a customer. In such a case, revenues and related expenses are reported separately in profit or loss. Otherwise, the Group is considered as acting as an agent and only the remuneration corresponding to the agency fee is recognised in revenue.

Other fees relate to services representing distinct performance obligations which are generally satisfied over time, when the hotel owners simultaneously receive and consume the benefits provided. The Group elects the practical expedient to recognise revenue based on amounts invoiced to the customer, when this method of measuring progress best depicts the performance provided.

In cases where the Group has received considerations for services not yet provided, this is treated as a contract liability until the performance obligation is met.

Invoicing is based on contractual prices, which represent the stand-alone selling prices of specified promised goods or services. Variable considerations depending on the occurrence of uncertain future events are estimated using the most likely amount method, based on all reasonably available information, and are, if need be, capped at the minimum amount considered as highly probable. At each reporting period, the Group revises its estimates of variable considerations and assesses whether a constraint should apply.

Hotel revenues

It corresponds to all the revenues received from guests by owned and leased hotels. The services rendered (including room rentals, food and beverage sales and other ancillary services) are distinct performance obligations, for which prices invoiced to the guests are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room rentals, along the stay in the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

Sale of property under development

The Group has determined that revenue from sales of property under development is to be recognised over time under IFRS 15. Control is deemed to be transferred over time as:

- (i) The Group’s performance does not create an asset with an alternative use to the Group; and
- (ii) The Group has at all times an enforceable right to payment for performance completed to date.

The Group has determined that the output method is the best method for measuring progress of these contracts because there is a direct relationship between the assets incurred by the Group and the transfer of goods and services to the customer.

Significant judgements

The Group has evaluated the timing of recognition on the sale of property under development and has considered the facts contained in the contracts and concluded that control of the asset is transferred to the customer over time because:

- (i) The Group’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- (ii) The Group’s performance does not create an asset with alternative use to the Group. Furthermore, the Group has an enforceable right to payment for performance completed to date.
- (iii) The Group has determined that the output method is the best method for measuring progress for these contracts because there is a direct relationship between the costs incurred by the Group and the transfer of goods and services to the customer.

When the customer enters into a contract to buy a unit, the Group is restricted to deliver to the customer the particular unit purchased. The customer is contracted to pay a deposit and settle the remainder of the contract price upon each stage of completion of the project as per the below table. When a customer default on payment, legal action can be taken by the Group.

Contract payment					%
Signature of Deed of Sale					30.00
Completion of the work					65.00
Delivery					5.00

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Revenue from contracts with customers				
Rooms	4,144,972	5,446,838	-	-
Food and beverages	2,021,046	2,496,151	-	-
Management fees	-	-	401,892	258,918
Others	668,376	868,071	-	-
Total revenue from contracts with customers	6,834,394	8,811,060	401,892	258,918
Sale of property under development	575,625	-	-	-
Investment income	-	-	861,502	1,199,500
Total revenue	7,410,019	8,811,060	1,263,394	1,458,418
Analysed as follows:				
Continuing operations	6,392,465	5,408,864	1,263,394	1,458,418
Discontinued operations (note 29)	1,017,554	3,402,196	-	-
	7,410,019	8,811,060	1,263,394	1,458,418
Timing of revenue recognition				
Goods transferred at a point in time	2,021,046	2,496,151	861,502	1,199,500
Services transferred over time	5,388,973	6,314,909	401,892	258,918
Total revenue	7,410,019	8,811,060	1,263,394	1,458,418

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

26. OPERATING EXPENSES

Accounting policy

Other expenses relate to indirect costs of operations accounted on the accruals basis.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Cost of sales of properties	473,487	-	-	-
Other direct costs	1,218,202	1,571,926	-	-
Direct costs	1,691,689	1,571,926	-	-
Wages and salaries	1,961,313	2,245,307	226,079	168,794
Social security costs	155,503	156,585	19,976	18,056
Pension costs (note 20 (a)(ii))	45,707	51,617	9,625	12,192
Other post-retirement benefits (note 20 (b)(i))	32,031	32,833	3,096	(153)
Employee benefits	2,194,554	2,486,342	258,776	198,889
Rental and lease expenses	229,220	450,230	3,834	3,543
Utilities	237,488	348,160	621	567
Marketing expenses	251,775	311,650	-	-
Repairs and maintenance	128,515	164,253	922	452
Management fees and services	39,089	146,811	-	-
Office expenses	31,001	31,550	3,620	7,128
Travelling expenses	19,485	31,425	3,311	2,267
Information and telecommunication expenses	100,250	115,933	(1,424)	4,980
Insurance	79,195	93,281	(963)	3,191
Professional, legal and consultancy fees	48,091	49,784	8,759	4,913
Contract services	136,556	143,064	9,033	10,239
Credit card commissions	82,455	118,639	-	-
Business occupation and other taxes	56,611	75,015	2,319	2,283
Others miscellaneous costs	70,213	110,729	21,161	16
Other expenses	1,509,944	2,190,524	51,193	39,579
Operating expenses	5,396,187	6,248,792	309,969	238,468
Analysed as follows:				
Continuing operations	4,430,251	3,603,251	309,969	238,468
Discontinued operations (note 29)	965,936	2,645,541	-	-
	5,396,187	6,248,792	309,969	238,468

27. OTHER INCOME

Accounting policy

Other income earned is recognised on the following basis:

- (i) Foreign exchange gains on settlement basis;
- (ii) Profit on sale of assets or on derecognition of rights-of-use assets is recognised when the control has been transferred to the buyer;
- (iii) Other sundry income is recognised when the goods are sold or services provided for.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Foreign exchange gains	20,421	4,380	585	779
Gain on derecognition of lease liabilities	-	30,540	-	-
Profit on excision of leasehold land	-	12,000	-	-
Fair value gain on other investments	25,000	-	-	-
Refund from insurance	20,337	-	-	-
Gain arising on acquisition of subsidiary (note 30(c))	75,704	-	-	-
Sundry income	10,659	3,154	584	914
	152,121	50,074	1,169	1,693
Analysed as follows:				
Continuing operations	109,773	5,403	1,169	1,693
Discontinued operations (note 29)	42,348	44,671	-	-
	152,121	50,074	1,169	1,693

28. DEPRECIATION AND AMORTISATION

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Depreciation of property, plant and equipment (note 4)	390,306	471,279	5,312	3,942
Depreciation of rights-of-use assets (note 5(a))	51,060	61,348	96,426	-
Depreciation of operating equipment (note 6)	7,569	13,118	-	-
Amortisation of intangible assets (note 7)	5,292	5,486	3,103	2,930
	454,227	551,231	104,841	6,872
Analysed as follows:				
Continuing operations	336,990	270,988	104,841	6,872
Discontinued operations (note 29)	117,237	280,243	-	-
	454,227	551,231	104,841	6,872

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

29. ASSETS HELD FOR DISTRIBUTION AND DISCONTINUED OPERATIONS

Accounting policy

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations. The result of discontinued operations are presented separately in profit or loss.

- (a) On 20 June 2024, the Board of Directors of Sun Limited announced its decision to apply to the Supreme Court to proceed with a Scheme of Arrangement under Section 261 to 264 of the Mauritius Companies Act 2001, which if voted upon and sanctioned by the Supreme Court and its shareholders, to separate its activities in two distinct listed groups: one focused on the activities associated with owner-managed resorts, and another one focused on the activities associated with owning and asset managing the resorts which are managed by international luxury operators. The Board was of the view that the proposed split will enhance shareholders’ value. On 03 July 2024, Sun Limited obtained the authorisation from the Supreme Court of Mauritius to convene a shareholders’ meeting on 19 August 2024 for the purpose of considering, and if thought fit, approving the Scheme. Following such meeting on 19 August 2024, the Board of Directors of Sun Limited announced that the resolutions pertaining to the Scheme were successfully approved by more than 99% of shareholders present and voting.

On 12 September 2024, the Supreme Court of Mauritius sanctioned the Scheme.

In November 2024, Sun Limited transferred its shareholdings in SRL Touessrok Hotel Ltd, Riveo Hospitality Ltd (formerly known as Anahita Hotel Limited) and Loisirs des Iles Ltée to Riveo Limited in exchange for shares in Riveo Limited. Subsequently Sun Limited distributed its shares in Riveo Limited to its shareholders in the proportion of one Riveo share for every ordinary share herein as at the record date, 20 November 2024. The effective date for the derecognition of the subsidiaries and distribution to its shareholders following the scheme of arrangement was 1 December 2024. Accordingly, all assets, liabilities, and non-controlling interests relating to the subsidiaries were derecognised from the consolidated statement of financial position on 1 December 2024. As part of accounting for the loss of control, the Group is required to determine the value of the distribution for the purpose of calculating the gain or loss to be recognised. Given the lack of guidance in IFRS Accounting Standards on how to value the distribution in common control transactions, the Group has applied IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and opted for an accounting policy of choice to recognise the distribution at fair value by drawing analogy to IFRIC 17 Distributions of Non-cash Assets.

The fair value of the distributed subsidiaries, net of loans, at the date of disposal was determined at Rs 8.97 billion, while the carrying amount of the subsidiaries’ net assets and non-controlling interests derecognised was Rs 5.99 billion. This resulted in a gain on loss of control amounting to Rs 2.98 billion, which was recognized in profit or loss as per the requirements of IFRS 10.

The key objective of the restructuring and reorganisation is to provide the following benefits:

- Improved transparency in relation to the strategic objectives and operational performance of each group of companies with owner managed assets and those managed by external international operators;
- A return expectation which is in line with the risks of each group of companies; and
- A clear investment thesis for each group of companies.

The Group exercised significant judgment in classifying SRL Touessrok Hotel Ltd, Riveo Hospitality Ltd (formerly known as Anahita Hotel Limited) and Loisirs des Iles Ltée as discontinued operations at 30 June 2024, prior to the split, in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. This determination involved assessing whether these three entities constituted a separate major line of business, which required evaluating its operational distinctiveness from the rest of the Group. The components accounted for a significant portion of the Group’s total revenue and its total assets as at 30 June 2024. The Directors consider that this significant contribution to the Group’s overall performance supports the classification as discontinued operations.

- (b) Based on the schedule of events that occurred prior to the financial year ended 30 June 2024, the assets and liabilities of the SRL Touessrok Hotel Ltd, Riveo Hospitality Ltd and Loisirs des Iles Ltée were classified as ‘Assets held for distribution’ and ‘Liabilities directly associated with assets held for distribution’ respectively at 30 June 2024.

	Note	THE GROUP At 30 June 2024 Rs’000
ASSETS		
Property, plant and equipment	4	10,325,976
Rights of use assets	5	577,290
Intangible assets	7	225,947
Other investments	11	166,818
Inventories		69,308
Trade and other receivables		173,723
Cash and cash equivalents	34(ii)	482,228
Assets held for distribution		12,021,290
LIABILITIES		
Loans and other borrowings	34(iii)	1,579,134
Bank overdrafts	34(ii)	14,806
Lease liabilities	5	397,260
Provisions		16,567
Deferred tax liability	19	1,016,113
Retirement benefit obligations	20	138,275
Contract liabilities		24,093
Trade and other payables		624,447
Current tax liabilities	24	32,248
Liabilities directly associated with assets held for distribution		3,842,943
Net assets directly association with distribution group		8,178,347

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

29. ASSETS HELD FOR DISTRIBUTION AND DISCONTINUED OPERATIONS (CONT'D)

(c) The movement in assets held for distribution and liabilities directly associated with assets held for distribution:

	THE GROUP		
	Assets held for distribution	Liabilities directly associated with assets held for distribution	Net assets directly association with distribution group
	Rs'000	Rs'000	Rs'000
The Group			
At 1 July 2023			
Transferred to held for distribution	12,021,290	3,842,943	8,178,347
At 1 July 2024	12,021,290	3,842,943	8,178,347
Net movement	641,161	816,474	(175,313)
Distribution following scheme of arrangement	(12,662,451)	(4,659,417)	(8,003,034)
At 30 June 2025	-	-	-

(d) The analysis of Statement of Profit of Loss and Other Comprehensive Income from discontinued operations are as follows:

	Note	THE GROUP	
		5 months ended 30 November 2024	Year ended 30 June 2024
		Rs'000	Rs'000
Revenue	25	1,017,554	3,402,196
Other income	27	42,348	44,671
Operating expenses	26	(965,936)	(2,645,541)
Earnings before interest, tax, depreciation and amortisation and impairment charges		93,966	801,326
Impairment charge of financial and non-financial assets	32	505	(7,469)
Earnings before interest, tax, depreciation and amortisation		94,471	793,857
Depreciation and amortisation	28	(117,237)	(280,243)
Operating (loss)/profit		(22,766)	513,614
Finance income	33(a)	4,289	64,188
Finance costs	33(b)	(61,673)	(162,619)
(Loss)/profit before tax		(80,150)	415,183
Income tax charge	24	(38,478)	(58,265)
(Loss)/profit for the period/year from discontinued operation		(118,628)	356,918
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Revaluation of other investments		-	531
Remeasurements of retirement benefit obligations		-	(43,813)
Income tax relating to these items		(51,047)	7,447
		(51,047)	(35,835)
Items that may be reclassified to profit or loss:			
Gains/(losses) on cash flow hedges		57,626	(17,034)
Other comprehensive income for the year, net of tax		6,579	(52,869)
Total comprehensive income from discontinued operations for the period/year		(112,049)	304,049

(e) The Statement of Cash Flows from discontinued operations are as follows:

	THE GROUP	
	5 months ended 30 November 2024	Year ended 30 June 2024
	Rs'000	Rs'000
Operating cash flows before working capital changes	61,328	834,553
Movement in working capital	44,002	(40,785)
Net cash flows from operating activities	105,330	793,768
Net cash flows used in investing activities	(603,364)	(359,250)
Net cash flows from/(used in) financing activities	397,743	(604,405)
Net decrease in cash and cash equivalents	(100,291)	(169,887)
Cash and cash equivalents at 1 July	467,422	628,180
Net foreign exchange difference	(1,726)	9,129
Closing balance of cash and cash equivalents	365,405	467,422

(f) Gain arising on group restructuring

	THE GROUP
	2025
	Rs'000
Distribution following scheme of arrangement	
Share premium	3,138,833
Retained earnings	5,830,183
Consideration of the scheme of arrangement	8,969,016
Net assets directly associated with distribution group	8,003,034
Non-controlling interests transferred to Riveo Group	(917,999)
Convertible bonds transferred to Riveo Group	(1,094,450)
Net assets of Riveo Group attributable to equity holders	5,990,585
Gain arising on group restructuring	2,978,431

Amounts recycled to accumulated losses on derecognition of subsidiaries following scheme of arrangement:

Revaluation reserve	(3,390,794)
Cash flow hedge reserve	85,923
Accumulated losses	3,304,871
	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

30. ACQUISITIONS

At 30 June 2025:

As at 30 June 2024, the Group held 30% of the share capital in EastCoast Hotel Investment Ltd (“ECHI”). In November 2024, the Group acquired an additional 21% of shares increasing the stakeholding from 30% to 51% thus acquiring control in line with the strategy of the Group.

	THE GROUP
	2025
	Rs’000
(a) Effect of deemed disposal	
Fair value of interest held before the business combination*	708,355
Less: carrying value of equity interest held before business combination (note 9)	632,651
Profit on remeasurement of associate to subsidiary	75,704
*Fair value of interest held before the business combination was based on independent external valuation	
(b) Consideration	
Purchase consideration paid on acquisition of additional stake	760,457
Deemed value of initial holding	708,355
Total consideration	1,468,812
Recognised amounts of identifiable assets acquired and liabilities assumed on acquisition	
Property, plant and equipment	2,026,340
Right-of-use assets	911,188
Purchased goodwill	198,826
Other investments	17
Trade and other receivables	23,533
Cash and cash equivalents	38,711
Lease liabilities	(197,943)
Trade and other payables	(27,998)
Current tax liabilities	(12,090)
Fair value of net assets acquired	2,960,584
Represented as follows:	
Attributable to owners of the Company	1,468,812
Non-controlling interests	1,491,772
	2,960,584

Management performed the optional concentration test under *IFRS 3 Business Combinations* and concluded that the transaction is an asset acquisition as substantially all the fair value of the gross assets acquired is concentrated in a group of similar assets. Accordingly, the total purchase consideration, including directly attributable transaction costs, have been allocated to individual assets and liabilities acquired based on their relative fair values at acquisition date. No goodwill or bargain purchase gain has been recognised.

	THE GROUP
	2025
	Rs’000
(c) Impact on the Group's statement of profit or loss	
Profit on remeasurement of associate to subsidiary (note 30(a))	75,704
Gain arising on acquisition of subsidiary	75,704
(d) Net cash outflow on acquisition of subsidiary	
Total consideration	760,457
Less: cash and cash equivalent balances acquired	(38,711)
Consideration paid in cash	721,746

31. PRIOR YEAR ADJUSTMENT

In the Company’s separate financial statements, interest in subsidiaries are classified at fair value through other comprehensive income and are carried at fair value. Included in the fair value of the investment in subsidiaries were convertible bonds of Rs 3.1 billion which were interest bearing bonds with fixed term of repayment in prior years. Accordingly, we have deducted these convertible bonds from the fair value of the investment in subsidiaries to reflect the substance of these repayable bonds.

The amounts have been restated for the prior year as follows:

Statement of financial position (extract)

	THE COMPANY		
	30 June 2024	Decrease	30 June 2024 (restated)
	Rs’000	Rs’000	Rs’000
Non-current assets: Interest in subsidiaries (note 8)	23,432,471	(3,086,192)	20,346,279
Reserves: Investment revaluation reserve (note 17)	14,239,179	(3,086,192)	11,152,987
	30 June 2023	Decrease	30 June 2023 (restated)
	Rs’000	Rs’000	Rs’000
Non-current assets: Interest in subsidiaries (note 8)	20,604,903	(3,086,192)	17,518,711
Reserves: Investment revaluation reserve (note 17)	11,235,463	(3,086,192)	8,149,271

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

32. IMPAIRMENT OF FINANCIAL AND NON-FINANCIAL ASSETS

(a) Impairment (charges)/reversals on financial and non-financial assets

Accounting policy

At each financial year end, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(b) Impairment (charges)/reversals:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Non-financial assets:				
- Interest in subsidiaries (note 8)	-	-	-	(15,886)
Financial assets:				
- Loans to subsidiaries	(17)	-	50,000	375,000
- Trade receivables (note 14 and 29)	(4,394)	(10,289)	-	-
- Amount receivables from related parties (note 38)	-	-	12,721	64,461
	(4,411)	(10,289)	62,721	423,575
Analysed as follows:				
Continuing operations	(4,916)	(2,820)	62,721	423,575
Discontinued operations (note 29)	505	(7,469)	-	-
	(4,411)	(10,289)	62,721	423,575

33. NET FINANCE (COSTS)/INCOME

Accounting policy

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of the assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
(a) Finance income				
Interest received on:				
- Bank deposits	28,064	46,618	7,420	-
- Loan to related parties	-	-	17,463	69,415
Net foreign exchanges gains	143,047	228,732	-	171,350
	171,111	275,350	24,883	240,765
Analysed as follows:				
Continuing operations	166,822	211,162	24,883	240,765
Discontinued operations (note 29)	4,289	64,188	-	-
	171,111	275,350	24,883	240,765
(b) Finance costs				
Interest costs on bank and other loans	(181,846)	(289,947)	(88,958)	(98,039)
Interest charges on lease liabilities	(97,744)	(104,134)	(54,958)	-
Net foreign exchanges losses	(496)	-	(14,661)	-
Cash flow hedge release to Profit or Loss on repayment of loans	(48,802)	(65,051)	-	-
	(328,888)	(459,132)	(158,577)	(98,039)
Analysed as follows:				
Continuing operations	(267,215)	(296,513)	(158,577)	(98,039)
Discontinued operations (note 29)	(61,673)	(162,619)	-	-
	(328,888)	(459,132)	(158,577)	(98,039)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

34. EARNINGS PER SHARE

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Earnings per share		
Basic and diluted earnings per share	23.91	11.44
Based on profit for the year attributable to equity holders	4,169,232	1,995,169
Earnings per share from continuing operations		
Basic and diluted earnings per share	7.31	9.40
Based on profit for the year attributable to equity holders	1,273,840	1,638,251
Earnings per share from discontinued operations		
Basic and diluted earnings per share	16.61	2.05
Based on profit for the year attributable to equity holders	2,895,392	356,918
Weighted average number of ordinary shares (thousand)	174,364	174,364
Profit for the year attributable to equity holders from:		
- Continuing operations	1,273,840	1,638,251
- Discontinued operations	2,895,392	356,918
	4,169,232	1,995,169

Basic and diluted earnings per share is calculated by dividing profit for the year attributable to ordinary equity owners of the Company by the number of shares in issue excluding treasury shares. After the reporting period, no ordinary shares (2024: Nil) have been issued for cash.

The convertible bonds were found to be anti-dilutive and have therefore not had an impact on Diluted Earnings Per Share.

35. DIVIDENDS PER SHARE

Dividend distribution to the Company’s shareholders is recognised as a liability in the financial statements in the period in which the dividends are declared.

	THE GROUP AND THE COMPANY	
	2025	2024
	Rs'000	Rs'000
Amount recognised as distributions to equity holders in the year:		
Final dividend payable for year ended 30 June 2025 of Rs 2.60 per share (2024: Rs 2.50 per share)	453,346	435,910

36. CASH FLOW INFORMATION

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
(i) Movement in working capital				
Inventories	(39,421)	(29,255)	-	-
Trade and other receivables	(320,173)	(56,826)	192,947	(479,664)
Trade and other payables	359,155	(84,913)	(488,071)	(204,469)
Contract liabilities	(6,103)	(4,741)	-	-
Movement in working capital	(6,542)	(175,735)	(295,124)	(684,133)

(ii) Cash and cash equivalents

Cash and cash equivalents at the end of the financial year as shown in the statements of cash flows can be reconciled to the related items in the statements of financial position as follows:

	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Cash and short-term deposits	1,016,114	1,086,708	378,391	514,557
Cash and short-term deposits attributable to discontinued operations (note 29)	-	482,228	-	-
Bank overdrafts (note 18)	-	(20,005)	-	(17,806)
Bank overdrafts attributable to discontinued operations (note 29)	-	(14,806)	-	-
	1,016,114	1,534,125	378,391	496,751

Included in cash and cash equivalents is an amount of Rs 81m relating to restricted cash (2024: Rs 60m).

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

36. CASH FLOW INFORMATION (CONT'D)

(iii) Net debt reconciliation

	Other assets	Liabilities from financing activities		
	Cash/Bank overdraft	Loans and other borrowings	Leases liabilities	Total
	Rs'000	Rs'000	Rs'000	Rs'000
THE GROUP				
Net debt as at 1 July 2023	1,822,217	(5,269,881)	(1,713,033)	(5,160,697)
Net cash outflows	179,330	1,233,489	140,603	1,553,422
Amortised cost on borrowings	-	(417)	-	(417)
Other non cash movement	-	-	5,929	5,929
Foreign exchange adjustments	-	(127,591)	(6,414)	(134,005)
Transfer to liabilities directly associated with the assets held for distribution (note 29)	(467,422)	1,579,134	397,260	1,508,972
Net debt as at 1 July 2024	1,534,125	(2,585,266)	(1,175,655)	(2,226,796)
Net cash outflows	(518,011)	183,534	86,014	(248,463)
Amortised cost on borrowings	-	(417)	-	(417)
Other non cash movement	-	(8,092)	(339,686)	(347,778)
Foreign exchange adjustments	-	(72,039)	1,689	(70,350)
Net debt as at 30 June 2025	1,016,114	(2,482,280)	(1,427,638)	(2,893,804)
THE COMPANY				
Net debt as at 1 July 2023	802,740	(2,579,658)	-	(1,776,918)
Net cash (inflows)/outflows	(305,989)	757,247	-	451,258
Other non-cash movements	-	400,000	-	400,000
Foreign exchange adjustments	-	(7,589)	-	(7,589)
Net debt as at 1 July 2024	496,751	(1,430,000)	-	(933,249)
Net cash (inflows)/outflows	(118,360)	(493,700)	93,010	(519,050)
Other non-cash movements	-	845,000	(2,038,592)	(1,193,592)
Foreign exchange adjustments	-	-	(136,864)	(136,864)
Net debt as at 30 June 2025	378,391	(1,078,700)	(2,082,446)	(2,782,755)

*Loans and other borrowings exclude accrued interests

- (iv) The purchase of property, plant and equipment included in the statements of cash flows included an amount of Rs 61m (2024: Rs 57m) relating to capital creditors principally for renovation of Shangri-La’s Le Touessrok Resort & Spa.
- (v) Loans to subsidiaries repaid under investing activities for the Company includes an amount of Rs 212m as non-cash transaction with subsidiaries (2024: Rs 275m).
- (vi) Proceeds from borrowings under financing activities for the Company includes an amount of Rs 70m as non-cash transaction with a subsidiary (2024: Rs 200m).
- (vii) Repayment of borrowings under financing activities for the Company includes an amount of Rs 915m as non-cash transaction with its subsidiaries.

37. COMMITMENTS

Capital commitments

Authorised and contracted for

The capital commitments relate mainly project and maintenance capex (2024: renovation of Shangri-La’s Le Touessrok Resort & Spa, project and maintenance capex).

THE GROUP		THE COMPANY	
2025	2024	2025	2024
Rs’000	Rs’000	Rs’000	Rs’000
146,691	482,647	3,566	8,764

38. RELATED PARTY TRANSACTIONS

The transactions of the Group and the Company with related parties during the period are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs’000	Rs’000	Rs’000	Rs’000
(a) Sales of goods and services				
Subsidiaries and associates of parent	75,238	29,418	47,958	-
Subsidiaries	-	-	351,045	253,796
	75,238	29,418	399,003	253,796
(b) Interest income				
Subsidiaries	-	-	17,463	69,415
(c) Dividend income				
Subsidiary	-	-	861,502	1,199,501
Joint venture	12,997	10,029	-	-
(d) Purchases of goods and services				
Subsidiaries and associates of parent	50,732	46,896	4,615	2,472
(e) Legal and secretarial service fees				
Subsidiaries and associates of parent	24,734	26,083	6,952	2,405

(f) The Company has an agreement for the provision of advisory, legal and secretarial services by CIEL Corporate Services Ltd.

(g) Compensation

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs’000	Rs’000	Rs’000	Rs’000
Key management personnel				
- Short-term benefits	159,618	97,947	148,091	91,144
- Post-employment benefits	9,502	7,576	6,540	6,171
	169,120	105,523	154,631	97,315

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

38. RELATED PARTY TRANSACTIONS (CONT'D)

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
(h) Lease from other related party				
Right-of-use assets	-	11,342	-	-
Lease liabilities	-	14,171	-	-
Gain on de-recognition of lease liabilities	-	30,540	-	-
Rental payment	-	8,700	-	-

(i) Outstanding balances

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Receivables from related parties: Non current				
Loan to subsidiaries (note 12)	-	-	128,000	340,025
	-	-	128,000	340,025

- Loans to subsidiaries are unsecured, with no fixed terms of repayment and carries interest at 6.75% to 7.25% (2024: 7.25%) per annum.

Receivables from related parties - Current

Subsidiaries and associates of parent	81,904	1,268	56,945	446
Subsidiaries	-	-	291,843	546,881
Total amounts due from related parties (note 14)	81,904	1,268	348,788	547,327

The current amounts receivable from related parties are unsecured, interest free and will be settled in cash. They have no fixed repayment term.

No guarantees have been given or received.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Impairment reversals/(charges) on receivables from related parties:				
- Ambre Resort Ltd	-	-	-	11,261
- Sun Styled Boutiques Ltd	-	-	14,086	-
- Sunlife Hotel Management Ltd	-	-	-	8,177
- SRL Property Ltd	-	-	(2,000)	16,000
- Others	-	-	635	29,023
	-	-	12,721	64,461

The additional impairment charges during the year represent the deficits between the carrying amounts of the amount receivables from related parties and their net assets values at reporting date. The impairment reversals are due to amount recovered during the year.

Loans and other borrowings

Loan from subsidiary (note 18)	-	-	1,078,700	1,430,000
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Payables to related parties - current

Subsidiaries and associates of parent	9,559	1,072	3,618	659
Subsidiaries	-	-	639,122	951,787
	9,559	1,072	642,740	952,446

The above transactions have been made in the normal course of business.

The loan from subsidiaries are unsecured, repayable after more than 12 months, denominated in Mauritian Rupee and carry interest at a rate between 3.30% to 6.50% per annum (2024: 3.30% to 6.50%).

The amounts payable to related parties are unsecured, interest free and will be settled in cash.

(j) Loans and interest receivable from key management personnel under the Executive Share Option Scheme

Refer to note 12(a)

(k) Pension contributions to pension plan

Refer to note 20

39. CONTINGENT LIABILITIES

The Group had no other contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business as at 30 June 2025.

40. EVENTS AFTER THE REPORTING PERIOD

The Group had the following material events after the reporting period which required disclosure to the financial statements for the year ended 30 June 2025:

On 15 July 2025, a fire ocured at La Pirogue Hotel, resulting in the destruction of the Beach Bar and part of the hotel restaurant. The hotel is insured for both material damages and business interruption and management is compiling all figures with respect to the claim. Reconstruction of the affected areas has commenced to enable operations to resume as quickly as possible. The fire is considered to be a non-adjusting event as the event arose after the balance sheet date.

Subsequent to the reporting period, the Government of Mauritius introduced the Alternative Minimum Tax (AMT) and the Fair Share Contribution (FSC) under the Finance Act 2025. The AMT mandates certain companies to pay a minimum tax of 10% on adjusted book profits where their regular tax liability is lower. The FSC applies to companies with chargeable income exceeding MUR 24 million, at a rate of 5% on their chargeable income. These developments are non-adjusting events under IAS 10 paragraph 22(h) and may affect the Group's and Company's future tax obligations and financial position.

41. ULTIMATE PARENT COMPANY

The Company considers CIEL Limited, a company incorporated in Mauritius, as its parent and ultimate parent company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

42. FINANCIAL INSTRUMENTS

Accounting policies

Financial assets

On initial recognition, a financial asset is classified either at amortised cost, fair value through other comprehensive income (FVOCI); or fair value through profit and loss (FVTPL). The classification of financial assets is based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

The financial assets include cash and cash equivalents, trade and other receivables, intercompany loans on the financial assets and investment in securities.

Categories of Financial assets	Initial recognition	Subsequent recognition
Amortised Cost (Debt Instrument)	<p>A financial asset is measured at amortised cost if it meets both of the following conditions and is not elected to be designated as FVTPL:</p> <ul style="list-style-type: none">It is held within a business model whose objective is to hold assets to collect contractual cash flows, andIts contractual terms give rise on specified dates to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding.	<p>These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by any impairment losses. Interest income, foreign exchange gains and losses and impairments are recognised in profit or loss as they are incurred. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired. This category is the most relevant to the Group. It includes loans and receivables.</p>
Fair Value through other comprehensive income	<p>A debt investment is measured at FVOCI if it meets both of the following conditions and is not elected to be designated as FVTPL:</p> <ul style="list-style-type: none">It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, andIts contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. <p>On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.</p>	<p>Debt instruments are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairments are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are recycled to profit or loss.</p> <p>Equity investments are measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.</p>
Fair Value through profit or loss	<p>All financial assets not classified as amortised cost or FVOCI as described above are classified as FVTPL and held at fair value. This includes all derivative financial assets. On initial recognition, the Group may irrevocably elect to designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. This election is made on an individual instrument basis.</p>	<p>These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss when the Group's and/or the Company's right to receive the return is established, unless such instrument is designated in a hedging relationship.</p>

Derecognition

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred substantially all the risks and rewards relating to the assets to a third party.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all trade receivables with third parties.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of the reporting period. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The information about the ECLs on the Group's trade receivables are disclosed in note 14.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value. Transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

The Group's financial liabilities include trade and other payables, loans and other borrowings, contract liabilities and lease liabilities including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Borrowings and finance lease obligations

After initial recognition, interest-bearing borrowings and finance lease obligations are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit or loss.

This category includes interest bearing borrowings and finance lease obligations including bank overdrafts.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of profit or loss.

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

Cash and short-term deposits in the statements of financial position comprise of cash at banks and in hand. For the purpose of the statements of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of interest-bearing loans and borrowings net of cash and cash equivalents and equity attributable to equity owners of the parent, comprising retained earnings, stated capital, redeemable convertible bonds from MIC and reserves as disclosed in notes 16 to 17 respectively.

Gearing ratio

The Group has a target gearing ratio up to a maximum of 50% determined as the proportion of net debt to capital employed.

The gearing ratio at the year end was as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Debt (Note (i))	2,482,280	2,605,271	1,078,700	1,447,806
Cash and short term deposits	(1,016,114)	(1,086,708)	(378,391)	(514,557)
Net debt	1,466,166	1,518,563	700,309	933,249
Capital employed ((Note (ii))	8,742,183	6,460,043	12,509,753	20,342,212
Gearing ratio	16.8%	23.5%	5.6%	4.6%

- (i) Debt is defined as loans, bonds and overdrafts excluding accrued interests.
- (ii) Capital employed includes all capital, reserves and the net debt of the Group. The capital employed at 30 June 2024 has excluded Riveo Group for a like for like comparison.

There were no changes in the Group’s approach to capital risk management during the year.

Material accounting policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 42 to the financial statements.

42.2 Financial instruments by category and fair values

	Fair value hierarchy	THE GROUP		THE COMPANY	
		2025	2024	2025	2024
		Rs'000	Rs'000	Rs'000	Rs'000
<u>Financial assets</u>					
Amortised Cost					
Cash and short term deposits	Level 2	1,016,114	1,086,708	378,391	514,557
Trade and other receivables	Level 2	585,043	416,370	396,754	553,889
Other financial assets	Level 2	13,995	13,995	141,995	354,020
		1,615,152	1,517,073	917,140	1,422,466
Assets at Fair Value Through Other Comprehensive Income					
Other investments	Level 2	-	-	-	-
Interest in subsidiaries	Level 2	-	-	13,477,633	20,346,279
		-	-	13,477,633	20,346,279
<u>Financial liabilities</u>					
Amortised Cost					
Loans and other borrowings	Level 2	2,510,204	2,646,748	1,078,700	1,447,806
Lease liabilities	Level 2	1,427,638	1,175,655	2,082,446	-
Trade and other payables	Level 2	1,038,511	968,505	873,163	1,189,970
		4,976,353	4,790,908	4,034,309	2,637,776

Financial assets exclude prepayments and derivative assets. Non-financial liabilities exclude client advances and derivative liabilities.

42.3 Financial risk management

The Group’s Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

42.4 Market risk

The Group’s activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Financial market risk is defined as the risk that business performance is affected by movements in financial market prices or rates. Financial market risk may therefore result in a profit or loss and is the risk that derivatives are usually designed to manage.

The Group enters into a variety of forwards contracts, swaps and cap to manage its exposure to interest rate and foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

42. FINANCIAL INSTRUMENTS (CONT'D)

42.5 Foreign currency risk management

The Group has financial assets and financial liabilities denominated in various foreign currencies. Consequently, the Group is exposed to the risk that the carrying amounts of these foreign currency denominated assets and liabilities may change due to fluctuations in foreign exchange rates.

The currency profile of the financial assets and financial liabilities, excluding equity investments in subsidiaries and associates and employee benefit liability at 30 June 2025 and 30 June 2024, are as follows:

	THE GROUP		THE COMPANY	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
<u>2025</u>	Rs'000	Rs'000	Rs'000	Rs'000
US Dollar	46,144	23,043	11,320	32,694
Euro	581,461	2,863,369	144,035	2,164,496
South African Rand	243,979	54,095	1,824	-
UK Pound	249,283	1,161	69,547	-
Others	782	-	234	-
Total foreign currencies	1,121,649	2,941,668	226,960	2,197,190
Mauritian Rupee	493,503	2,034,685	690,180	1,837,119
Total	1,615,152	4,976,353	917,140	4,034,309
<u>2024</u>				
US Dollar	25,651	23,884	9,088	30,572
Euro	818,467	2,975,989	445,024	62,316
South African Rand	248,291	64,993	9,866	-
UK Pound	156,008	2,379	4,703	-
Others	960	-	218	-
Total foreign currencies	1,249,377	3,067,245	468,899	92,888
Mauritian Rupee	267,696	1,723,663	953,567	2,544,888
Total	1,517,073	4,790,908	1,422,466	2,637,776

The Group is mainly exposed to fluctuations in US Dollar, Euro, South African Rand and UK Pound exchange rates.

The following table details the impact on pre tax results following a sensitivity analysis of 1% increase/(decrease) in the Mauritian Rupee against the relevant foreign currencies.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
Increase/(decrease) in pre-tax results:	Rs'000	Rs'000	Rs'000	Rs'000
US Dollar	231	18	(214)	(215)
Euro	(22,819)	(21,575)	(20,205)	3,827
South African Rand	1,899	1,833	18	99
UK Pound	2,481	1,536	695	47
Others	8	10	-	-

The Group's and Company's equity would not be materially impacted following a sensitivity analysis of 1% increase/decrease in the Mauritian Rupee against the relevant foreign currencies.

The above is mainly attributable to:

- (i) the exposure outstanding on receivables and deposits in above currencies; and
- (ii) differences on translation of receivables and payables in foreign subsidiaries.

42.6 Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrows funds at floating interest rates. The Group's policy is to minimise exposure to interest rate movements without exposing the Group to speculation or undue risk. Sun Limited manages its exposure to fluctuations in interest rates with a view to containing its net interest costs or securing its interest revenues through the purchase of certain hedging instruments such as interest rate caps, floors, swaps or forward rate agreements.

The current policy is to have a good mix of fixed versus variable interest rate with fixed being at least 50% of the interest rate.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section.

The interest rate profile of the Group at the end of the reporting period were as follows:

<i>Financial assets</i>	Balances with banks	
	Interest rate	
	2025	2024
	%	%
South African Rand	7.98	7.22
Mauritian Rupee	2.95	3.10

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

42. FINANCIAL INSTRUMENTS (CONT'D)

42.6 Interest rate risk management (cont'd)

Financial liabilities	Loans		Lease Liabilities		Bank overdrafts		Bonds	
	Fixed interest rate %	Floating interest rate %	Fixed interest rate %	Floating interest rate %	Fixed interest rate %	Floating interest rate %	Fixed interest rate %	Floating interest rate %
2025								
Mauritian Rupee	N/A	N/A	3.00 - 7.05	N/A	N/A	6.50	N/A	N/A
US Dollar	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Euro	5.51	4.82	5.00	N/A	N/A	N/A	2.82	5.75
GBP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2024								
Mauritian Rupee	N/A	N/A	2.20 - 7.05	N/A	N/A	6.75	N/A	N/A
US Dollar	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Euro	5.51	N/A	5.00	N/A	N/A	N/A	2.70	6.34
GBP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both financial assets and liabilities at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was for the whole year. A 1% increase or decrease is used and represents management’s assessment of the likely change in interest rate.

If interest rates had been 1% higher/lower and all other variables were held constant:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Profit or loss	(7,475)	(18,083)	-	-

42.7 Other price risks

The Group and the Company are exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group and the Company do not actively trade into these investments.

42.8 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group’s funding and liquidity management requirements. Further details are disclosed in note 3.

Sun Limited shall ensure that it has adequate though not excessive cash resources, borrowing arrangements, overdraft facilities to enable it at all times to have the level of funds available which are necessary for the achievement of its business objectives based on the measures put in place. Cash and debt management is centralised through corporate finance and receipts from the centralised debtors’ collection department are monitored on a monthly basis to match the payments of creditors and other commitments. Any temporary gap in cash is covered by the overdraft and short-term borrowing facilities in place.

Liquidity and interest risk tables

The following tables detail the Group’s remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

Non derivative financial instruments

	THE GROUP				
	Average effective interest rate	Less than 1 year	1-5 years	5+ years	Total
	%	Rs'000	Rs'000	Rs'000	Rs'000
2025					
Non-interest bearing		1,038,511	-	-	1,038,511
Variable interest rate instruments	4.82% - 5.75%	107,923	636,783	173,842	918,548
Fixed interest rate instruments	2.70% - 7.05%	493,272	1,740,373	4,095,254	6,328,899
		1,639,706	2,377,156	4,269,096	8,285,958
2024					
Non-interest bearing		968,505	-	-	968,505
Variable interest rate instruments	6.34%	14,337	58,700	266,215	339,252
Fixed interest rate instruments	2.20% - 7.05%	795,793	1,639,418	3,654,029	6,089,240
		1,778,635	1,698,118	3,920,244	7,396,997

	THE COMPANY				
	Average effective interest rate	Less than 1 year	1-5 years	5+ years	Total
	%	Rs'000	Rs'000	Rs'000	Rs'000
2025					
Non-interest bearing		873,163	-	-	873,163
Fixed interest rate instruments	3.30% - 6.50%	222,252	1,610,080	2,215,233	4,047,565
		1,095,415	1,610,080	2,215,233	4,920,728
2024					
Non-interest bearing		1,189,970	-	-	1,189,970
Fixed interest rate instruments	3.30% - 6.50%	173,178	519,534	1,603,178	2,295,890
		1,363,148	519,534	1,603,178	3,485,860

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

42. FINANCIAL INSTRUMENTS (CONT'D)

42.9 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and to the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group and the Company only transact with entities of good credit rating. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

The Group does not have any significant credit risk exposure to any single counterparty.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

42.10 Fair value of financial instruments

Except where stated elsewhere, the carrying amounts of the Group's and the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved.

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that includes inputs for the assets or liability that are not based on observation market data (unobservable inputs).

43. DERIVATIVE FINANCIAL INSTRUMENTS DESIGNATED AS HEDGING INSTRUMENTS

Accounting policies

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges on interest rate swap, hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations.

Hedge accounting

The Group has chosen to continue to apply the hedge accounting requirements of IAS 39 instead of IFRS 9. The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions.

The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within twelve months. Other derivatives are presented as current assets or current liabilities.

A hedging relationship exists where:

- at the inception of the hedge there is formal documentation of the hedge;
- the hedge is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is highly effective throughout the reporting period; and
- for hedges of a forecasted transaction, the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

Where there is a hedging relationship between a hedge instrument and a related item being hedged, the hedging instrument is measured at fair value. The treatment of any resultant gains and losses is set out below.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

43. DERIVATIVE FINANCIAL INSTRUMENTS DESIGNATED AS HEDGING INSTRUMENTS (CONT'D)

Accounting policies (cont'd)

Cash Flow Hedge

Where a financial instrument hedges the exposure to variability in the cash flows of highly probable transactions or firm commitments, the effective part of any gain or loss on remeasurement of the hedging instrument is recognised directly in other comprehensive income. The ineffective part of any gain or loss is recognised in profit or loss. The cumulative gain or loss recognised in equity is transferred to profit or loss at the same time that the hedged transaction affects net profit or loss and included in the same line item as the hedged transaction.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss recognised in equity remains in equity and is recognised in accordance with the above policy. If the hedged transaction is no longer expected to occur, the cumulative gain or loss recognised in equity is recognised in profit or loss immediately.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method is to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of the above foreign currency purchases this may arise if the timing of the transaction changes from what was originally estimated.

Significant judgements

The Group is exposed to foreign currency risk, most significantly to the Euro, Pound Sterling and US Dollar, on the Group’s sales denominated in these currencies. The Group hedges these exposures by entering into foreign currency loans (“hedging instruments”) with future principal payments that will match the future sales (“hedged item”) in these currencies.

To apply hedge accounting, a condition is that the forecast transaction must be “highly probable”. The Group has applied judgement in assessing whether the forecasted foreign currency revenue remain “highly probable”, still expected to occur or is no longer expected to occur. In making this assessment, the Group has considered the most recent budgets and plans and concluded that cash flows occurring as from July 2025 are considered as highly probable. This led to hedging effectiveness and no impact to the profit or loss of the Group was recorded (2024: Rs Nil).

The Group is exposed to foreign currency risk, most significantly to the Euro, UK Pound and US Dollar, on the Group’s sales denominated in these currencies. The Group hedges these exposures by entering into foreign currency loans (“hedging instruments”) with future principal payments that will match the future sales (“hedged item”) in these currencies. All exchange differences arising on the conversion of foreign currency loans are deferred in equity, under the cash flow hedge reserve to the extent that the hedge is effective. On recognition of the hedged sales, the foreign currency gain/loss is netted off by releasing a portion of the cash flow hedge reserve.

The Group has reviewed the hedging portfolio to confirm whether the underlying transactions remain “highly probable”.

At the time of reporting, management has identified:

- (i) a portion of foreign currency sales which are no longer deemed to be “highly probable” but are still expected to occur. Hence, the corresponding cumulative gain or loss deferred in equity whilst the hedge was effective remains in equity until the forecasted transaction occurs.
- (ii) a portion of foreign currency sales which are no longer deemed to be “highly probable” and are not expected to occur. Hence, the corresponding cumulative gain or loss deferred in equity whilst the hedge was effective are immediately removed from equity and are recognised in the statement of profit or loss.

(a) The cash flow hedge reserve disclosed in the statements of changes in equity relates to the following:

	THE GROUP	
	2025	2024
	Rs’000	Rs’000
At 1 July	(341,846)	(285,157)
Revaluation losses on loan recognised in other comprehensive income	(26,599)	(120,631)
Cash flow hedge reserve released to profit or loss on repayment of loan included in finance cost	47,487	63,942
Derecognition of subsidiaries following scheme of arrangement	85,923	-
At 30 June	(235,035)	(341,846)

(b) Below is a schedule indicating the periods when the hedge cash flows are expected to occur and when they are expected to affect profit or loss:

THE GROUP	Within 1 year	1 to 3 years	3 to 5 years	More than 5 years
	Rs’000	Rs’000	Rs’000	Rs’000
2025				
Cash inflows	341,929	1,053,578	650,578	437,522
Cash outflows	(341,929)	(1,053,578)	(650,578)	(437,522)
Net cash outflows	-	-	-	-
2024				
Cash inflows	663,868	959,971	327,574	643,689
Cash outflows	(663,868)	(959,971)	(327,574)	(643,689)
Net cash outflows	-	-	-	-

(c) The hedge of the variability of cash flows due to exchange rate fluctuations

The final repayment of the bank loans and bonds identified as the hedge instrument range from 16 September 2025 to 23 March 2032 for the Group.

The fair value of the denominated bank loans and bonds is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs’000	Rs’000	Rs’000	Rs’000
As at 30 June	2,482,280	2,585,266	1,078,700	1,430,000

These financial assets are classified under Level 3 of the Fair Value Hierarchy.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FINANCIAL YEAR ENDED 30 JUNE 2025

44. SEGMENT INFORMATION

Accounting policies

The Group presents segmental information using business segments as its primary reporting format and geographical segments as its secondary reporting format. This is based on the internal management and financial reporting systems and reflects the risks and earnings structure of the Group. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

At 30 June 2025	Assets		Liabilities		Additions to non-current assets
	Non-current	Current	Non-current	Current	
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Hotel operations	12,075,054	1,424,652	4,572,852	2,058,984	311,702
Real estate	344	358,635	-	173,808	407
Mauritius	12,075,398	1,783,287	4,572,852	2,232,792	312,109
Others	158,125	343,184	-	278,333	1,106
	12,233,523	2,126,471	4,572,852	2,511,125	313,215

Year ended 30 June 2025	Revenue	EBITDA	Depreciation and amortisation	Net finance (costs)/ income	Income tax charge	Profit after tax from continuing operations
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Hotel operations	5,810,990	1,950,125	(335,360)	(143,157)	(307,712)	1,169,507
Real estate	575,625	98,523	(63)	25,587	(23,569)	100,478
Mauritius	6,386,615	2,048,648	(335,423)	(117,570)	(331,281)	1,269,985
Others	115,623	18,423	(1,567)	17,177	(9,177)	58,299
	6,502,238	2,067,071	(336,990)	(100,393)	(340,458)	1,328,284

At 30 June 2024, the Group was not required to disclose segment information as the hotel operations in Mauritius constituted more than 90% of its total revenue, operating profit, profit after tax and combined assets.