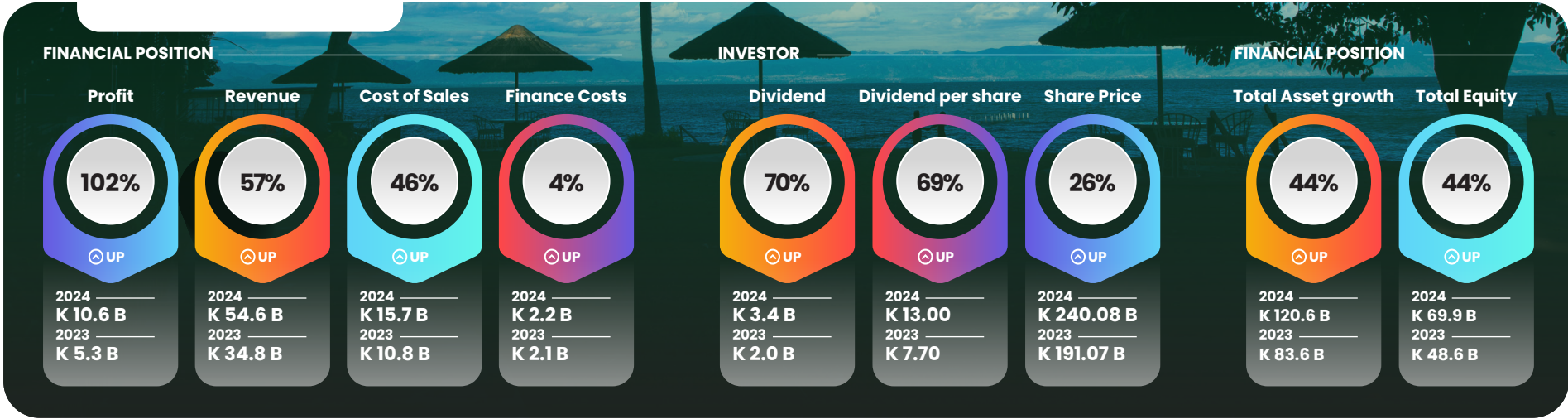


AUDITED SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

KEY HIGHLIGHTS



2024 FINANCIAL YEAR RESULTS PUBLICATION COMMENTARY

The Board is pleased to present the audited financial results for the Company for the year ended 31 December 2024.

Operating Environment*

According to the United Nations World Travel Organization (UNWTO), international tourist arrivals were 1.4 billion globally, signaling the recovery of international tourism from the Covid-19 pandemic, the worst crisis in the sector's history. In 2024, majority of destinations welcomed more international tourists than they did before the pandemic, while visitor spending also continued to rise sharply. The 74 million arrivals in Africa were 7% higher than those in 2019 (pre-pandemic), and 12% higher than those in 2023.

The economic environment for the reporting year continued to be challenging characterized by high interest rates, shortage of foreign currency and high inflation, particularly the food inflation, which drove up significantly the hotel's operating costs and also affected demand for the hotels' products and services.

Financial Performance

The Company's profit after tax was K10.625 billion, which represents a 102% increase over the K5.252 billion profit recorded in the previous year. This is emanating from a robust revenue performance despite the difficult operating environment alluded to above.

Total revenue grew by 57% to K54.595 billion on account of better yield management; sales and marketing initiatives which included direct client engagement to customize the products to their expectation; unwavering service delivery to ensure repeat business and continuous product redevelopments.

Administrative and other expenses increased by 29% to K20.360 billion in line with increased business activities and high inflation. Inflation was further exacerbated by the lack of foreign exchange.

Due to an increase in borrowings and higher interest rates, finance costs rose by 4% to K2.223 billion from the previous year's K2.141 billion. The majority of finance costs relate to borrowings utilized for asset financing as well as expansion and refurbishments initiatives.

Outlook*

According to UNWTO, international tourists' arrivals are expected to grow by 3% to 5% over 2024. This is notwithstanding the global economic and geopolitical challenges which continue to pose risks to the sector. The change in US foreign aid policy is posing a risk of reduced business for the year 2025.

The economic environment is projected to remain volatile, with high inflation, and persistent shortage of foreign currency. In 2025, there will be elections, which may yield mixed results. While market activities might be high and may offer opportunities to the hospitality industry, there may also be some interruptions that impact tourism, particularly in city hotels. Ongoing expansion and redevelopment projects will require about K16 billion to complete, which will be financed from

internal operations and borrowings. The Board will continue monitoring the economic and social-political environment and reposition the business accordingly.

The Board has put in place strategies to ensure that the Company manages the risks and exploits the opportunities available in the environment in order to continue providing unrivalled experience to its customers and grow its customer base.

Dividend

During the year, a final dividend of K1.5 billion representing K5.70 per share was paid in respect of the year ended 31 December 2023, in 2023, an interim dividend of K523 million was paid; making the total dividend for 2023 to be K2.0 billion representing K7.70 per share. An interim dividend on K654 million, representing K2.50 per share was declared and paid relating to the results for the year ended 31 December 2024. Total dividend paid during the year was K2.1 billion (Final dividend for 2023: K1.5 billion and Interim dividend for 2024: K654 million).

The board has also recommended a payment of final dividend of K2.7 billion representing K10.50 per share, making a total of K3.4 billion representing K13.00 per share. The proposed final dividend for the 2024 is subject to shareholders' approval at the forthcoming Annual General Meeting.

Basic of preparation

The Directors have prepared the summary financial statements to meet the listings requirements of the Malawi Stock Exchange. The Directors have considered the listings requirements of the Malawi Stock Exchange and believe that the summary statements of comprehensive income, financial position, changes in equity and cash flows are sufficient to meet the requirements of the users of the summary financial statements. The amounts in the summary financial statements are prepared in accordance with the framework concepts and the measurement and recognition requirements of the IFRS® Accounting Standards as issued by the International Accounting Standards Board, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM). The Summary financial statements have been derived from the Annual Financial Statements which were approved by the board of directors on 4 April 2025, and are available on the company's website www.sunbirdmalawi.com.

* Unaudited

On behalf of the Board



V. Munthali
Chairman



M. Mbeye
Director



Chartered Accountants

Vilengo Beza
Partner

30 April 2025

Deloitte.

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the shareholders of Sunbird Tourism plc

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2024, and the summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, are derived from the audited financial statements of Sunbird Tourism plc for the year ended 31 December 2024.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, and are prepared on the basis described in the basis of preparation paragraph.

Other Matter

The financial statements of Sunbird Tourism plc for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 3 May 2024.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM) and the requirements of the Companies Act. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 30 April 2025. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the financial statements of the current year.

Directors' Responsibility for the Summary Financial Statements

The Directors are responsible for the preparation of the summary financial statements in accordance with the basis described in the basis of preparation paragraph.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised) Engagements to Report on Summary Financial Statements.

AUDITED SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	2024	2023
	MK'000	MK'000
Revenue	54,595,050	34,824,762
Cost of sales	(15,723,378)	(10,773,624)
Gross profit	38,871,672	24,051,138
Other income	387,358	1,399,154
Impairment losses of financial assets	(172,368)	-
Administration and other expenses	(20,359,663)	(15,843,984)
Operating profit	18,726,999	9,606,308
Finance income	87,707	90,832
Finance costs	(2,223,709)	(2,141,422)
Profit before taxation	16,590,997	7,555,718
Income tax expense	(5,966,369)	(2,303,814)
Profit for the year	10,624,628	5,251,904
Other Comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain on property revaluation	12,876,921	13,550,487
Total Other comprehensive income	12,876,921	13,550,487
Total comprehensive income	23,501,549	18,802,391
Profit attributable to:		
Owners of the company	10,624,628	5,251,904
Total comprehensive income attributable to:		
Owners of the company	23,501,549	18,802,391
Earnings per share (kwacha) - Basic and diluted	40.62	20.08

SUMMARY STATEMENT OF FINANCIAL POSITION		
	2024	2023
	MK'000	MK'000
ASSETS		
Non-current assets		
Property and equipment	103,394,586	69,735,208
Intangible assets	167,188	221,817
Total non-current assets	103,561,774	69,957,025
Current assets		
Inventories	6,248,169	3,878,876
Trade and other receivables	4,546,798	4,227,908
Amounts due from related parties	2,688,639	1,721,980
Income tax receivable	-	103,295
Cash and cash equivalents	3,521,284	3,668,107
Total current assets	17,004,890	13,600,166

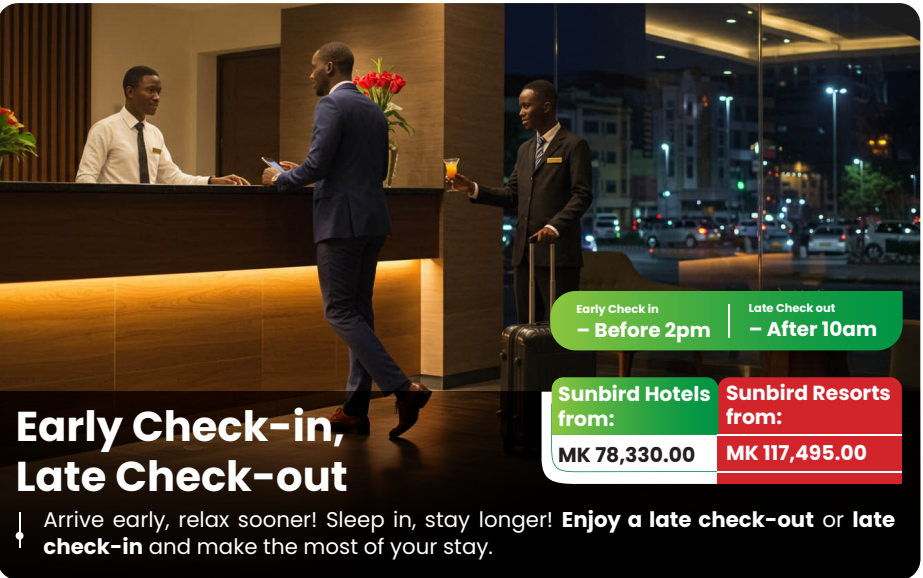
TOTAL ASSETS	120,566,664	83,557,191
EQUITY AND LIABILITIES		
Equity		
Share capital	13,079	13,079
Share premium	1,966	1,966
Revaluation reserve	41,314,334	28,737,731
Retained earnings	28,601,127	19,821,157
Total equity	69,930,506	48,573,933
Non-current liabilities		
Corporate bonds	11,500,000	4,600,000
Deferred income	170,577	176,926
Deferred tax liabilities	25,824,225	16,270,724
Loans and borrowings	1,723,690	9,656
Total non-current liabilities	39,218,492	21,057,306

Current liabilities		
Bank overdraft	-	117,840
Trade and other payables	5,801,475	5,573,056
Provisions	1,302,532	992,542
Deferred income	242,563	269,261
Employee benefits	1,150,868	1,102,516
Amounts due to related parties	1,420,279	1,016,139
Corporate bonds	71,024	4,824,935
Current tax liability	929,861	-
Loans and borrowings	499,064	29,663
Total current liabilities	11,417,666	13,925,952
Total liabilities	50,636,158	34,983,258

TOTAL EQUITY AND LIABILITIES	120,566,664	83,557,191
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SUMMARY STATEMENT OF CHANGES IN EQUITY					
	Share Capital	Share Premium	Revaluation	Retained	Total
2024					
Balance as at 1 January	13,079	1,966	28,737,731	19,821,157	48,573,933
Profit for the year	-	-	-	10,624,628	10,624,628
Other Comprehensive income					
Revaluation surplus	-	-	21,874,312	-	21,874,312
Deferred tax on revaluation surplus	-	-	(8,997,391)	-	(8,997,391)
Total Comprehensive Income	-	-	12,876,921	10,624,628	23,501,549
Transfer to retained earnings	-	-	(300,318)	300,318	-
Dividend paid	-	-	-	(2,144,977)	(2,144,977)
Balance as at 31 December	13,079	1,966	41,314,334	28,601,127	69,930,506
2023					
Balance as at 1 January	13,079	1,966	15,409,596	15,262,910	30,687,551
Profit for the year	-	-	-	5,251,904	5,251,904
Other Comprehensive income					
Revaluation surplus	-	-	19,357,838	-	19,357,838
Deferred tax on revaluation surplus	-	-	(5,807,351)	-	(5,807,351)
Total comprehensive income	-	-	13,550,487	5,251,904	18,802,391
Transfer to retained earnings	-	-	(222,352)	222,352	-
Dividend paid	-	-	-	(916,009)	(916,009)
Balance as at 31 December	13,079	1,966	28,737,731	19,821,157	48,573,933

SUMMARY STATEMENT OF CASH FLOWS		
	2024	2023
	MK'000	MK'000
Cash flows from operating activities		
Cash receipts from customers	53,932,028	33,691,384
Cash paid to suppliers and employees	(36,360,950)	(23,802,753)
Cash generated from operations	17,571,078	9,888,631
Interest paid	(2,781,954)	(2,221,076)
Income tax paid	(4,377,104)	(1,611,136)
Net cash from operating activities	10,412,020	6,056,419
Cash flows from investing activities		
Acquisition of property and equipment	(12,723,996)	(3,475,306)
Acquisition of intangible assets	(8,809)	(142,704)
Proceeds from sale of property and equipment	39,114	7,819
Net cash used in investing activities	(12,693,691)	(3,610,191)
Cash flows from financing activities		
Proceeds from borrowings	13,234,222	700,000
Repayment of borrowings	(8,910,787)	(1,871,735)
Dividends paid	(2,144,977)	(916,009)
Net cash used in financing activities	2,178,458	(2,087,744)
Net (decrease)/increase in cash and cash equivalents	(103,213)	358,484
Cash and cash equivalents at beginning of the year	3,550,267	2,156,748
Exchange differences on cash and cash equivalents	74,230	1,035,035
Cash and cash equivalents at end of the year	3,521,284	3,550,267



Early Check in
- Before 2pm

Late Check out
- After 10am

Sunbird Hotels
from:
MK 78,330.00

Sunbird Resorts
from:
MK 117,495.00

Early Check-in,
Late Check-out

Arrive early, relax sooner! Sleep in, stay longer! Enjoy a late check-out or late check-in and make the most of your stay.

Sunbird Hotels Sunbird Capital, Sunbird Mount Soche, Sunbird Lilongwe and Sunbird Mzuzu
Sunbird Resorts Sunbird Livingstonia, Sunbird Waterfront, Sunbird Ku Chawe, Sunbird Nkopola and Sunbird Chintheche



FOR BOOKING AND ENQUIRIES

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