



Hotels | Properties | Services

## CAUTIONARY ANNOUNCEMENT

The Board of Directors (the "Board") of Sun Limited ("SUN" or the "Company") hereby informs the shareholders of SUN and the investing public in general that the Board has today decided to raise MUR1.865 billion in order to strengthen the Company's capital base, through:

- A proposed Rights Issue, for an amount of MUR746.1 million, of 19,129,924 new ordinary shares ("the Rights Issue"), in the proportion of 0.1511 new ordinary share for every ordinary share held, at an issue price of MUR39.00 per share; and
- A proposed Private Placement, for an amount of MUR1.12 billion to DI CIRNE HLT Ltd ("DI CIRNE"), a 100% indirect subsidiary of Dentressangle Initiatives SAS ("Dentressangle Initiatives"), of 28,684,380 new ordinary shares ("the Private Placement"), at an issue price of MUR39.00 per share.

The Rights Issue and the Private Placement (the "Transaction") shall be undertaken simultaneously and are subject to the approval of the shareholders of SUN and of relevant regulatory authorities.

CIEL Limited ("CIEL"), the largest shareholder of SUN, has indicated that it intends to subscribe for its pro-rata share in the Rights Issue for a total amount of MUR447.35 million. Dentressangle Initiatives has agreed to underwrite the balance of the Rights Issue amounting to MUR298.7 million. Dentressangle Initiatives has further committed to invest MUR1.12 billion to the private placement.

Post completion of the Transaction, CIEL will remain the majority shareholder of SUN with 50.10% of the share capital. Depending on the participation of minority shareholders in the Rights Issue, Dentressangle Initiatives will own between 16.44% and 20.84% of the outstanding shares of SUN post completion of the Transaction.

Dentressangle Initiatives is the investment holding company of the Dentressangle family, the founder and majority shareholder until 2015 of the leading European transport and logistics company "Norbert Dentressangle SA". Following the sale of Norbert Dentressangle SA, Dentressangle Initiatives developed a portfolio of investments in a number of global scale business segments, more particularly in industry, services and real estate. Its strategy is to invest, and foster the development of companies with strong growth potential destined to become major players in their activity sector. Dentressangle Initiatives will bring its real estate and hotel management expertise to SUN.

The Board believes that this capital increase combined with the completion of major renovation programs and encouraging trends in revenue per available room, will strongly position SUN for a return towards profitability and further sustainable growth.

A special meeting of shareholders will be convened, which shall be held in June 2017, to vote on the proposed Transaction and the notice of meeting shall be sent after all regulatory approvals have been obtained.

Shareholders and the investing public in general are advised to exercise caution when dealing in the shares of SUN. Further developments will be communicated in due course.

### By order of the Board

Secretary

CIEL Corporate Services Ltd

25 April 2017

This announcement is issued pursuant to Listing Rule 11.3 and Rule 5 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007. The Board of Directors of Sun Limited accepts full responsibility for the information contained in this cautionary announcement.

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