



Tsogo Sun Gaming
Investor Presentation
November 2019

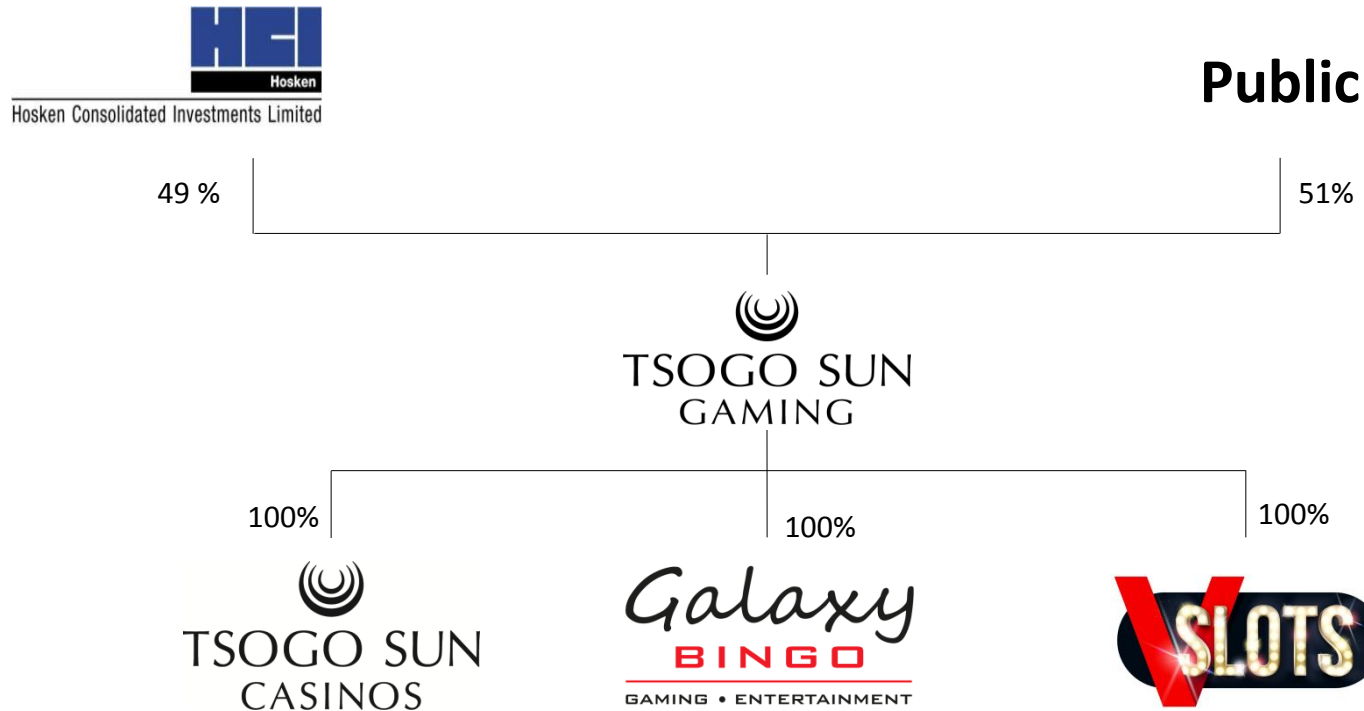
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Tsogo Sun Gaming - Group Structure Post Unbundling





FINANCIAL OVERVIEW

Tsogo Sun Gaming - Statutory Group Income Statement (Rm)

	HY1 F'20	HY1 F'19 ⁽⁴⁾	% Change
Continuing operations			
Income	5 958	5 696	5
Ebitdar	2 001	1 922	4
LTI credit	10	16	*
Property rentals	(10)	(65)	* ⁽¹⁾
Ebitda	2 001	1 873	7
Amortisation & depreciation	(458)	(382)	(20) ⁽¹⁾⁽²⁾
Exceptional items	(23)	(16)	*
Net finance costs	(562)	(366)	(154) ⁽¹⁾⁽³⁾
Associates and JVs	3	5	*
Income tax expense	(263)	(311)	15
Profit for the period from continuing operations	698	803	(13)
Profit / (loss) for the period from discontinued operations	564	(7)	*
Profit for the period	1 262	796	59

⁽¹⁾ Impacted by IFRS 16

⁽²⁾ Impacted by opening of Suncoast

⁽³⁾ Impacted by transfer of R2.2 billion debt on unbundling of Hotels

⁽⁴⁾ Restated excluding discontinued operations

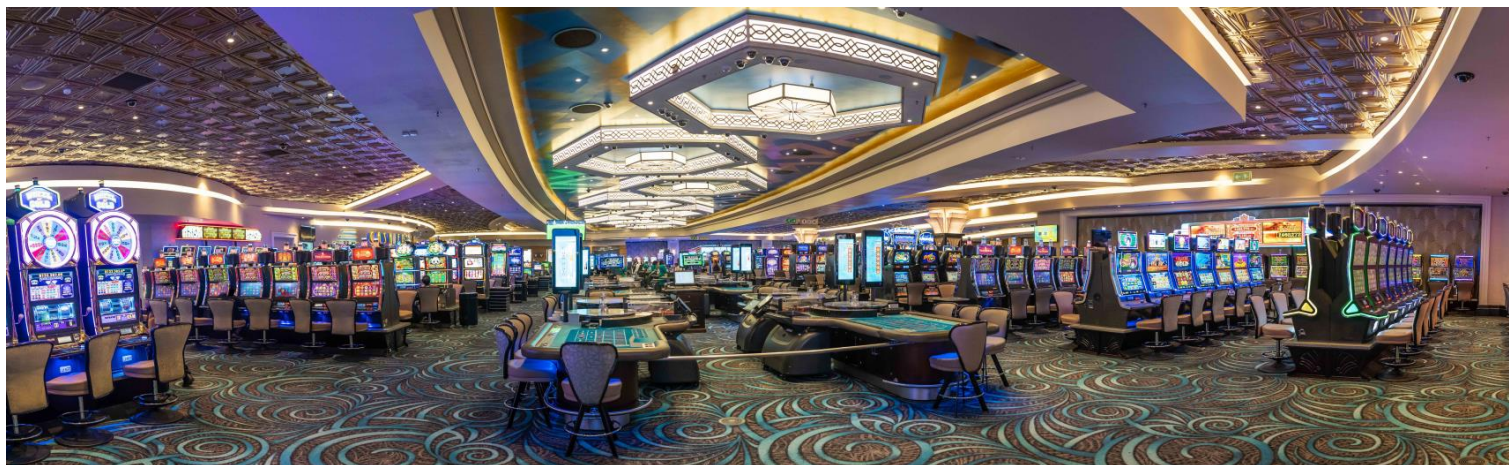
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Profit /(loss) for the period from discontinued operations	564 ⁽¹⁾	(7)	*
Profit for the period	1 262	796	59
Non-controlling interests continuing operations	(25)	(19)	
Non-controlling interests discontinued operations	(25)	(31)	
Attributable earnings	1 212	746	63
Adjustments continuing operations	17	15	
Adjustments discontinued operations	(506) ⁽¹⁾	73	
Adjusted Earnings	723	834	(13)
Continuing operations	690	799	(14)
Discontinued operations	33	35	*
Number of shares in issue	1 057	1 059	-
Adjusted Headline Earnings per share	68.4	78.8	(13)
Continuing operations	65.3	75.4	(14)
Discontinued operations	3.1	3.3	(6)

⁽¹⁾ Includes a profit on disposal of the Hotel group of R506 million due to the realization of reserves on disposal.

Tsogo Sun Gaming - Group Impact of IFRS 16 on HY1 (Rm)

	HY1 F'20
Net Operating costs	6
Ebitdar	6
Rentals	54
Ebitda	60
Amortisation & depreciation	(31)
Net finance costs	(22)
Profit for the period	7



Tsogo Sun Gaming - Comparable Group Income Statement (Rm)

	HY1 F'20 ⁽¹⁾	HY1 F'19 ⁽¹⁾⁽²⁾	% Change	% Contribution
Income	5 958	5 696	5	100
Net gaming win	5 029	4 792	5	84
Rooms revenue	251	245	2	4
Food & beverage revenue	330	313	5	6
Other revenue / income	348	346	1	6
Operating expenses	(3 957)	(3 768)	(5)	
Ebitdar	2 001	1 928	4	
LTI (credit)/expense	10	16	*	
Property rentals	(10)	(11)	*	
Ebitda	2 001	1 933	4	
Amortisation & depreciation	(458)	(413)	(11)	
Exceptional items	(23)	(16)	*	
Net finance costs	(562)	(388)	(45)	
Associates and JVs	3	5	*	
Income tax expense	(263)	(311)	15	
Minority Interests	(25)	(19)	*	
Attributable earnings	675	791	(14)	
Adjustments	17	15	*	
Adjusted earnings	690	806	(14)	

(1) Restated excluding discontinued operations

(2) Restated including impact of IFRS 16 in H1 F'19 for comparability using HY1 F'20 numbers

* Insignificant Rand movement

Tsogo Sun Gaming - Comparable Divisional Contribution (Rm)

	HY1 F'20	HY1 F'19 ⁽¹⁾	% Change	% Contribution
Casino	3 759	3 667	2.5	75
Bingo	430	366	17	8
LPM	840	759	11	17
Net Gaming Win	5 029	4 792	5	100
Casino	4 648	4 528	3	78
Bingo	469	405	16	8
LPM	841	763	10	14
Income	5 958	5 696	5	100
Casino	1 628	1 604	1	81
Bingo	140	114	23	7
LPM	233	210	11	12
Ebitdar	2 001	1 928	4	100

⁽¹⁾ Restated excluding discontinued operations

Tsogo Sun Gaming - Comparable Group Cash Flow (Rm)

	HY1 F'20 ⁽¹⁾	HY1 F'19 ⁽¹⁾⁽²⁾
Ebitda per income statement - Continuing Operations	2 001	1 933
Working capital, exceptional items, leases & other	(112)	(98)
Finance costs paid (net)	(561)	(371)
Taxation paid	(247)	(274)
Capital Expenditure	(531)	(919)
Dividends paid to shareholders	(594)	(744)
Dividends paid to NCI	(22)	(18)
Move in net Interest Bearing Debt	(66)	(491)
Closing net Interest Bearing Debt - Continuing Operations	11 049	
Debt : Ebitda ratio	2.8x	

⁽¹⁾ Restated excluding discontinued operations

⁽²⁾ Restated including impact of IFRS 16 in H1 F'19 for comparability

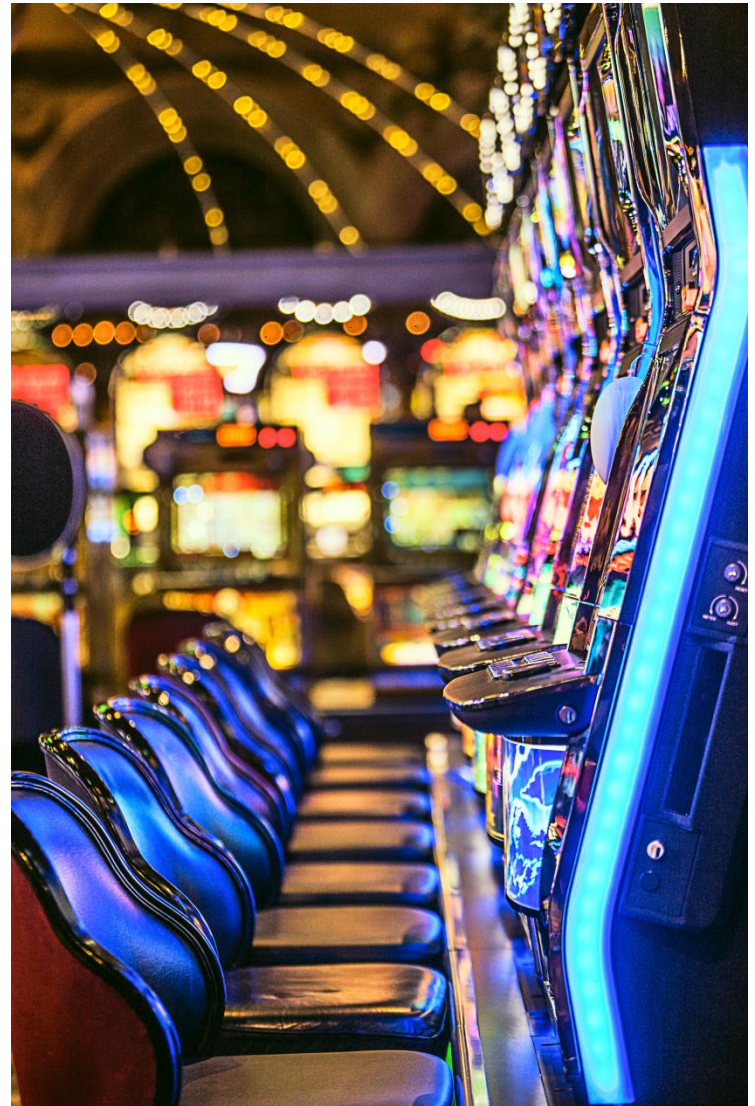
Tsogo Sun Gaming - Group Opportunities

- Application of cash retained
 - Reduce debt
 - Share buy-backs
 - Acquisitions
 - Dividends
- Refinance group debt facilities



Tsogo Sun Gaming - Regulatory Risks

- Additional gaming licenses
- Gambling taxes
- B-BBEE conditions of licence
- National Gambling Amendment Bill
- Smoking regulations
- Illegal gambling





Tsogo Sun Casinos - Comparable Segmental Analysis (Rm)

	Income			Ebitdar ⁽¹⁾		
	HY1 F'20	HY1 F'19 ⁽²⁾	% Change	HY1 F'20	HY1 F'19 ⁽²⁾	% Change
Gauteng	2 447	2 420	1	932	936	-
KZN	1 180	1 115	6	476	448	6
Mpumalanga	404	378	7	138	127	9
Western Cape	305	283	8	113	100	13
Eastern Cape	148	152	(3)	38	41	(7)
Free State	68	68	-	16	18	(11)
Casino gaming	4 552	4 416	3	1 713	1 670	3
Other casino operations ⁽³⁾	96	112	(14)	(85)	(66)	*
Casinos	4 648	4 528	3	1 628	1 604	1

⁽¹⁾ All casino regions are reported pre-internal gaming management fees

⁽²⁾ Restated including impact of IFRS 16 in H1 F'19 for comparability

⁽³⁾ Corporate included in other casino operations due to restatement of discontinued operations

Tsogo Sun Casinos - Opportunities

- Reduction in operational costs
- Head office and casino operating efficiency
- Capital expenditure focus and process
- Montecasino Hi Hotel
- Western Cape Metropole relocation



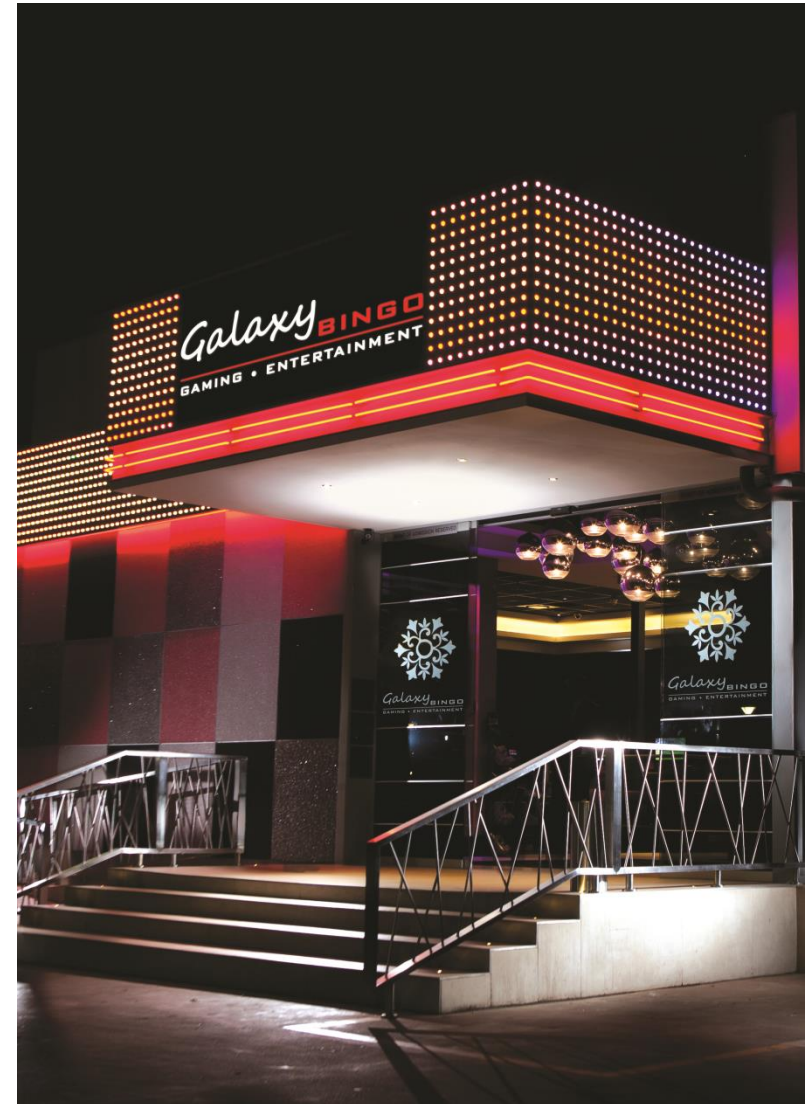
Galaxy

BINGO

GAMING • ENTERTAINMENT

Galaxy Bingo - Opportunities

- 21 operating Bingo sites
- Two additional licenses to be rolled out
- Site opened in Pinetown during April 2019
- Expansions and redevelopments
- Improving margins
- Investment in improved product





VSlots - Route Operator Opportunities

- Approximately 6,000 LPM's at 1,100 sites nationally
- Increase in number of LPM sites net of sites closed
- Replacing unprofitable and underperforming sites
- Rolling out improved product
- Regulatory change in maximum bet and payout

