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TSOGO SUN
CASINOS . HOTELS

2025

Consolidated Annual Financial Statements
for the year ended 31 March 2025

Contents

CONSOLIDATED FINANCIAL STATEMENTS

Statement of responsibility by the board of directors

for the year ended 31 March 2025

The company's directors are required by the Companies Act of South Africa, 71 of 2008, as amended, to maintain adequate accounting records and to prepare financial statements for each financial year that fairly present the state of affairs of the group at the end of the financial year and of the results of operations and cash flows for the year. In preparing the accompanying consolidated financial statements, the JSE Limited Listings Requirements, together with IFRS Accounting Standards ("IFRS") have been followed, suitable accounting policies have been used, applied consistently, and reasonable and prudent judgements and estimates have been made. Any changes to accounting policies are approved by the board of directors and the effects thereof are fully explained in the consolidated financial statements. The consolidated financial statements incorporate full and responsible disclosure.

The board of directors recognises and acknowledges its responsibility for the group's systems of internal financial control. The group's policy on business conduct, which covers ethical behaviour, compliance with legislation and sound accounting practice, underpins its internal financial control process. The control systems include written accounting and control policies and procedures, clearly defined lines of accountability and delegation of authority, comprehensive financial reporting and analysis against approved budgets. The responsibility for operating these systems is delegated by the directors who confirm that they have reviewed the effectiveness thereof. The directors consider that the systems are appropriately designed to provide reasonable, but not absolute, assurance that assets are safeguarded against material loss or unauthorised use and that transactions are properly authorised and recorded. The directors are also responsible for the controls over, and the security of, the company's website and, where applicable, for establishing and controlling the process for electronically distributing annual reports and other financial information to the company's shareholders and to the Companies and Intellectual Property Commission.

The directors considered the going concern status of the group taking into account the current financial position and their best estimate of the cash flow forecasts. The cash flow and liquidity projections for the group have been prepared for a period exceeding 12 months from the reporting date and included performing sensitivity analyses. On the basis of this review, and in light of the current financial position and existing borrowing facilities, the directors consider the going concern method to be appropriate for the presentation of the financial statements. Refer to note 3(a) *Critical accounting estimates and judgements – Going concern* in the notes to the consolidated financial statements.

The group's independent auditor, Deloitte & Touche, has audited the consolidated financial statements and the auditor's unmodified report appears on pages 07 to 12. Deloitte & Touche was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The directors believe that all representations made to the independent auditor during the audit are valid and appropriate.

Directors' approval of the consolidated financial statements

for the year ended 31 March 2025

The preparation of the consolidated financial statements has been supervised by the Chief Executive Officer and Financial Director, CG du Toit CA(SA). These consolidated financial statements were approved by the board of directors on 31 July 2025 and are signed on its behalf by:

CG du Toit
Chief Executive Officer and Financial Director

Chief Executive Officer and Financial Director's responsibility statement

for the year ended 31 March 2025

The director, whose name is stated below, hereby confirms that:

- the annual financial statements, set out on pages 01 to 73, fairly present in all material respects the financial position, financial performance and cash flows of Tsogo Sun Limited in terms of IFRS;
- to the best of my knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to Tsogo Sun Limited and its consolidated subsidiaries have been provided to effectively prepare the financial statements of Tsogo Sun Limited;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled my role and function as executive director with primary responsibility for implementation and execution of controls;
- where I am not satisfied, I have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- I am not aware of any fraud involving directors.

CG du Toit
Chief Executive Officer and Financial Director
31 July 2025

Declaration by the Company Secretary

In terms of section 88(2)(e) of the Companies Act of South Africa, 71 of 2008, as amended ("the Act"), we confirm that for the year ended 31 March 2025, Tsogo Sun Limited has lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a public company in terms of the Act and that all such returns and notices are true, correct and up to date.

Tsogo Sun Casino Management Company Proprietary Limited
Company Secretary
31 July 2025

Report of the audit and risk committee

for the year ended 31 March 2025

COMMITTEE MANDATE AND TERMS OF REFERENCE

In terms of the Companies Act of South Africa, 71 of 2008, as amended ("the Act"), the committee reports that it has adopted formal terms of reference, and that it has discharged all of its responsibilities for the year in compliance with the terms of reference.

STATUTORY DUTIES

The committee is satisfied that in respect of the financial year it has performed all the functions required by law to be performed by an audit and risk committee, including as set out in section 94 of the Act and in terms of the committee's terms of reference and as set out in the corporate governance report. In this connection, and with specific regard to the preparation of the annual financial statements, the committee has:

- Evaluated the independence and effectiveness of the external auditor, Deloitte & Touche, and is satisfied that the external auditor was independent of the group having given due consideration to the parameters enumerated under section 92 of the Act. The committee evaluated and is satisfied that the audit firm and the individual auditor was suitable for appointment as contemplated in terms of paragraph 3.84(g)(ii) of the JSE Limited Listings Requirements. Mr MLE Tshabalala was the individual registered auditor and member of the aforementioned firm who undertook the audit. Deloitte & Touche has been the auditor of the group for two years;
- Ensured and satisfied itself that the appointments of the external auditor, the designated auditor and IFRS Accounting Standards ("IFRS") adviser are in compliance with the Act, the Auditing Profession Act, 2005 and the JSE Limited Listings Requirements;
- Reviewed the scope of the external audit, the effectiveness of the audit process, risk areas of operations covered in the scope, planned levels of materiality, resourcing and the terms of the external auditor's engagement letter;
- Monitored and assessed the limited non-audit services provided by the external auditor and the service fees charged for the provision thereof, ensuring that the independence of the external auditor was not compromised;
- Reviewed the information provided by the audit firm and individual auditor in their assessment of the suitability of the reappointment of the auditor;
- Reviewed and assessed the group's internal control policies and procedures in place for the identification, assessment and reporting of risks, as well as the group's process of risk management;
- Evaluated that the group has established appropriate financial reporting procedures and that these are operating;
- Reviewed and approved the group accounting policies;
- Considered all significant transactions and accounting matters that occurred during the year and satisfied itself that the accounting treatments were in terms of IFRS;
- Considered the impact of auditing, regulatory and accounting developments during the year, particularly the implications of new, revised or amended accounting pronouncements as issued by the International Accounting Standards Board ("IASB") which were effective for the group from 1 April 2024;
- Evaluated and is satisfied with the implementation of the combined assurance framework and plan;
- Considered and evaluated the group's assessment of the Chief Executive Officer and Financial Director's responsibility statement as required by the JSE Limited Listings Requirements;
- Reviewed compliance with debt covenants;
- Reviewed the scope of the internal audit being performed, and evaluated the effectiveness, as well as the fees and terms of engagement, of the outsourced internal audit function;
- Considered the reappointment of the outsourced internal audit service provider and is satisfied with their independence and ability to effectively complete the internal audit plan; and
- Reviewed the written assessment of internal audit on the design, implementation and effectiveness of the internal financial controls, in addition to the findings noted by the external auditor during the course of the annual audit in support of the annual audit opinion. Based on these results, the committee is of the opinion that the internal financial controls provide reasonable assurance that financial records may be relied upon for the preparation of reliable consolidated financial statements.

COMPETENCE OF THE FINANCIAL DIRECTOR

The committee has also considered and satisfied itself of the appropriateness of the expertise and experience of the Financial Director, Mr CG du Toit, and the finance function.

RECOMMENDATION OF THE ANNUAL FINANCIAL STATEMENTS

The committee has evaluated the consolidated financial statements of Tsogo Sun Limited for the year ended 31 March 2025 and, based on the information provided to the committee, the committee recommends the adoption of the consolidated financial statements by the board of directors.

F Mall
Chairperson: Audit and Risk Committee
31 July 2025

Directors' report

for the year ended 31 March 2025

1 NATURE OF BUSINESS

The company is a South African incorporated public company listed on the Johannesburg Stock Exchange ("JSE") (with registration number 1989/002108/06). It is an investment holding company, with its investments being principally in the gaming, entertainment and hospitality industry operating in South Africa. There have been no material changes in the nature of the company's business from the prior year.

2 STATE OF AFFAIRS AND PROFIT FOR THE YEAR

The financial results of the group for the year are set out in the consolidated financial statements and accompanying notes thereto. The group profit after tax for the year under review from operations amounted to R1 194 million (2024: R1 545 million). The directors have noted their consideration of the going concern status of the group, taking into account the current financial position and their best estimate of the cash flow forecasts in the directors' approval to the accompanying consolidated financial statements for the year ended 31 March 2025. Refer also to note 3(a) *Critical accounting estimates and judgements – Going concern* in the consolidated financial statements. Separate company financial statements for Tsogo Sun Limited have been prepared and are publicly available on the company's website, www.tsogosun.com, and at the registered office of the company.

3 SOLVENCY AND LIQUIDITY TEST

The payment of future dividends will depend on the directors' ongoing assessment of the group's earnings, financial position, cash needs, future earnings prospects and other future factors.

Before declaring dividends, the directors apply the solvency and liquidity test and assess whether the company would satisfy the solvency and liquidity test immediately after payment of said dividend.

4 DIVIDENDS

Subsequent to the year end, on 28 May 2025, the board of directors declared a final gross cash dividend of 30 cents per share from distributable reserves in respect of the year ended 31 March 2025. The dividend was declared in South African currency and was paid to shareholders on 28 July 2025.

An interim gross cash dividend of 30 cents per share was paid on 23 December 2024 in respect of the 31 March 2025 year end.

5 DIRECTORATE

The directorate during the year under review was as follows:

Executive

CG du Toit (Chief Executive Officer and Financial Director), appointed Financial Director with effect from 2 June 2025
G Lunga (Chief Financial Officer), resigned with effect from 2 June 2025

Non-executive

JA Copelyn(1) (Chairperson)
Y Shaik(1)(3)

Independent non-executive

BA Mabuza(1)(2)(3) (Lead independent)
MJA Golding
F Mall(2)
VE Mphande(1)(3)
RD Watson(1)(2)(3)

(1) HR and remuneration committee
(2) Audit and risk committee
(3) Social and ethics committee

6 DIRECTORS' EMOLUMENTS

Refer to note 42.3 in the consolidated financial statements for details of the directors' emoluments.

7 COMPANY SECRETARY

The Company Secretary is Tsogo Sun Casino Management Company Proprietary Limited, the business and postal addresses of the Company Secretary are as follows:

Business address
Palazzo Towers East
Montecasino Boulevard, Fourways, 2191

Postal address
Private Bag X190
Bryanston, 2021

The board of directors has considered the competence, qualifications and experience of the employees of the Company Secretary, Tsogo Sun Casino Management Company Proprietary Limited, who perform the company secretarial services on its behalf, and are satisfied that such employees are suitably competent, qualified, experienced and independent, and have adequately and effectively performed the roles and duties of a company secretary. None of the employees of the Company Secretary who perform secretarial duties are directors of the company.

8 CONTROLLING SHAREHOLDER AND SHAREHOLDER ANALYSIS

The company's ultimate controlling shareholder is Hosken Consolidated Investments Limited (a company listed on the JSE) which, at the reporting date, indirectly owned 50% (2024: 50%) of the company's issued share capital. Refer to note 42 *Related parties* and the shareholder analysis in the consolidated financial statements for further details.

9 SHARE CAPITAL

The directors of the company have, as a general authority until the forthcoming annual general meeting ("AGM"), been authorised to allot and issue authorised but unissued ordinary shares as they in their discretion deem fit (subject to the company's Memorandum of Incorporation ("MoI"), the Companies Act and the JSE Limited Listings Requirements). This authority does not extend to the issue of shares for cash (whether by way of a general issue of shares for cash or a specific issue for cash) where the JSE Limited Listings Requirements or the Companies Act require an additional approval to be granted. The board of directors has also been given a general authority to acquire ordinary shares issued by the company subject to the MoI, Companies Act and JSE Limited Listings Requirements which is valid until the company's next AGM, or 15 months from the date of the passing of the special resolution authorising same, whichever period is the shorter. The board of directors has been authorised to determine the preferential rights attaching to the future issue of preference shares (subject to the approval of the JSE).

10 ASSOCIATES AND SUBSIDIARIES

Refer to note 24 in the consolidated financial statements for details of investments in associates, note 50 for details of subsidiary companies with material non-controlling interests and note 51 for details of subsidiary companies.

11 EVENTS AFTER THE REPORTING DATE

Refer to note 49 in the consolidated financial statements for events occurring after the reporting date. The directors are not aware of any other matter or circumstance arising since the end of the financial year and up to the date of these consolidated financial statements, not otherwise dealt with within the financial statements, that would affect the operations or results of the group significantly.

12 APPOINTMENT OF DEBT OFFICER

In terms of the JSE Debt and Specialist Securities Listings Requirements, Egbert Loubser, Group Risk Manager, was appointed as the company's debt officer with effect from 1 November 2020. The board of directors has considered, and is satisfied with, the competence, qualifications and experience of the debt officer.

Independent auditor's report

To the shareholders of Tsogo Sun Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Tsogo Sun Limited and its subsidiaries (the group) set out on pages 13 to 72, which comprise the consolidated statement of financial position as at 31 March 2025; and the consolidated statement of profit or loss, the consolidated statement of comprehensive income; the consolidated statement of changes in equity; and the consolidated statement of cash flows for the year then ended; and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Tsogo Sun Limited and its subsidiaries as at 31 March 2025, and its consolidated financial performance and consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

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 Financial Statements* section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final Materiality

We define materiality as the magnitude of misstatement in the consolidated financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the nature and extent of our audit work and in evaluating the results of our work. Based on our professional judgement, we determined materiality for the consolidated financial statements as a whole as follows:

	Financial statements – Group Materiality
Overall materiality	R108 million (2024: R113 million)
How we determined it	This represents 5% of normalised profit before tax.
Rationale for benchmark applied	A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of shareholders. We considered which benchmarks and key performance indicators have the greatest bearing on shareholder decisions.
We determined that profit before tax remained the key benchmark and is generally accepted for listed entities.	

Scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the structure and organisation of the Group and assessing the risks of material misstatement at the Group level.

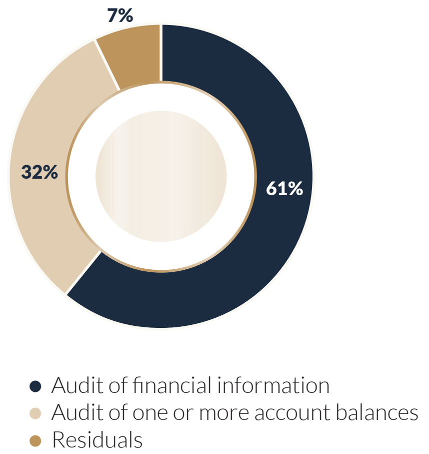
We selected components at which audit work in support of the group audit opinion needed to be performed in order to provide an appropriate basis for undertaking audit work to address the risks of material misstatement. Our selection was informed by taking into account the component's contribution to relevant classes of transactions, account balances or disclosures.

Based on our assessment, we performed work at 31 components. The following audit scoping was applied:

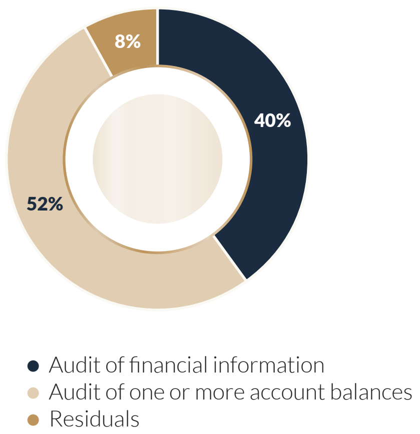
- 18 components were audits of the components' financial information; and
- 13 components were an audit of one or more classes of transactions, account balances or disclosures.

Residual values were addressed by risk assessment and analytical procedures performed at a group level. These 31 components account for 92% of the Group's total assets and 93% of the Group's revenue.

Revenue



Total assets



Key audit matters

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

Key audit matters *continued*

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

Key Audit Matter	How the matter was addressed in the audit
Valuation of the Investment in SunWest International Proprietary Limited ("SunWest")	
The investment in SunWest is recognised as an equity instrument measured at fair value through other comprehensive income in accordance with IFRS 9 *'Financial Instruments'*. The investment has been classified as a level 3 fair value measurement in accordance with the fair value measurement hierarchy as per IFRS 13 *'Fair Value Measurement'*, using unobservable inputs, and has been re-measured at each reporting date with the fair value movements recognised in other comprehensive income. The fair value of this investment amounted to R553 million at 31 March 2025 (2024: R721 million) and the directors recognised a fair value loss of R168 million in other comprehensive income during the year under review (2024: fair value loss of 203 million). The directors used a discounted cash flow valuation model to estimate the fair values of this investment. The expected cash flows have been discounted using a risk-adjusted post-tax discount rate. The significant unobservable inputs used in determining the fair value measurement of the group's investment in SunWest are shown below: • Expected income • Expected operating expenditure costs • Risk-adjusted discount rate • Long-term growth rate The significant unobservable inputs used in determining the fair value of this investment are disclosed in Note 23 to the consolidated financial statements. The valuation of the Group's investment in SunWest was considered to be a matter of significance to the current year audit due to the following: • The significant judgement and estimation applied by the directors in determining the year end fair value; and • The magnitude of the investment in relation to the financial statements for the year ended 31 March 2025.	In evaluating the valuation of investment in SunWest, we performed various procedures, including the following: • We performed risk assessment procedures on the investment in SunWest balance and we pinpointed the risk of material misstatement to the relevant inputs and assumptions. • Assessed the design and implementation of controls relating to the preparation of the cash flow forecasts. • Assessed the reasonableness of management's ability to forecast results by comparing the historically published results for SunWest to the figures included in the prior period's forecasts. • With the assistance of our internal valuation specialists, we independently assessed the discount rate. • We independently performed the discounted cash flow calculation using our internally calculated discount rate. • We held discussions with finance management to understand the basis for the assumptions used in respect of cash flows used in their discounted cash flow analysis and assessed the assumptions for reasonability as well as corroborated this against historic performance. • With the assistance of our internal valuation specialists, we assessed the reasonableness of the terminal growth rate by comparing it to the long-term growth rates obtained from independent sources. • We independently performed the discounted cash flow calculation using our internally calculated discount rate. • We analysed the assumptions used in forecasting operating expenditures. • We compared historical expenditure trends with current forecasts to assess reasonableness of management's expected operating expenditure costs. • We discussed with management the basis for any significant changes in expenditure forecasts. Our independent assessment of the fair values of the investment in SunWest as of 31 March 2025 found that the directors' determined fair value fell within our recalculated ranges. We considered the investment in SunWest's disclosures to be appropriate.

Key Audit Matter	How the matter was addressed in the audit

Impairment assessment of goodwill and intangible assets with indefinite useful lives

The Group has goodwill with a carrying value of R1.394 billion as at 31 March 2025 (2024: R1.418 billion), which arose from business combinations undertaken in prior years.

Due to the nature of the gaming business, the Group has also recognised intangible assets with indefinite useful lives relating to casino licences, bid costs and other intellectual properties with a carrying value of R2 897 million as at 31 March 2025 (2024: R3 060 million).

As disclosed in Note 13 to the consolidated financial statements, the carrying values of goodwill and intangible assets with indefinite useful lives had an impairment charge of R199 million (2024: impairment charge of R286 million).

International Accounting Standards (IAS) 36 – *Impairment of Assets*, requires management to conduct an annual impairment test, or more frequently if there is an indication of impairment, to assess the recoverability of the carrying value of goodwill and the indefinite life intangible assets.

The recoverable amounts of each cash generating unit (CGU) that goodwill and intangible assets with indefinite useful lives have been allocated to have been determined based on the higher of the value in use (VIU) and fair value less costs to sell.

Management applied a risk-adjusted discount rate to determine the discounted cash flow analysis for each of the individual CGUs. Significant judgements and estimations were applied by management in determining the recoverable amount for the respective CGUs to determine whether any impairment charge or impairment reversal was required.

The impairment assessment of goodwill and intangible assets with indefinite useful lives was considered to be a matter of most significance to the current year audit due to the following:
- The significant judgement and estimation applied by management in determining the assumptions; and
- The magnitude of the impairment charge recognised in the current year as well as the magnitude of the carrying values of goodwill and intangible assets with indefinite useful lives in relation to the consolidated financial statements.

Further details relating to the above are disclosed in the following notes to the consolidated financial statements:
- Note 1: Summary of material accounting policies;
  (d) Basis of consolidation and business combinations;
  (d) (iv) Goodwill;
  (h) Intangible assets;
  (h) Licences and bid costs; and
  (o) Impairment and impairment reversals of non-financial assets.
- Note 3: Critical accounting estimates and judgements; and
  (b) Estimated impairment of goodwill and indefinite-lived intangible assets and impairment reversals of indefinite-lived intangible assets.
- Note 21: Goodwill; and
- Note 22: Other intangible assets.

In evaluating the impairment assessment of goodwill and intangible assets with indefinite useful lives, we reviewed the VIU calculations prepared by management, with a particular focus on the cash flow forecasts and applicable growth rates, terminal growth rates and discount rate.

We performed various procedures, including the following:
- We performed risk assessment procedures on goodwill and intangible assets with indefinite useful lives balances, and we pinpointed the risk of material misstatement to the relevant inputs and assumptions.
- Assessed the design and implementation of controls relating to the preparation of the cash flow forecasts.
- Assessed the inputs into the cash flow forecast against historical performance and in respect of each CGU.
- Compared the growth rates used to historical data and against economic data for the regions applicable to the CGU.
- Involved our financial advisory specialists to assist with validating the assumptions used to calculate the discount rates and the terminal value growth rates and recalculating these rates.
- Recomputed of the value in use of each cash generating unit.
- Performed sensitivity analyses on the terminal growth rates, trading assumptions and discount rates to evaluate the extent of impact on the value in use and the appropriateness of the management's disclosures.

The assumptions utilised were appropriate and within an acceptable range.

We have reviewed the disclosures relating to goodwill and intangible assets with indefinite useful lives considered them to be appropriate.

Key Audit Matter	How the matter was addressed in the audit
Impairment assessment of property plant and equipment ("PPE") in Emerald Safari Resort	
The upgrades and refurbishments at Emerald Safari Resort have continued in the year under review and are expected to continue into the coming financial year. Following the identification of an impairment indicator arising from the upgrades and refurbishments, management performed an impairment assessment on the Property, Plant and Equipment (PPE) at Emerald Safari Resort, as required by IAS 36: *Impairment of Assets* ("IAS 36"). As disclosed in Note 18, management recorded an impairment charge of R120 million in the current year on the PPE at Emerald Safari Resort. The Emerald Safari Resort PPE balance is material to the Tsogo Sun Group and management exercises significant judgement in the determination of the value in use of the PPE at Emerald Safari Resort. The recoverable amount of the Emerald Safari Resort CGU has been determined based on the higher of the VIU and fair value less costs to sell. Management applied a risk-adjusted discount rate to determine the discounted cash flow analysis for the Emerald Safari Resort CGU. Significant judgement and estimations were applied by management in determining the recoverable amount for the Emerald Safari Resort CGUs to determine whether any impairment charge or impairment reversal was required. The impairment assessment of PPE of Emerald Safari Resort was considered to be a matter of most significance to the current year audit due to the following: • The significant judgements and estimation applied by management in their assumptions; and • The magnitude of the impairment charge recognised in the current year in relation to the consolidated financial statements. Further details relating to the above are disclosed in the following notes to the consolidated financial statements: • Note 1: Summary of material accounting policies – 1(e) Property, plant and equipment and 1(o) Impairment and impairment reversals of non-financial assets; • Note 13: Impairment of non-current assets; and • Note 18: Property, plant and equipment.	In evaluating the impairment of property, plant and equipment at Emerald Safari Resort, we reviewed the VIU calculations prepared by management, with a particular focus on the growth rate and discount rate. We performed various procedures, including the following: • We performed risk assessment procedures on the PPE balance and we pinpointed the risk of material misstatement to the relevant inputs and assumptions. • Assessed the design and implementation of controls relating to the preparation of the cash flow forecasts. • Assessed the inputs into the cash flow forecast against historical performance and in comparison, to the management's strategic plans in respect of each cash generating unit. • Compared the growth rates used to historical data regarding economic growth rates for the regions applicable to the cash generating units. • Involved our financial advisory specialists to assist with the testing of the discount rate, review of the compilation and underlying assumptions of the free cash flows used in the VIU model and assessment of the appropriateness of the terminal value determination and the terminal growth rate applied. • Re-computed the value in use of each cash generating unit. • Performed sensitivity analyses on the growth rates and discount rates to evaluate the extent of impact on the value in use and the appropriateness of the management's disclosures. The discount rates used in the calculation of the value in use were found to be appropriate. We note that Management's value in use for Emerald Safari Resort falls within our recalculated range. • With the assistance of our internal valuation specialists, we tested the reasonableness of the terminal growth rates by comparing it to the long-term growth rates obtained from independent sources as well as the actual forecast growth rate applied in the explicit forecast period. We considered the PPE impairment disclosures to be appropriate.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Tsogo Sun Limited Consolidated Annual Financial Statements for the year ended 31 March 2025", and in the document titled "Tsogo Sun Limited Company Annual Financial Statements for the year ended 31 March 2025" and the integrated report, which we obtained prior to the date of this report, which includes the Directors' Report, the Report of the Audit and Risk Committee's and the Declaration by the Company Secretary's, as required by the Companies Act of South Africa. The other information does not include the consolidated financial statements and our auditor's reports thereon.

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

In connection with our audit of the consolidated 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 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 the Directors for the Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the group'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 or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.
- We communicate with the directors 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.

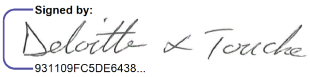
We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law 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.

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of Tsogo Sun Limited for 2 years.



Deloitte & Touche
Registered Auditor
Per: MLE Tshabalala
Partner
31 July 2025

5 Magwa Crescent
Waterfall City
Midrand
2090
South Africa

Consolidated statement of profit or loss

for the year ended 31 March

	Notes	2025 Rm	2024 Rm
Net gaming win	1(t)	**9 245**	9 673
Food and beverage revenue	7	**675**	648
Rooms revenue	7	**536**	523
Other revenue	7	**420**	411
Other income	8	**279**	248
Income		**11 155**	11 503
Gaming levies and Value Added Tax	9	**(2 036)**	(2 126)
Employee costs	10	**(1 901)**	(1 863)
Other operating expenses	11	**(3 739)**	(3 606)
Amortisation and depreciation	12	**(693)**	(712)
Impairment of non-current assets	13	**(399)**	(310)
Fair value adjustment of investment properties	20	**49**	(5)
Operating profit		**2 436**	2 881
Finance income	14	**52**	44
Finance costs	15	**(761)**	(749)
Share of profit of associates	24	**2**	9
Profit before income tax		**1 729**	2 185
Income tax expense	16	**(535)**	(640)
Profit for the year		**1 194**	1 545
Profit attributable to:			
Equity holders of the company		**1 244**	1 530
Non-controlling interests		**(50)**	15
		1 194	1 545
Basic and diluted earnings attributable to the ordinary equity holders of the company per share (cents)	4	**120**	147

The accounting policies and notes on page 18 to page 72 form an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

for the year ended 31 March

	Notes	2025 Rm	2024 Rm
Profit for the year		**1 194**	1 545
Other comprehensive income for the year, net of tax			
Items that may be reclassified subsequently to profit or loss:		**(11)**	(56)
Cash flow hedge fair value adjustment		**(15)**	(79)
Deferred tax relating to items that may subsequently be reclassified to profit or loss	16	**4**	23
Items that may not be reclassified subsequently to profit or loss:		**(179)**	(225)
Equity instruments at fair value through OCI fair value adjustment	23	**(185)**	(242)
Revaluation of owner-occupied property reclassified to investment property	18	**7**	22
Deferred tax relating to items that may not subsequently be reclassified to profit or loss	16	**(1)**	(5)
Total comprehensive income for the year		**1 004**	1 264
Total comprehensive income attributable to:			
Equity holders of the company		**1 054**	1 249
Non-controlling interests		**(50)**	15
		1 004	1 264

The accounting policies and notes on page 18 to page 72 form an integral part of these consolidated financial statements.

Consolidated statement of financial position

as at 31 March

	Notes	2025 Rm	2024 Rm
ASSETS			
Non-current assets			
Property, plant and equipment	18	**8 116**	8 294
Right-of-use assets	19	**130**	179
Investment properties	20	**736**	476
Goodwill	21	**1 394**	1 418
Other intangible assets	22	**2 927**	3 099
Financial assets at fair value through OCI	23	**826**	1 011
Investments in associates	24	**32**	35
Non-current receivables	25	**26**	29
Deferred income tax assets	26	**56**	53
		14 243	14 594
Current assets			
Inventories	27	**72**	70
Trade and other receivables	28	**435**	444
Derivative financial instruments	34	**–**	11
Current income tax assets		**21**	19
Cash and cash equivalents	29	**480**	635
		1 008	1 179
Total assets		**15 251**	15 773
EQUITY			
Capital and reserves attributable to equity holders of the company			
Ordinary share capital and premium	30	**6 437**	6 397
Other reserves	31	**(4 556)**	(4 361)
Retained income		**3 247**	2 723
Total shareholders' equity		**5 128**	4 759
Non-controlling interests		**44**	111
Total equity		**5 172**	4 870
LIABILITIES			
Non-current liabilities			
Interest-bearing borrowings	32	**6 363**	7 946
Lease liabilities	33	**171**	230
Deferred income tax liabilities	26	**1 359**	1 403
Long-term incentive liabilities	35	**13**	23
		7 906	9 602
Current liabilities			
Interest-bearing borrowings	32	**1 095**	207
Lease liabilities	33	**43**	44
Trade and other payables	37	**903**	865
Long-term incentive liabilities	35	**33**	92
Provisions	36	**79**	88
Current income tax liabilities		**20**	5
		2 173	1 301
Total liabilities		**10 079**	10 903
Total equity and liabilities		**15 251**	15 773

The accounting policies and notes on page 18 to page 72 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

for the year ended 31 March

		Attributable to equity holders of the company					
	Notes	Ordinary share capital and premium Rm	Other reserves[1] Rm	Retained income Rm	Total Rm	Non-controlling interests Rm	Total equity Rm
Balance at 1 April 2024		6 485	(4 050)	2 080	4 515	90	4 605
Total comprehensive income		–	(281)	1 530	1 249	15	1 264
Profit for the year		–	–	1 530	1 530	15	1 545
Cash flow hedges		–	(56)	–	(56)	–	(56)
Equity instruments at FVOCI		–	(242)	–	(242)	–	(242)
Revaluation of owner-occupied property reclassified to investment property		–	17	–	17	–	17
Changes in share capital and share premium		(88)	–	–	(88)	–	(88)
Acquisition of non-controlling interests		–	(30)	–	(30)	8	(22)
Extinguishment of loans from non-controlling interests		–	–	21	21	17	38
Ordinary dividends declared		–	–	(908)	(908)	(19)	(927)
Balance at 31 March 2024		6 397	(4 361)	2 723	4 759	111	4 870
Total comprehensive income		**–**	**(190)**	**1 244**	**1 054**	**(50)**	**1 004**
Profit for the year		**–**	**–**	**1 244**	**1 244**	**(50)**	**1 194**
Cash flow hedges		**–**	**(11)**	**–**	**(11)**	**–**	**(11)**
Equity instruments at FVOCI		**–**	**(185)**	**–**	**(185)**	**–**	**(185)**
Revaluation of owner-occupied property reclassified to investment property		**–**	**6**	**–**	**6**	**–**	**6**
Changes in share capital and share premium	30	**40**	**–**	**–**	**40**	**–**	**40**
Disposal of non-controlling interests	48	**–**	**–**	**–**	**–**	**7**	**7**
Common control reserve movement	31	**–**	**5**	**–**	**5**	**–**	**5**
Transfer of share-based payment reserve to retained income		**–**	**(10)**	**10**	**–**	**–**	**–**
Ordinary dividends declared	17	**–**	**–**	**(730)**	**(730)**	**(24)**	**(754)**
Balance at 31 March 2025		**6 437**	**(4 556)**	**3 247**	**5 128**	**44**	**5 172**

[1] *Refer to note 31 for details of other reserves*

The accounting policies and notes on page 18 to page 72 form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

for the year ended 31 March

	Notes	2025 Rm	2024 Rm
Cash flows from operating activities			
Cash generated from operations	38	**3 370**	3 670
Finance income received		**41**	37
Finance costs paid		**(740)**	(791)
Income tax paid	39	**(566)**	(571)
Dividends received		**79**	63
Dividends paid to ordinary shareholders	40	**(730)**	(908)
Dividends paid to non-controlling interests		**(22)**	(19)
Net cash generated from operating activities		**1 432**	1 481
Cash flows from investment activities			
Purchase of property, plant and equipment		**(698)**	(765)
Proceeds from disposals of property, plant and equipment		**3**	3
Proceeds from insurance claims for capital assets		**7**	6
Purchase of intangible assets – licences		**(12)**	(13)
Purchase of intangible assets – software		**(2)**	(6)
Additions to investment properties	20	**(174)**	(28)
Acquisition of financial assets at FVOCI	23	**–**	(181)
Proceeds on disposal of business	48	**4**	–
Net cash utilised for investment activities		**(872)**	(984)
Cash flows from financing activities			
Borrowings raised	41.1	**1 469**	2 321
Borrowings repaid	41.1	**(2 157)**	(2 626)
Principal elements of lease payments	41.2	**(46)**	(43)
Shares repurchased		**–**	(88)
Treasury shares settled		**34**	–
Acquisition from non-controlling interests		**–**	(22)
Decrease in amounts due by share scheme participants		**–**	2
Net cash utilised for financing activities		**(700)**	(456)
Net (decrease)/increase in cash and cash equivalents		**(140)**	41
Cash and cash equivalents at beginning of the year, net of bank overdrafts		**591**	550
Cash and cash equivalents at end of the year, net of bank overdrafts	29	**451**	591

The accounting policies and notes on page 18 to page 72 form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the IASB and Interpretations as issued by the IFRS Interpretations Committee, and comply with the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Limited Listings Requirements and the requirements of the South African Companies Act of South Africa, 71 of 2008, as amended. They have been prepared under the historical cost convention, as modified by the revaluation to fair value of certain financial instruments and investment property as described in the accounting policies below.

(b) Amended material standards adopted by the group

The group adopted the amendments to IAS 1 *Presentation of Financial Statements* from 1 April 2024. These amendments did not result in any material impact on the group.

IAS 1 *Presentation of Financial Statements (Amendments)*

Classification of liabilities as current or non-current

Narrow-scope amendments made to IAS 1 clarify how to classify debt and other liabilities as current or non-current.

Non-current liabilities with covenants

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability arising from loan arrangements as non-current and the right to defer settlement of that liability is subject to compliance with covenants within 12 months after the reporting period. The purpose of the disclosure is to enable users to understand that the liability could become repayable within 12 months after the reporting period. The disclosures include:

- Carrying amount of the liability;
- Information about the covenants; and
- Facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

(c) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The group's Chief Executive Officer and Financial Director assesses the performance of the operating segments based on adjusted EBITDA defined in note 6 *Segmental analysis*. There has been no change in the basis of measurement of segment profit or loss from the last consolidated financial statements.

(d) Basis of consolidation and business combinations

The consolidated financial statements include the financial information of subsidiary and associate entities owned by the group.

(i) Subsidiaries

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 included in the financial statements from the date control commences until the date control ceases. Control exists where the group has the ability to direct or dominate decision-making in an entity, regardless of whether this power is actually exercised.

The group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(d) Basis of consolidation and business combinations *continued*

(i) Subsidiaries continued

Goodwill arising on consolidation represents the excess of the costs of acquisition over the group's interest in the fair value of the identifiable assets (including intangibles), liabilities and contingent liabilities of the acquired entity at the date of acquisition. Where the fair value of the group's share of separable net assets acquired exceeds the fair value of the consideration, the difference is recognised immediately in profit or loss.

Intergroup balances, and any unrealised gains and losses or income and expenses arising from intergroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

(ii) Transactions with non-controlling interests

The group treats transactions with non-controlling interests as transactions with equity owners of the group. For acquisitions from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests and direct costs incurred in respect of transactions with non-controlling interests are also recorded in equity.

(iii) Associates

Associates are entities over which the group has directly or indirectly significant influence but not control, generally accompanying a shareholding of 20% to 50%, where significant influence is the ability to influence the financial and operating policies of the entity. Investments in associates are accounted for using the equity method of accounting.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The net investment in an associate is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated.

(iv) Goodwill

Goodwill is stated at cost less impairment losses and is reviewed for impairment on an annual basis and whenever there is an indication that the goodwill may be impaired. Any impairment identified is recognised immediately in profit or loss and is not subsequently reversed. Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. Each of those CGUs is identified in accordance with the basis on which the businesses are managed from both a business type and geographical basis.

(v) Common control acquisitions

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

A transaction deemed to be a transaction under common control consequently falls outside the scope of IFRS 3 *Business Combinations*. The group's accounting policy is to apply predecessor accounting to common control transactions. Common control accounting is applied and, under the predecessor accounting method, assets and liabilities acquired, including goodwill acquired, are recognised at the predecessor values with the difference between the acquisition value and the aggregate purchase consideration recognised as a separate reserve in equity, a "common control" reserve.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(e) Property, plant and equipment

Property, plant and equipment is stated at cost net of accumulated depreciation and any impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying value or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the specific asset will flow to the group and the cost can be measured reliably. Repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Assets' residual values and useful lives are reviewed by management and adjusted, if appropriate, at each reporting date and triennially independent valuations of land and buildings are completed by external valuators. Land and buildings comprise mainly casinos and hotels.

(i) Assets in the course of construction

Assets in the course of construction are carried at cost less any impairment loss. Cost includes professional fees. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

(ii) Depreciation

No depreciation is provided on freehold land and assets in the course of construction. In respect of all other property, plant and equipment, depreciation is provided on a straight-line basis at rates calculated to write off the cost less the estimated residual value, of each asset over its expected useful life as follows:

Freehold properties	20 – 50 years
Leasehold building improvements	Shorter of the lease term or 50 years
Casino equipment	4 – 10 years*
Computer equipment and software	2 – 10 years*
Furniture, fittings and other equipment	3 – 15 years*
Vehicles	5 years*
Theme Park rides	6 – 26 years*
Operating equipment	2 – 3 years

* *These categories have been grouped together under "Plant and equipment" in note 18* Property, plant and equipment

Operating equipment that meets the definition of property, plant and equipment (which includes gaming chips, kitchen utensils, crockery, cutlery, linen and uniforms) is recognised as an expense based on usage. The period of usage depends on the nature of the operating equipment and varies between two and three years.

(iii) Profit or loss on disposal

The profit or loss on the disposal of an asset is the difference between the disposal proceeds and the net carrying amount of the asset.

(f) Leases

(i) The group is a lessee

The group recognises right-of-use assets and corresponding lease liabilities in the statement of financial position for leases at the date at which the leased asset is available for use by the group. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Assets and liabilities arising from leases are initially measured on a present value basis.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the group uses its respective incremental borrowing rates. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments).

The group is exposed to potential future increases in variable lease payments based on indices and gross gaming win. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Where the group's leases are based on gross gaming win, these payments are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs and are not included in the measurement of the lease liabilities.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(f) Leases *continued*

(i) The group is a lessee continued

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases for which the group is a lessee, non-lease components, such as cleaning and maintenance services, are accounted for separately by applying other applicable standards.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise mainly small items of office equipment and furniture.

Lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

(ii) The group is a lessor

Assets leased to third parties under operating leases are included in property, plant and equipment and investment property in the statement of financial position.

(g) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and where companies in the group occupy no or an insignificant portion, is classified as investment property. Investment property also includes property that is being constructed or developed for future use. The nature of these properties is mostly commercial.

Investment property is stated at fair value. Gains or losses arising on changes in the fair value are recognised immediately in profit or loss.

Properties are initially recognised at cost on acquisition, which comprises the purchase price and includes expenditure that is directly attributable to the acquisition of the property. Subsequent costs are included in the property's carrying value or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the specific asset will flow to the group and the cost can be measured reliably. Repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its carrying value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an owner-occupied property becomes an investment property, it is reclassified as investment property. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes. The property is revalued through other comprehensive income to fair value before being transferred.

(h) Intangible assets

Intangible assets are stated at cost less accumulated amortisation which is determined on a straight-line basis (if applicable) and impairment losses. Cost is usually determined as the amount paid by the group, unless the asset has been acquired as part of a business combination. Intangible assets acquired as part of a business combination are recognised at fair value at the acquisition date. Amortisation is included together with depreciation in the statement of profit or loss.

Intangible assets with indefinite lives are not amortised but are subject to annual reviews for impairment.

Intangible assets with finite lives are amortised over their estimated useful economic lives and only tested for impairment where there is a triggering event. The group's assessment of the useful life of intangible assets is based on the nature of the asset acquired, the durability of the products to which the asset attaches and the expected future impact of competition on the business.

Intangible assets acquired as part of a business combination are recognised separately when they are identifiable, and it is probable that economic benefits will flow to the group. The group's material intangible assets are its licences and bid costs.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(h) Intangible assets *continued*

Licences and bid costs

Costs incurred during the bidding process for a casino licence are capitalised to casino licences and bid costs by the individual casino on the successful award of the casino licence as these costs are directly attributable to the award of the licence. Payments made to gaming boards for enhancements of existing casino licences, such as additional gaming positions, are capitalised by the individual casino to the underlying casino licence.

Casino licences that do not have an expiry date are not amortised as they are considered to have an indefinite life and are tested annually for impairment and whenever there is an indication that the goodwill may be impaired (refer to note 1(d)(iv)).

(i) Investments and other financial assets

(i) Classification

The group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value through other comprehensive income ("FVOCI"); and
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For financial assets measured at fair value, gains and losses will be recorded in other comprehensive income. Investments in equity instruments that are not held for trading will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI. The group has no financial assets measured at fair value through profit or loss.

(ii) Recognition and derecognition

Financial assets are recognised when the group becomes a party to the contractual provisions of the respective instrument. Financial assets are derecognised when the right to receive cash flows from the asset has expired or has been transferred and the group has transferred substantially all risks and rewards of ownership.

(iii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of financial assets at FVOCI, transaction costs that are directly attributable to the acquisition of the financial asset.

Equity investments

The group subsequently measures all equity investments at fair value. Where the group has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends on these equity investments are recognised in profit or loss as part of other income when the group's right to receive payments is established.

Debt instruments

Debt instruments are subsequently measured at amortised cost and comprise financial assets held to collect contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss included in other operating expenses due to these gains or losses not being material.

Derivatives – cash flow hedges

The group subsequently measures its derivatives (cash flow hedges) at fair value under IFRS 9 – refer to note 1(j). The group's cash flow hedges all matured on 31 May 2024, and no new swaps were entered into at the date of this report.

(iv) Impairment

The group assesses, on a forward-looking basis, the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The group applies the simplified approach to measuring ECL which uses lifetime expected losses to be recognised from initial recognition of its trade receivables.

The balance of the group's financial assets measured at amortised cost comprises loan receivables and cash and cash equivalents to which the general model is applied.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(j) Derivative instruments and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and the nature of the item being hedged. The group designates its derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedging instrument is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedging instrument is less than 12 months.

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in profit or loss. The group does not hold or issue derivative financial instruments for speculative purposes.

Cash flow hedges that qualify for hedge accounting

IFRS 9 provides an accounting policy choice allowing entities to continue with the hedge accounting requirements of IAS 39 *Financial Instruments: Recognition and Measurement* until the macro-hedging project is finalised or they can apply IFRS 9. The group has elected to apply IFRS 9.

Cash flow hedges comprise derivative financial instruments designated in a hedging relationship to manage interest rate risk to which the cash flows of certain liabilities are exposed.

The effective portion of gains and losses on derivatives used to manage cash flow interest rate risk is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. However, if the group closes out its position early, the cumulative gains and losses recognised in other comprehensive income are frozen and reclassified from the cash flow hedge reserve to profit or loss within finance costs using the effective interest method. Any ineffective portion of gains and losses on derivatives used to manage cash flow interest rate risk is recognised in profit or loss.

Cash flow hedge accounting is discontinued when a hedging instrument expires or is sold, terminated or when a hedge no longer meets the criteria for hedge accounting. At that time, for forecast transactions, any cumulative gain or loss existing in equity remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

As mentioned in note 1i) *Investments and other financial assets*, the group's cash flow hedges all matured on 31 May 2024, and no new swaps were entered into at the date of this report.

(k) Fair value measurement

Financial instruments carried at fair value, by valuation method, are defined as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – 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); or
- Level 3 – inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(l) Offsetting financial instruments

Where a legally enforceable right exists to set off recognised amounts of financial assets and liabilities and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously, which are in determinable monetary amounts, the relevant financial assets and liabilities are offset. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the respective company or counterparty.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(m) Inventories

Inventories are valued at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses. Operating equipment utilised within 12 months is recognised as an expense based on usage. Provision is made for slow-moving goods and obsolete materials are written off. Cost is determined on the following basis:

- Consumable stores are valued at invoice cost on a first in, first out ("FIFO") basis; and
- Food and beverage inventories and operating equipment are valued at weighted average cost.

(n) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and deposits held at call with financial institutions which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within interest-bearing borrowings in current liabilities in the statement of financial position.

(o) Impairment and impairment reversals of non-financial assets

At each reporting date, the group reviews the carrying amounts of its tangible and intangible 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 CGU to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). If the recoverable amount of a CGU is estimated to be less than its carrying amount, the carrying amount of the CGU is reduced to its recoverable amount. Where there is an impairment reversal, the original impairment is reversed to the maximum amount impaired, excluding goodwill as noted in note 1(d)(iv). An impairment loss is recognised immediately in profit or loss.

(p) Share capital

Ordinary shares are classified as equity. Where any group company purchases the company's equity share capital (treasury shares), the consideration paid is deducted from equity attributable to the company's equity holders until the shares are cancelled, re-issued or disposed of. Where such shares are subsequently sold or re-issued, any consideration received is included in equity attributable to the company's equity holders. Company shares consolidated into the group as part of the executive facility (which has historically been discontinued) are accounted for as treasury shares.

(q) Borrowings and finance costs

Borrowings are recognised initially at fair value and are subsequently stated at amortised cost and include accrued interest.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in profit or loss.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Finance costs include all borrowing costs incurred on borrowing instruments together with related costs of debt facilities management. Such costs include facility commitment fees which are expensed in borrowing costs as incurred. Borrowing costs are recognised in profit or loss in the period in which they are incurred.

(r) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the group prior to the end of the reporting period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

(s) Provisions

Provisions are recognised when there is a present obligation, whether legal or constructive, as a result of a past event for which it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(t) Income

Income comprises net gaming win, revenue from contracts with customers and other income:

(i) Net gaming win

Net gaming win comprises the net table and electronic gaming machines win derived by the gaming operations. In terms of accounting standards, betting transactions concluded under gaming operations meet the definition of derivatives and therefore income from gaming operations represents the net position arising from financial instruments. Net gaming win is measured as the net cash received from betting transactions from gaming operations. Due to the short-term nature of the betting transactions, all income is recognised in profit or loss immediately, at fair value.

In the gaming industry, where the nature of betting transactions in respect of table games makes it difficult to separate bets placed by customers and winnings paid to customers, it follows that gaming operations experience practical difficulties reflecting output tax separately from input tax. Accordingly, the South African Revenue Service issued Binding General Ruling 59 ("BGR 59"), in accordance with the revised Section 72 of the Value Added Tax ("VAT") Act decision process. BGR 59 allows gaming operators to account for VAT, in respect of table games, by applying the tax fraction to the gross gaming revenue as stipulated in the provincial gaming regulations. The gross gaming revenue is defined as the difference between the amount of money wagered by customers, and the amount of money returned to such customers by the gaming operator as direct winnings from the gambling activities in which the persons participated.

In respect of electronic gaming machines, the aggregate amount of bets placed over a time period and the aggregate amount of winning payouts over the same time period are recorded by a central monitoring system, as approved by the relevant provincial gaming board. Based on this, operators of electronic gaming machines are required to account for output tax on the aggregate bets placed; and input tax deductions on the aggregate winnings payouts, for each tax period.

Provincial gaming levies are calculated by applying the tax fraction to the net betting transaction for both table games and electronic gaming machines.

Any change in either the VAT rate or the provincial gaming levies would be absorbed entirely by the group and would have no impact on the customers. The group thus treats VAT and gaming levies as direct costs as these are borne by the group and not customers, and have no effect on gaming activities from the customers' perspective. These costs are disclosed separately in the statement of profit or loss as direct costs.

(ii) Revenue from contracts with customers

The group is in the business of providing food and beverage and hotel rooms and also earns revenue in the form of entrance fees, conferencing and venue hire, parking revenues, ticket sales and other hotel sundry revenues. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services. Food and beverage revenue is recognised at a point in time. Rooms revenue is recognised as performance obligations are met over time as services are rendered. Entrance fees, conferencing and venue hire, parking revenues, ticket sales and other hotel sundry revenues are recognised over time as the customer receives and consumes the economic benefits. No element of financing is deemed present as the sales are made generally by cash or negotiated credit terms of 30 days. The group has concluded that it is generally the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The group does not have significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers as the revenues mentioned above are all based on stand-alone selling prices and pre-determined settlement dates.

(iii) Other income

Property rental income

Property lease rentals received where the group is the lessor are recognised on a straight-line basis over the term of the lease. Contingent (variable) rentals are included in revenue when the amounts can be reliably measured. Recoveries of costs from lessees, where the group merely acts as an agent and makes payment of these costs on behalf of lessees, are offset against the relevant costs.

Dividends received

Dividends on equity investments at FVOCI are recognised in profit or loss as part of other income when the group's right to receive payments is established.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(u) Employee benefits

(i) Bonus plans – short-term incentives and staff bonuses

The group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments and the performance of the respective employees. The amounts are only finalised after the group's year end. The group recognises the liability where an estimate can be made of the amount to be paid based on the rules of the scheme and the directors are of the opinion that it is probable that such bonuses will be paid. This liability is included in "Provisions" in the statement of financial position.

(ii) Goods or services settled in cash

Goods or services, including employee services received in exchange for cash-settled, share-based payments, are recognised at the fair value of the liability incurred and are expensed when consumed or capitalised as assets. The liability is remeasured at each reporting date to its fair value, with all changes recognised immediately in profit or loss.

The fair value of the long-term incentive plan liability is determined at each reporting date by reference to the company's share price. This is adjusted for management's best estimates of the appreciation, bonus and performance units expected to vest and management's best estimate of the performance criteria assumptions on the performance units.

(iii) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability to the employees for annual leave up to the reporting date. This liability is included in "Trade and other payables" in the statement of financial position.

(v) Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in other comprehensive income.

The current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. The group's liability for current taxation is calculated using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided in full using the liability method, in respect of all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the consolidated financial statements, except where the temporary difference arises from goodwill or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction that affects neither accounting nor taxable profit or loss.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it is probable that future taxable profit will be available against which the temporary differences (including carried forward tax losses) can be utilised.

Deferred tax is measured at the tax rates expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income taxes relate to income taxes levied by the same taxation authority on the taxable entity.

(w) Dividend distributions

Dividend distributions to the company's shareholders are recognised as a liability in the group's financial statements in the period in which the dividends are approved by the company's board of directors.

2 NEW STANDARDS AND AMENDMENTS TO EXISTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE

Certain new standards and amendments to existing standards have been issued by the IASB that are effective in future accounting periods of the group. There are no issued new standards and amendments to existing standards that affect the group for the annual period beginning on 1 April 2025. The group is to conclude on the impact of the new standards and amendments that will be effective from the annual period beginning 1 April 2026 and 1 April 2027, none of which are expected to have a material financial effect on the consolidated results of operations or financial position of the group. The most material of these, which the group has decided not to early adopt, are shown below.

IFRS 7 *Financial Instruments: Disclosures* (Amendments)

Investments in equity instruments designated at fair value through other comprehensive income

The requirements in IFRS 7 are amended for additional disclosures that an entity provides in respect of these investments. In particular, an entity would be required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period.

The amendment must be applied retrospectively in accordance with the normal requirements in IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, from the group's annual period beginning 1 April 2026.

IFRS 18 *Presentation and Disclosure in Financial Statements*

This standard supersedes IAS 1 *Presentation of Financial Statements* and sets out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The main changes in the new standard compared with the previous requirements in IAS 1 comprise:

- The introduction of categories and defined subtotals in the statement of profit or loss that aim at additional relevant information and provide a structure for the statement of profit or loss that is more comparable between entities;
- The introduction of requirements to improve aggregation and disaggregation that aim at additional relevant information and ensure that material information is not obscured; and
- The introduction of disclosures on Management-defined Performance Measures in the notes to the financial statements that aim at transparency and discipline in the use of such measures and disclosures in a single location.

IFRS 18 must be applied retrospectively in accordance with the normal requirements in IAS 8, from the group's annual period beginning 1 April 2027.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates, which by definition, will seldom equal the actual results. Judgement also needs to be exercised in applying the group's accounting policies. The group makes estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Going concern

The net debt to adjusted EBITDA ratio, as measured for covenant purposes at 31 March 2025, amounted to a 2.09 times multiple. The group's debt covenant ratio requirement is less than a 3.0 times multiple. At the date of this report, the directors are not aware of any circumstances whereby the group should not be able to achieve the covenant requirements for March 2026. The group's net interest-bearing debt and guarantees at 31 March 2025 reduced to R7.19 billion from R7.67 billion at 31 March 2024.

The cash flow and liquidity projections for the group were prepared for a period exceeding 12 months from the reporting date and included performing sensitivity analyses. Based on the forecast performed, the directors are of the opinion that the group has sufficient access to liquidity and facilities to fund operations for the ensuing 12 months. Although current liabilities exceed current assets at 31 March 2025, the group generates sufficient cash flows during the period to meet all current liability obligations. The group's medium-term debt leverage target remains lower than a 1.8 times multiple.

After taking the above factors into account, the directors consider the going concern method to be appropriate for the presentation of these consolidated financial statements.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *continued*

(b) Estimated impairment of goodwill and indefinite lived intangible assets and impairment reversals of indefinite lived intangible assets

The group tests annually whether goodwill and indefinite lived intangible assets have suffered any impairment in accordance with the accounting policy stated in notes 1(d) and 1(h). The recoverable amounts of CGUs have been determined based on the higher of value in use and fair value less costs of disposal calculated for each CGU. These calculations require the use of estimates as noted in notes 21 and 22 of the consolidated financial statements. Significant judgement is required when evaluating the inputs into the calculations and therefore this is seen as critical to the estimation uncertainty.

(c) Estimated fair value of financial instruments that are not traded in an active market

The fair value of financial instruments that are not traded in an active market (for example, unlisted investments) is determined by using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period, which includes making adjustments on publically reported information to arrive at an estimated base year for the forecast cash flows.

Unlisted equity investments

The group uses estimates for the discounted cash flow analysis for the valuing of the group's unlisted equity investments at FVOCI financial assets that are not traded in an active market. Refer to note 23 for the significant unobservable inputs together with a sensitivity analysis should these significant unobservable inputs change.

(d) Critical judgement – categorisation of unlisted equity investments

With respect to the categorisation of the group's investments in SunWest International Proprietary Limited ("SunWest") and Worcester Casino Proprietary Limited ("Worcester") (refer to note 23), the group has pre-emptive rights but no representation on the board of directors of either company and has no operational responsibilities. The group also has no access to any information regarding the companies except for that to which it has statutory rights as a shareholder. These investments are therefore classified as level 3 fair value measurements and have been accounted for as equity instruments at FVOCI, and not associate investments.

(e) Estimated fair value of investment property

The fair value of investment property is determined by using valuation techniques. The group uses its judgement to select a method and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. Refer to note 20 for the significant unobservable inputs together with a sensitivity analysis should these significant unobservable inputs change.

4 RECONCILIATION OF PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY TO HEADLINE EARNINGS AND ADJUSTED HEADLINE EARNINGS

	2025		2024	
	Gross Rm	**Net[1] Rm**	Gross Rm	Net[1] Rm
Profit attributable to equity holders of the company		**1 244**		1 530
(Less)/add: Headline adjustments				
Gain on disposal of plant and equipment	**(1)**	**(1)**	(1)	(1)
Impairment of property, plant and equipment	**200**	**119**	24	13
Impairment of goodwill	**24**	**24**	43	43
Impairment of intangible assets	**175**	**125**	243	177
Fair value adjustment of investment properties	**(49)**	**(38)**	5	4
Loss on disposal of subsidiary	**3**	**3**	–	–
Insurance proceeds received for capital assets	**(7)**	**(5)**	(6)	(5)
Headline earnings		**1 471**		1 761
Less: Other exceptional items				
Cash flow hedges reclassified to profit or loss[2]	**–**	**–**	(54)	(40)
Adjusted headline earnings[3]		**1 471**		1 721
Number of shares in issue (million)[4]		**1 040**		1 039
Weighted average number of shares in issue (million)[4]		**1 039**		1 041
Basic and diluted earnings per share (cents)		**120**		147
Basic and diluted headline earnings per share (cents)		**142**		169
Basic and diluted adjusted headline earnings per share (cents)		**142**		165

(1) *Net of tax and non-controlling interests*
(2) *Included in finance costs*
(3) *Adjusted headline earnings are defined by the group as earnings attributable to equity holders of the company adjusted for after tax non-recurring expenditure items which are regarded as unusual and are infrequent and are considered to distort the numbers if they were not adjusted, and headline adjustments in terms of Circular 1/2023* Headline Earnings. *Adjusted headline earnings is a non-IFRS measure and is not a requirement in terms of the JSE Limited Listings Requirements, is used as a measure by the CODM and provided for illustrative purposes only*
(4) *Excludes treasury shares*

5 RECONCILIATION OF OPERATING PROFIT TO ADJUSTED EBITDA

	2025 Rm	2024 Rm
Operating profit from operations	**2 436**	2 881
Add: Amortisation and depreciation	**693**	712
	3 129	3 593
Add/(less): Headline adjustments	**345**	308
Gain on disposal of plant and equipment	**(1)**	(1)
Impairment of property, plant and equipment	**200**	24
Impairment of goodwill	**24**	43
Impairment of intangible assets	**175**	243
Fair value adjustment of investment properties	**(49)**	5
Loss on disposal of subsidiary	**3**	–
Insurance proceeds received for capital assets	**(7)**	(6)
Adjusted EBITDA	**3 474**	3 901

Refer to note 6 *Segmental analysis* in respect of the group's definition of adjusted EBITDA.

6 SEGMENTAL ANALYSIS

The Chief Executive Officer and Financial Director, in terms of IFRS 8 *Operating Segments*, has been identified as the CODM. There has been no change in the basis of measurement of segment profit or loss since the previous financial year end.

The CODM assesses the performance of the operating segments based on adjusted EBITDA. Adjusted EBITDA is defined by the group as earnings before interest, tax, depreciation and amortisation ("EBITDA") and excludes the effects of items which are regarded as unusual and are infrequent and are considered to distort the numbers if they were not adjusted, and headline adjustments in terms of Circular 1/2023 *Headline Earnings*. Adjusted EBITDA is a non-IFRS measure, is not a requirement in terms of the JSE Limited Listings Requirements, is used as a measure by the CODM and provided for illustrative purposes only.

The group consists of the casinos division, together with other gaming comprising the VSlots division (Vukani) with limited payout machines ("LPMs"), the bingo division with electronic bingo terminals (Galaxy Bingo), the online betting division (playTsogo and bet.co.za) and corporate.

Casinos comprises 14 casino precincts, with casinos and hotels generating gaming win and related revenue. In order to assess performance and allocate resources within the casinos division, the CODM reviews the businesses by region and thus the group considers this reportable segment to be geographical and has presented a segmental analysis by region. The group applies the aggregation criteria, being that the casino businesses are all similar in nature, profit generation and class of customer in each province. Furthermore, each province has its own gambling board which governs the respective businesses. In terms of the quantitative threshold, although Western Cape does not meet the 10% income or profit threshold, the group is voluntarily disclosing this as a separate segment, due to there being several casinos in the province. The Mpumalanga, Eastern Cape and Free State provinces are individually immaterial, therefore these casinos are combined in the segmental table within *Other casinos*.

Other gaming and betting consists of the online betting division and the bingo division. As these divisions do not meet the quantitative threshold, they have been combined in the segment table.

Corporate consists of the group head office function, which includes dividends received, head office costs and group eliminating consolidation journals.

Finance income and finance costs are not included in the results for each operating segment as this is driven by the group's treasury function which manages the cash and debt position of the group. No measure of total assets and liabilities for the reportable segments has been provided as such amounts are not regularly provided to the CODM.

All income from operations is derived from external customers. No one customer contributes more than 10% to the group's total income.

6 SEGMENTAL ANALYSIS *continued*

The segmental information is presented below:

	Income		Adjusted EBITDA[1][2]	
	2025 Rm	2024 Rm	**2025 Rm**	2024 Rm
Casinos	**8 226**	8 551	**3 109**	3 453
Gauteng	**4 711**	4 933	**1 811**	2 038
KwaZulu-Natal	**2 210**	2 219	**904**	932
Western Cape	**573**	590	**219**	243
Other casinos	**732**	809	**175**	240
LPMs	**1 934**	1 901	**547**	544
Other gaming and betting	**926**	996	**47**	123
Corporate	**69**	55	**(229)**	(219)
Group	**11 155**	11 503	**3 474**	3 901

[1] *Refer to note 5* Reconciliation of operating profit to adjusted EBITDA
[2] *All casino units are reported pre-internal management fees*

	Investment in associates		Additions – non-current assets[1]	
	2025 Rm	2024 Rm	**2025 Rm**	2024 Rm
Casinos	**32**	35	**707**	636
LPMs	**–**	–	**140**	153
Other gaming and betting	**–**	–	**59**	60
Corporate	**–**	–	**8**	10
Group	**32**	35	**914**	859

[1] *Additions to non-current assets exclude financial assets and deferred income tax assets*

	Gaming levies and VAT		Employee costs	
	2025 Rm	2024 Rm	**2025 Rm**	2024 Rm
Casinos	**1 388**	1 474	**1 477**	1 435
Gauteng	**725**	785	**822**	787
KwaZulu-Natal	**454**	459	**362**	347
Western Cape	**102**	107	**106**	100
Other casinos	**107**	123	**187**	201
LPMs	**448**	449	**84**	87
Other gaming and betting	**200**	203	**197**	194
Corporate	**–**	–	**143**	147
Group	**2 036**	2 126	**1 901**	1 863

The segmental information has been enhanced to include additional disclosures taking into consideration the JSE proactive monitoring report and guidance issued by the IFRS Interpretations Committees ("IFRIC") final agenda decision relating to the IFRS 8 *Operating Segments* on the disclosure of income and expense line items for reportable segments. The comparative disclosure has been updated accordingly.

7 DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

The group derives revenue over time, with the exception of food and beverage revenue which is recognised at a point in time. The table below presents revenue by segment which excludes net gaming win and other income, which are included in the segmental analysis in note 6 as these are accounted for under different accounting policies (refer to note 1(t)). Disaggregation of revenue from contracts with customers for the year under review is as follows:

	Food and beverage recognised at a point in time		Rooms revenue recognised over time		Other revenue recognised over time		Revenue from contracts with customers	
	2025 Rm	2024 Rm	**2025 Rm**	2024 Rm	**2025 Rm**	2024 Rm	**2025 Rm**	2024 Rm
Casinos	**624**	586	**537**	523	**420**	409	**1 581**	1 518
Gauteng	**365**	336	**358**	345	**368**	361	**1 091**	1 042
KwaZulu-Natal	**126**	122	**83**	83	**21**	17	**230**	222
Western Cape	**49**	46	**32**	29	**8**	8	**89**	83
Other casinos	**84**	82	**64**	66	**23**	23	**171**	171
Other gaming and betting	**51**	62	**–**	–	**–**	–	**51**	62
Corporate	**–**	–	**(1)**	–	**–**	2	**(1)**	2
Group	**675**	648	**536**	523	**420**	411	**1 631**	1 582
Reconciliation to segmental analysis in note 6:								
Net gaming win							**9 245**	9 673
Revenue from contracts with customers per above							**1 631**	1 582
Other income (note 8)							**279**	248
Total income per the segmental analysis							**11 155**	11 503

	2025 Rm	2024 Rm
Other revenue is made up as follows:		
Entrance fees	**218**	225
Cinemas	**46**	46
Venue hire	**29**	28
Parking	**29**	22
Other revenue[(1)]	**98**	90
	420	411

[(1)] Other revenue comprises mainly tournament fees, retail revenue, other hotel revenue and other sundry revenue

8 OTHER INCOME

	2025 Rm	2024 Rm
Rental income from operating leases – property, plant and equipment (note 18)	**139**	139
Rental income from operating leases – investment property (note 20)	**49**	38
Dividends from investments in equity instruments designated at FVOCI (note 23)	**74**	63
Other income[(1)]	**17**	8
	279	248

[(1)] Other income comprises mainly prescribed credits, rebates received and other sundry income

9 GAMING LEVIES AND VAT

	2025 Rm	2024 Rm
Gaming levies	**923**	973
VAT	**1 113**	1 153
	2 036	2 126

10 EMPLOYEE COSTS

	2025 Rm	2024 Rm
Employee costs (including executive directors' remuneration):		
Salaries and wages	**1 865**	1 757
Pension – defined contribution plans	**72**	69
Termination benefits	**4**	–
Long-service award provision reversal	**(1)**	(6)
Long-term incentive expense – cash-settled (note 35.2)	**(39)**	43
	1 901	1 863

11 OTHER OPERATING EXPENSES

	2025 Rm	2024 Rm
Gain on disposal of property, plant and equipment	**(1)**	(1)
Loss on disposal of subsidiary	**3**	–
Insurance proceeds received for capital assets	**(7)**	(6)
Auditors' remuneration	**29**	29
Statutory audit fees – current year	**27**	26
Assurance fees	**1**	1
Non-assurance – previous auditor	**–**	1
Expenses	**1**	1
Advertising, marketing and promotional costs	**425**	395
Bank charges	**122**	114
Cleaning	**197**	192
External consultants	**67**	42
Food and beverage costs and operating equipment usage	**280**	288
Information technology-related costs	**118**	96
LPM site owners' commission	**590**	575
Monitoring fees for sites	**111**	109
Property and equipment lease rentals	**143**	151
Short-term leases	**26**	27
Properties	**10**	11
Gaming and other equipment	**16**	16
Low-value assets	**8**	8
Gaming and other equipment	**8**	8
Variable lease payments not included in lease liabilities	**109**	116
Properties	**6**	6
Gaming equipment	**103**	110
Property costs – rates, water and electricity	**542**	476
Property costs – diesel	**7**	96
Repairs and maintenance expenditure on property, plant and equipment	**234**	216
Security and surveillance costs	**163**	153
Other operating expenses[1]	**716**	681[2]
	3 739	3 606

[1] *Other operating expenses consist of gaming licences, film rentals, corporate social investment and other sundry costs, none of which are individually material*
[2] *Previously, various expenses were shown separately in the note, together totalling R34 million. Due to none of these being individually material, these have been aggregated into "Other operating expenses"*

12 AMORTISATION AND DEPRECIATION

	2025 Rm	2024 Rm
Depreciation of property, plant and equipment (note 18)	**639**	652
Depreciation of right-of-use assets (note 19)	**43**	47
Amortisation of intangible assets (note 22)	**11**	13
	693	712

13 IMPAIRMENT OF NON-CURRENT ASSETS

	2025 Rm	2024 Rm
Impairment of property, plant and equipment (note 18)	**200**	24
Impairment of goodwill (note 21)	**24**	43
Impairment of intangible assets (note 22)	**175**	243
	399	310

14 FINANCE INCOME

	2025 Rm	2024 Rm
Interest received from banks	**40**	37
Effective interest income on loans to LPM site owners	**11**	6
Interest received – other	**1**	1
	52	44

15 FINANCE COSTS

	2025 Rm	2024 Rm
Finance costs in respect of interest-bearing debt	**728**	769
Finance costs in respect of lease liabilities	**23**	27
Effective interest expense on loans to LPM site owners	**10**	6
Finance costs – other	**1**	1
Cash flow hedge reclassified to profit or loss	**(1)**	(54)
	761	749

16 INCOME TAX EXPENSE

	2025 Rm	2024 Rm
Profit or loss		
Current tax – current year charge	**571**	592
Current tax – under provision prior year	**8**	5
Deferred tax – current year (credit)/charge	**(44)**	5
Deferred tax – under provision prior year	**–**	38
	535	640
Other comprehensive income		
Tax credit relating to components of other comprehensive income on items that may be reclassified subsequently to profit or loss:		
Cash flow hedges	**(4)**	(23)
Tax charge relating to components of other comprehensive income on items that may not be reclassified subsequently to profit or loss:		
Revaluation of owner-occupied property reclassified to investment property	**1**	5
	(3)	(18)

16 INCOME TAX EXPENSE *continued*

	2025 Rm	2025 %	2024 Rm	2024 %
Income tax rate reconciliation				
Profit before income tax	**1 729**		2 185	
Income tax thereon at 27% (2024: 27%)	**467**	**27.0**	590	27.0
Exempt income/credits:				
Dividend income	**(20)**	**(1.2)**	(17)	(0.8)
Share of profit of associates	**(1)**	**(0.1)**	(2)	(0.1)
Tax incentives	**(8)**	**(0.5)**	–	–
Other non-taxable credits	**(1)**	**(0.1)**	(2)	(0.1)
Expenses/debits not deductible for tax purposes:				
Amortisation and depreciation	**5**	**0.3**	(1)	–
Impairment of non-current assets	**44**	**2.5**	11	0.5
Other non-deductible items	**13**	**0.9**	5	0.2
Capital gains tax rate differentials:				
Fair value adjustment on investment properties	**(3)**	**(0.2)**	–	–
Other:				
Deferred tax not provided on losses	**36**	**2.1**	13	0.6
Utilisation of tax losses	**(5)**	**(0.3)**	–	–
Under provisions prior year	**8**	**0.5**	43	2.0
	535	**30.9**	640	29.3

17 DIVIDENDS DECLARED

	2025 Rm	2024 Rm
Ordinary		
Final dividend	**417**	595
Interim dividend	**313**	313
	730	908
Dividends declared and paid during the year under review are as follows:		
Ordinary		
Final dividend		
Declared on	**23 May 2024**	25 May 2023
Paid on	**29 July 2024**	17 July 2023
Cents per share	**40.00**	57.00
Interim dividend		
Declared on	**27 November 2024**	27 November 2023
Paid on	**23 December 2024**	18 December 2023
Cents per share	**30.00**	30.00

18 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings Rm	Leasehold improvements Rm	Assets in the course of construction Rm	Plant and equipment Rm	Operating equipment Rm	Total Rm
Year ended 31 March 2025						
Opening net carrying amount	**6 290**	**168**	**9**	**1 770**	**57**	**8 294**
Additions	**12**	**10**	**97**	**578**	**15**	**712**
Depreciation charge	**(94)**	**(28)**	**–**	**(517)**	**–**	**(639)**
Disposals and operating equipment usage	**–**	**–**	**–**	**(4)**	**(16)**	**(20)**
Disposal of business (note 48)	**–**	**–**	**–**	**(1)**	**–**	**(1)**
Impairments	**(166)**	**(8)**	**–**	**(24)**	**(2)**	**(200)**
Revaluation on transfer to investment property	**7**	**–**	**–**	**–**	**–**	**7**
Transfers to investment property (note 20)	**(37)**	**–**	**–**	**–**	**–**	**(37)**
Transfers	**–**	**(14)**	**(54)**	**68**	**–**	**–**
Closing net carrying amount	**6 012**	**128**	**52**	**1 870**	**54**	**8 116**
At 31 March 2025						
Cost	**7 285**	**404**	**52**	**5 529**	**54**	**13 324**
Accumulated depreciation and impairments	**(1 273)**	**(276)**	**–**	**(3 659)**	**–**	**(5 208)**
Net carrying amount	**6 012**	**128**	**52**	**1 870**	**54**	**8 116**
Year ended 31 March 2024						
Opening net carrying amount	6 399	185	42	1 585	52	8 263
Additions	26	14	37	679	21	777
Depreciation charge	(106)	(31)	–	(515)	–	(652)
Disposals and operating equipment usage	–	–	–	(2)	(14)	(16)
Impairments	(2)	–	–	(20)	(2)	(24)
Revaluation on transfer to investment property	22	–	–	–	–	22
Transfers to investment property	(76)	–	–	–	–	(76)
Transfers	27	–	(70)	43	–	–
Closing net carrying amount	6 290	168	9	1 770	57	8 294
At 31 March 2024						
Cost	7 564	458	9	5 811	57	13 899
Accumulated depreciation and impairments	(1 274)	(290)	–	(4 041)	–	(5 605)
Net carrying amount	6 290	168	9	1 770	57	8 294
At 31 March 2023						
Cost	7 609	457	42	5 349	52	13 509
Accumulated depreciation and impairments	(1 210)	(272)	–	(3 764)	–	(5 246)
Net carrying amount	6 399	185	42	1 585	52	8 263

18 PROPERTY, PLANT AND EQUIPMENT *continued*

Reassessment of useful lives and residual values

During each reporting period, the group reassesses the useful lives and residual values of its property, plant and equipment. Adjustments to depreciation in respect of the reassessed useful lives and residual values are made prospectively. The adjustment to useful lives resulted in a reduction to the depreciation charge of R43 million (2024: R46 million). The reassessment of residual values resulted in a decrease in the depreciation charge during the year of R13 million (2024: R5 million) and will result in a decrease of R13 million in the following year.

Changes in useful lives and residual values are not considered significant estimates and judgements as any changes in useful lives and residual values have historically been gradual and any adjustments made, where necessary, have not been significant.

Impairments

The following land and buildings and plant and equipment at properties were impaired during the year. Impairments are included in "Impairment of non-current assets" in the statement of profit or loss.

	2025 Rm	2024 Rm
Emerald assets written off due to major refurbishments of the casino Prive, main floor, hotel and chalets	**120**	–
Goldfields due to recoverable amounts assessment of the CGU (assumptions as noted in note 21)	**31**	–
Hemingways due to recoverable amounts assessment of the CGU (assumptions as noted in note 21)	**30**	19
Property, plant and equipment written off in the bingo division due to closure of sites	**13**	–
Sundry plant and equipment items written off	**6**	5
	200	24

Rental of property, plant and equipment

Where the group is the lessor

The group rents out commercial office space at its properties.

As at 31 March 2025, the group's gross lettable area at the properties was 80 334m^2 (2024: 79 512m^2), of which 70 873m^2 (2024: 70 593m^2) was let.

Rental income is based on fixed, fixed and variable and variable lease agreements concluded with tenants. Variable rentals are mainly based on the turnover amounts of the respective tenants. The majority of the leases are fixed and variable with the fixed rental amounts resetting after a number of years. Property rentals (included in other income note 8) earned during the year are as follows:

	2025 Rm	2024 Rm
Rental income from property operating leases under IFRS 16, included in other income (note 8):		
Fixed	**85**	79
Variable	**54**	60
	139	139

The casinos retain the rights to properties rented and mitigate risks against non-compliance of the terms and conditions of the rental agreement by requiring a security deposit (note 37) or bank guarantee from the lessee equivalent to two months' rental and a suretyship from the lessee's directors. In addition, lessees are required to provide proof of their third-party indemnity insurance. Expectations about the future residual values are reflected in the recoverable assessments of the properties.

At the reporting date, the group had contracted with tenants for the following future minimum undiscounted lease payments under non-cancellable operating leases for land and buildings. The rentals below relate only to fixed rentals and contractual escalations, and do not include any variable rentals.

	2025 Rm	2024 Rm
Not later than one year	**59**	60
Between one and two years	**46**	42
Between two and three years	**38**	31
Between three and four years	**21**	25
Between four and five years	**5**	10
After five years	**1**	1
	170	169

19 RIGHT-OF-USE ASSETS

The group leases various properties, the most significant being the Golden Horse Casino land, leases of various properties at the bingo business sites and offices at certain of the LPM business sites, as well as gaming equipment at the casinos. For further detail in respect of the group's leases, refer to note 33 *Lease liabilities and commitments*.

	Land and buildings Rm	Gaming equipment Rm	Total Rm
Year ended 31 March 2025			
Opening net carrying amount	**175**	**4**	**179**
Additions	**11**	**3**	**14**
Depreciation	**(39)**	**(4)**	**(43)**
Disposal of business (note 48)	**(1)**	**–**	**(1)**
Remeasurements	**(9)**	**4**	**(5)**
Terminations	**(14)**	**–**	**(14)**
Closing net carrying amount	**123**	**7**	**130**
At 31 March 2025			
Cost	**302**	**17**	**319**
Accumulated depreciation	**(179)**	**(10)**	**(189)**
Net carrying amount	**123**	**7**	**130**
Year ended 31 March 2024			
Opening net carrying amount	190	5	195
Additions	32	4	36
Depreciation	(42)	(5)	(47)
Remeasurements	(5)	–	(5)
Closing net carrying amount	175	4	179
At 31 March 2024			
Cost	446	16	462
Accumulated depreciation	(271)	(12)	(283)
Net carrying amount	175	4	179
At 31 March 2023			
Cost	438	13	451
Accumulated depreciation	(248)	(8)	(256)
Net carrying amount	190	5	195

20 INVESTMENT PROPERTIES

	2025 Rm	2024 Rm
At 1 April	**476**	377
Additions	**174**	28
Transfers from property, plant and equipment (note 18)	**37**	76
Fair value adjustment recognised in profit or loss	**49**	(5)
At 31 March	**736**	476

The group rents out commercial office space at its investment properties. The group has elected to measure investment properties at fair value (refer to note 47). Fair values are estimated annually by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment properties being valued. During intervening periods, the fair values are estimated by management. Investment property includes properties, namely Monte Place and Monte Circle, which are held under a joint control arrangement.

During the year under review, the group recognised a fair value gain of R49 million (2024: R5 million loss) on investment properties in the statement of profit or loss. The fair value of the group's investment properties is determined using capitalised values of the projected rental income, together with assessments of development land. The valuation model considers the nature, location, size and popularity of the properties, as well as vacancies based on the historical and current vacancy factors. The fair value increase was mostly as a result of lower vacancy rates, due to higher tenant occupancy in the majority of the buildings.

At 31 March 2025, the significant unobservable inputs were as follows:

- Capitalisation rates applied to rental income of 9.25% – 10% (2024: 9.25% – 10%);
- Vacancy rates applied of 0% – 25% (2024: 0% – 25%); and
- Projected rental income of average R145/m^2 based on 48 184m^2 lettable area (2024: R125/m^2 to R160/m^2 based on 48 184m^2 lettable area).

With respect to inter-relationships between key unobservable inputs and estimated fair value measurement, the estimated fair value would increase/(decrease) if:

- The capitalisation rate was lower/(higher);
- Expected vacancy rate was lower/(higher); and
- Expected rental income was higher/(lower).

The table below indicates the sensitivities of the aggregate investment property portfolio by increasing or decreasing value inputs by 1 percentage point ("pp") as follows:

	2025		2024	
	Increase Rm	Decrease Rm	Increase Rm	Decrease Rm
1pp change in the capitalisation rate	**(54)**	**67**	(26)	33
1pp change in the vacancy rate	**(6)**	**6**	(3)	5
1pp change in projected rental income	**6**	**(6)**	4	(3)

	2025 Rm	2024 Rm
Amounts recognised in profit or loss for investment properties:		
Rental income from investment property operating leases, included in other income (note 8):		
Fixed	**49**	38
Direct operating expenses for property that generated rental income	**(26)**	(19)

Refer to note 18 *Property, plant and equipment* for reference as to how the group manages risk for the rights it retains in the underlying assets.

20 INVESTMENT PROPERTIES *continued*

At the reporting date, the group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases for investment properties. The rentals below relate only to fixed rentals (there are no variable rentals):

	2025 Rm	2024 Rm
Not later than one year	**46**	28
Between one and two years	**38**	23
Between two and three years	**28**	14
Between three and four years	**20**	8
Between four and five years	**17**	5
After five years	**57**	18
	206	96

The above includes contracted future minimum lease payments relating to property that is still under construction and will be completed in the next financial year. Refer to note 43 *Future capital expenditure*.

Transfers

During the year under review, land held by the Mykonos precinct ceased to be owner-occupied. The land was previously classified as owner-occupied property in line with IAS 16 *Property, Plant and Equipment*. The land was subsequently transferred from property, plant and equipment to investment properties and, in accordance with IAS 16 and IAS 40 *Investment Property*, the land was revalued through OCI by R7 million to its fair value of R37 million before being transferred as shown in the statement of other comprehensive income and in note 18.

During the prior year, the Palazzo Towers West office building ceased to be owner-occupied and the property was revalued through OCI by R22 million to its fair value of R76 million before being transferred as shown in the statement of other comprehensive income and in note 18.

21 GOODWILL

	2025 Rm	2024 Rm
At 1 April	**1 418**	1 461
Impairments	**(24)**	(43)
At 31 March	**1 394**	1 418
The following is a summary of goodwill allocation per CGU:		
Montecasino	**273**	273
Suncoast	**890**	890
Garden Route	**19**	19
Mykonos	**17**	17
The Caledon	**40**	64
Blackrock	**94**	94
Vukani	**61**	61
	1 394	1 418

Impairment test for goodwill and casino licences (refer to note 22 for licences)

Consumer discretionary spend remained under pressure as a result of the continued slow growth of the South African economy, high levels of unemployment, high energy and food prices and high interest rates. This, together with online betting on casino-styled games growing to significant levels, contributed to the group's income remaining under pressure for the year under review. These factors are taken into account in the impairment testing of goodwill and intangibles, intangibles being mainly casino licences, most of which are indefinite lived.

21 GOODWILL *continued*

Significant estimate – key assumptions used for value in use calculations

Goodwill and casino licences are allocated and monitored based on the group's CGUs. The recoverable amount of each CGU is determined based on the higher of its fair value less costs of disposal and value in use. All recoverable amounts have been based on value in use. These calculations use management-approved cash flow projections based on five-year forecasts. The expected capital cost spend in each CGU is based on the historical experience of maintaining each property, taking into account current spend. The approved capex programme is monitored closely by management, thereby ensuring only necessary spend. Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rate. The key assumptions used for value in use calculations were reviewed by management at the year end and estimated as follows:

Trading assumptions

Management forecast income, operating expenses and adjusted EBITDA margins based on past and current performance and its expectations of disposable income in South Africa as mentioned above. Focus remains on maintaining previously implemented cost reductions and operational efficiencies. The aforementioned, together with the key assumptions mentioned below, are reflected in the group's forecast cash flows assuming normal growths in the future.

Adjusted EBITDA during the budget period is estimated based on income, including gaming win, food and beverage revenue, hotel rooms revenue and other income, and operating costs recognised in the period immediately preceding the commencement of the group's annual budget exercise. This budget has been adjusted, where necessary, to take into account current trading conditions. The forecast period thereafter has increased income by an average of 4.3% per annum and operating costs by 4.5% per annum (31 March 2024: increased income by an average of 4.3% per annum and operating costs by 5.0% per annum).

Long-term growth rate

Cash flows beyond the first five-year period are extrapolated using estimated long-term growth rates in order to calculate the terminal recoverable amount. The growth rate estimation considers risks associated with the gaming, entertainment and hospitality industry in which the CGUs operate. The group considers a long-term growth rate of 4.5% appropriate, a reduction from 5.0% for the prior year. The reduction in the rate is mainly due to signs of inflation being brought under control.

Risk-adjusted discount rate

The discount rate is calculated using a weighted average cost of capital ("WACC") of the respective CGUs. WACC is calculated using a risk-free rate referenced to the 10-year point on the SA Government Bond curve and an equity premium adjusted for specific risks relating to the relevant CGUs (share beta and small stock premium). The pre-tax discount rates have decreased in comparison with the prior financial year due to a lower risk-free rate and a decreased weighted average cost of debt, both as a result of decreasing interest rates. The group believes the discount rate will return to more normal levels over the medium term, with the SARB announcing its first interest rate cut in September 2024 since late 2020, and further rate cuts in November 2024 and January 2025. Additionally, there is more confidence reflecting in the South African economy largely due to the formation of the Government of National Unity after the May 2024 elections. The group's effort to further reduce its debt levels to achieve its medium-term target will continue. The following pre-tax discount rates have been used for the respective CGUs:

	2025 %	2024 %
Montecasino	**18.4**	19.7
Suncoast	**18.3**	19.5
Gold Reef City	**18.1**	19.6
Silverstar	**19.2**	20.4
Other gaming operations[(1)]	**20.3**	21.3
Vukani	**22.5**	24.7

[(1)] *Includes the balance of the group's casino properties which have an allocation of goodwill*

21 GOODWILL *continued*

Significant estimate – impairment charges

Taking into account the significant estimates and key assumptions, no impairments to goodwill were identified since the previous reporting date, other than impairment of goodwill in respect of The Caledon amounting to R24 million (estimated recoverable amount R143 million; 2024: R182 million). The goodwill impairment recognised is mainly due to lower than anticipated trading. Where applicable, the group's goodwill impairments are included within impairments of non-current assets in the statement of profit or loss. A goodwill impairment of R43 million was recognised during the prior year in respect of Golden Horse.

Significant estimate – impact of possible changes in key assumptions

The group's impairment reviews are sensitive to changes in the key assumptions described above. Based on the group's sensitivity analysis, a reasonable possible change in a single assumption will not cause any goodwill impairment loss in any of the group's remaining CGUs as the group's CGUs have significant headroom available between the calculated values in use and the carrying amount of goodwill allocated to each CGU, other than as shown below. Refer also to note 3(b) *Critical accounting estimates and judgements – Estimated impairment of goodwill and indefinite lived intangible assets*.

The following reflects the total impairment to goodwill, that would be recognised if a reasonably possible change in a key assumption, on which the group has based its determination of the respective CGU's recoverable amount, would cause the CGU's respective goodwill carrying amount to exceed its recoverable amount:

	2025		
	1pp decrease in trading assumptions[1] Rm	1pp decrease in growth rate assumption[1] Rm	1pp increase in discount rate assumption[1] Rm
Total impairment recognised would be:			
The Caledon	**26**	**31**	**35**
Mykonos	**–**	**16**	**17**

[1] *Key assumptions referred to above*

22 OTHER INTANGIBLE ASSETS

	Licences and bid costs Rm	Other intangibles[1] Rm	Total Rm
Year ended 31 March 2025			
Opening net carrying amount	**3 064**	**35**	**3 099**
Additions	**12**	**2**	**14**
Amortisation charge	**(1)**	**(10)**	**(11)**
Impairments	**(175)**	**–**	**(175)**
Closing net carrying amount	**2 900**	**27**	**2 927**
At 31 March 2025			
Cost	**4 595**	**204**	**4 799**
Accumulated amortisation	**(184)**	**(176)**	**(360)**
Accumulated impairments	**(1 511)**	**(1)**	**(1 512)**
Net carrying amount	**2 900**	**27**	**2 927**
Year ended 31 March 2024			
Opening net carrying amount	3 296	41	3 337
Additions	13	5	18
Amortisation charge	(2)	(11)	(13)
Impairments	(243)	–	(243)
Closing net carrying amount	3 064	35	3 099
At 31 March 2024			
Cost	4 583	205	4 788
Accumulated amortisation	(183)	(169)	(352)
Accumulated impairments	(1 336)	(1)	(1 337)
Net carrying amount	3 064	35	3 099
At 31 March 2023			
Cost	4 570	206	4 776
Accumulated amortisation	(181)	(164)	(345)
Accumulated impairments	(1 093)	(1)	(1 094)
Net carrying amount	3 296	41	3 337

[1] *Other intangibles consists of computer software and intellectual property which were previously reported separately. These have been aggregated due to immateriality*

22 OTHER INTANGIBLE ASSETS *continued*

	Carrying amount		Remaining useful life	
	2025 Rm	2024 Rm	**2025**	2024
Licences and related bid costs by CGU:				
Indefinite lives				
Montecasino[1]	**70**	70	**Indefinite**	Indefinite
Suncoast[1]	**105**	105	**Indefinite**	Indefinite
Gold Reef City[1][2]	**1 626**	1 765	**Indefinite**	Indefinite
Silverstar[1][2]	**199**	199	**Indefinite**	Indefinite
Golden Horse[2]	**404**	404	**Indefinite**	Indefinite
Garden Route[2]	**252**	252	**Indefinite**	Indefinite
Mykonos[2]	**215**	215	**Indefinite**	Indefinite
Goldfields[2]	**–**	12	**Indefinite**	Indefinite
Blackrock[1]	**1**	1	**Indefinite**	Indefinite
Emerald[3]	**5**	5	**Indefinite**	Indefinite
Galaxy[4]	**1**	25	**Indefinite**	Indefinite
Kuruman[5]	**7**	7	**Indefinite**	Indefinite
Other	**12**	–	**Indefinite**	n/a
Definite lives				
Vukani[4]	**3**	4	**2 – 16 years**	3 – 17 years
	2 900	3 064		

[1] *Relate to additional gaming positions*
[2] *Relate to the casinos acquired on the reverse acquisition of Gold Reef Resorts Limited during the 2011 financial year*
[3] *Acquisition of Emerald during the 2023 financial year*
[4] *Acquisition of the bingo and LPM businesses as a common control acquisition during the 2018 financial year. Subsequent acquisition of bingo licences of R24 million were impaired due to closures of the respective sites during the year under review*
[5] *Acquisition of Kuruman as a common control transaction during the 2019 financial year*

Significant estimate – impairments

Taking into account the significant estimates and key assumptions as described in note 21 *Goodwill*, with respect to licences with indefinite lives, the group recognised impairments in Gold Reef City of R139 million (estimated recoverable amount R2.9 billion; 2024: R 3.0 billion) due to lower than anticipated trading, and Goldfields of R12 million. With respect to Goldfields, a total impairment of R43 million was identified (estimated recoverable amount of R57 million; 2024: R112 million), and has been recognised by impairing the licence of R12 million and the balance on an apportionment basis over the remaining assets of the CGU (refer to note 18). The impairment was mainly due to the continued decline in trading which is indicative of the area in which the casino is located, together with reducing margins. A pre-tax discount rate of 20.3% (2024: 22.1%) was applied. During the prior year, the group recognised impairments in Silverstar of R90 million and Golden Horse of R150 million. Bingo licences of R24 million were also impaired due to closing of the respective sites during the year under review.

Significant estimate – impact of possible changes in key assumptions

The group's impairment reviews are sensitive to changes in the significant estimates and key assumptions described in note 21. Based on the group's sensitivity analysis, a reasonable possible change in a single assumption will not cause a material impairment loss in any of the group's CGUs, as there is significant headroom available between the calculated values in use and the intangible asset allocated to each CGU, other than as shown below. Refer also to note 3(b) *Critical accounting estimates and judgements – Estimated impairment of goodwill and indefinite lived intangible assets.*

The following reflects the total impairment on casino licences, with indefinite useful lives, that would be recognised if a reasonably possible change in a key assumption, on which the group has based its determination of the respective CGU's recoverable amount, would cause the CGU's casino licence carrying amount to exceed its recoverable amount:

	2025			2024		
	1pp decrease in trading assumptions[1] Rm	**1pp decrease in growth rate assumption[1] Rm**	**1pp increase in discount rate assumption[1] Rm**	1pp decrease in trading assumptions[1] Rm	1pp decrease in growth rate assumption[1] Rm	1pp increase in discount rate assumption[1] Rm
Total impairment recognised would be:						
Golden Horse	**–**	**–**	**–**	199	220	232
Mykonos	**–**	**–**	**7**	–	–	–
Silverstar	**12**	**69**	**98**	103	155	184
Gold Reef City	**172**	**323**	**393**	–	–	64

[1] *Refer to note 21 for key assumptions*

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at FVOCI comprise investments in equity instruments which are not held for trading, and which the group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and therefore the group considers this classification relevant. Refer to notes 3c) *Critical accounting estimates and judgements – Fair value of financial instruments that are not traded in an active market* and 47 *Fair value estimation*. Dividends received are included in other income (note 8). Deferred tax is not provided on the fair value adjustments of the group's equity instruments at FVOCI where the future profitability of the respective holding entities are not anticipated to produce taxable capital gains in the foreseeable future.

	2025 Rm	2024 Rm
Unlisted		
At 1 April	**724**	959
Fair value adjustment recognised in OCI	**(171)**	(235)
At 31 March	**553**	724
Listed		
At 1 April	**287**	113
Acquired during the year	**–**	181
Fair value adjustment recognised in OCI	**(14)**	(7)
At 31 March	**273**	287
Total financial assets at FVOCI	**826**	1 011
Dividends received		
Unlisted – SunWest	**64**	54
Listed	**10**	9
	74	63

23.1 Unlisted financial assets at FVOCI – level 3 in the fair value hierarchy

SunWest and Worcester casinos

Previously the group entered into a transaction with Sun International Limited ("SI") and Grand Parade Investments Limited for the acquisition of a 20% equity interest in each of SunWest International Proprietary Limited ("SunWest") and Worcester Casino Proprietary Limited ("Worcester"). The group has pre-emptive rights but no representation on the board of directors of either company and has no operational responsibilities. The group also has no access to any information regarding the companies except for that to which it has statutory rights as a shareholder.

At the end of each reporting period, the group's 20% equity interest in each of SunWest and Worcester is remeasured, recognising the increase or decrease in other comprehensive income. The assets have been remeasured at 31 March 2025 to R553 million (2024: R724 million), a R171 million decrease (2024: R235 million). A discounted cash flow valuation was used to estimate the fair values. The valuation models consider the present value of net cash flows to be generated from SunWest and Worcester, together with their operating capital expenditures taking into account expected growths in net gaming win and other income generated from non-gaming related activities. These cash flow forecasts are aligned to the financial reporting periods of the respective entities, being 12 months to December each year. The expected net cash flows are discounted using a risk-adjusted post-tax discount rate.

The cash flow forecasts used in the valuation anticipate continued growth off the December 2024 financial year end for the group's 2025 financial year end, forecasting normal increases in trading levels. Cost mitigation strategies are expected to be maintained. The decrease in the estimated fair value is mainly driven by the Western Cape gaming win growths not reaching anticipated levels as yet, particularly Worcester, together with a lower long-term growth rate as mentioned in note 21, offset by the decreased discount rate due to the decrease in interest rates, including a decreased risk-free rate. Among other factors, the discount rate estimation considers risks associated with the gaming, entertainment and hospitality industry in which SunWest and Worcester operate.

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME *continued*

23.1 Unlisted financial assets at FVOCI – level 3 in the fair value hierarchy *continued*

Significant estimate – unobservable inputs used in the fair value measurement

The significant unobservable inputs used in the fair value measurement of the group's investment in SunWest and Worcester are shown below (based on the respective entities' December financial year ends):

- Expected income, including gaming win, food and beverage revenue, hotel rooms revenue and other income grows by 4% for the entities' 2025 financial year and thereafter (31 March 2024: Expected income, including gaming win, food and beverage revenue, hotel rooms revenue and other income growths of 9% for the 2024 year end then levelled out to growths of 4% over the following years);
- Expected operating expenditure costs increase by 4.5% for the entities' 2025 financial year and thereafter, maintaining margins (31 March 2024: Expected operating expenditure costs increased by 10% for the entities' 2024 financial year, then levelled out to increases of 4% over the following years);
- Risk-adjusted discount rate of 14.45% (2024: 15.79%) post-tax; and
- Long-term growth rate of 4.5% (2024: 5.0%).

	2025 Rm	2024 Rm
Fair value of the unlisted equity instruments is made up as follows:		
SunWest	**553**	721
Worcester	**–**	3
	553	724

The table below indicates the sensitivities for the valuation by increasing or decreasing the above inputs by 1pp:

	2025		2024	
	Increase Rm	Decrease Rm	Increase Rm	Decrease Rm
Expected gaming win growth	**67**	**(61)**	62	(61)
Operating expenditure cost growth	**(39)**	**42**	(57)	55
Risk-adjusted discount rate	**(55)**	**67**	(64)	77
Long-term growth rate	**50**	**(41)**	56	(47)

23.2 Listed financial assets at fair value through OCI – level 1 in the fair value hierarchy

Listed financial assets at fair value through OCI comprise ordinary shares held in City Lodge Hotels Limited, a listed entity on the JSE. This investment is revalued to its market price, as listed on the JSE, at the reporting date of R4.02 (2024: R4.22) per share (refer to note 45.1(a)(iii) in respect of price risk).

24 INVESTMENTS IN ASSOCIATES

	2025 Rm	2024 Rm
At 1 April	**35**	26
Share of profit after tax and other interests of associates	**2**	9
Dividends received	**(5)**	–
At 31 March	**32**	35

The group's interest in associate entities is as follows:

- 50% in TMCTS Management Company Proprietary Limited which operates entertainment venues in five of the group's properties; and
- 50% in Three Groups Cinemas Proprietary Limited which operates cinemas at the group's Suncoast casino property.

The group has no share of associates' contingent liabilities or capital commitments.

The group does not consider its investments in associates significant and therefore no further disclosure is provided in this regard.

25 NON-CURRENT RECEIVABLES

	2025 Rm	2024 Rm
Financial instruments		
Financial assets measured at amortised cost		
Debt investments – net	**24**	25
Amounts owing by LPM site owners – gross	**25**	26
Amounts owing by LPM site owners – loss allowance	**(1)**	(1)
Loans to non-controlling interests	**2**	3
Loans to tenants	**–**	1
	26	29

The group does not consider non-current receivables material and therefore no further disclosure is provided in this regard. Refer to note 28 *Trade and other receivables* for information in respect the current portion of LPM site owner debt investments.

26 DEFERRED INCOME TAX

The movement in deferred tax assets and liabilities during the year, without taking into account the offsetting of balances of entities within the group, is as follows:

	Accelerated tax allowances Rm	Other assets[1] Rm	Debt finance costs Rm	Provisions and accruals Rm	Deferred income Rm	Right-of-use assets[2] Rm	Lease liabilities[2] Rm	Tax losses Rm	Items through OCI Rm	Total Rm
Deferred tax liabilities										
Balance at 1 April 2023	1 402	9	(4)	(48)	(5)	–	(17)	–	54	1 391
Profit or loss expense/(credit)	8	(5)	5	13	1	6	5	(3)	–	30
Deferred tax credit relating to components of OCI	–	–	–	–	–	–	–	–	(18)	(18)
Balance at 31 March 2024	**1 410**	**4**	**1**	**(35)**	**(4)**	**6**	**(12)**	**(3)**	**36**	**1 403**
Profit or loss expense/(credit)	**(23)**	**6**	**(1)**	**(8)**	**(5)**	**–**		**(10)**	**–**	**(41)**
Deferred tax credit relating to components of OCI	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(3)**	**(3)**
Deferred tax liability at 31 March 2025	**1 387**	**10**	**–**	**(43)**	**(9)**	**6**	**(12)**	**(13)**	**33**	**1 359**
Deferred tax assets										
Balance at 1 April 2023	(19)	(3)	3	42	1	(38)	60	21	2	69
Profit or loss credit/(expense)	4	1	(1)	(11)	–	7	(14)	(2)	–	(16)
Balance at 31 March 2024	**(15)**	**(2)**	**2**	**31**	**1**	**(31)**	**46**	**19**	**2**	**53**
Profit or loss credit/(expense)	**9**	**(4)**	**(2)**	**(13)**	**1**	**15**	**(17)**	**16**	**–**	**5**
Deferred tax expense relating to components of OCI	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(2)**	**(2)**
Deferred tax asset at 31 March 2025	**(6)**	**(6)**	**–**	**18**	**2**	**(16)**	**29**	**35**	**–**	**56**
Total net deferred tax liability at 31 March 2025	**1 393**	**16**	**–**	**(61)**	**(11)**	**22**	**(41)**	**(48)**	**33**	**1 303**
Total net deferred tax liability at 31 March 2024	1 425	6	(1)	(66)	(5)	37	(58)	(22)	34	1 350

[1] *Includes mainly prepaid expenditure*
[2] *On adoption of the amendments to IAS 12* Income Taxes *which requires companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, comparative figures have been disaggregated to reflect the deferred tax liability and asset split between right-of-use assets and lease liabilities in terms of IAS 12*

26 DEFERRED INCOME TAX *continued*

Deferred tax assets of R48 million (2024: R22 million) have been recognised for tax losses carried forward and other temporary differences relating to certain subsidiaries within the group. These assets have been recognised to the extent that the realisation of the related tax benefit through future taxable profits is probable. An assessment of future taxable profits has been performed at the relevant subsidiary level based on its business plans and budgets. The directors have considered the future profitability of these entities and, based on the cash flow projections extending beyond a period of 12 months, they are anticipated to produce taxable income in the foreseeable future. These deferred tax assets are therefore considered fully recoverable. Capital losses for capital gains tax purposes available for set-off against future capital gains and for which deferred tax assets have not been raised are estimated at R780 million (2024: R397 million). Losses for normal tax purposes available for set-off against future taxable income and for which deferred tax assets have not been raised are estimated at R460 million (2024: R350 million). Prior year losses for normal tax purposes available for set-off against future taxable income and for which deferred tax assets had not been raised were previously incorrectly reported as R89 million. The amount of the losses should have been reported as R350 million for 2024. There is no impact on any financial statement line, nor on basic and diluted earnings per share for these periods.

27 INVENTORIES

	2025 Rm	2024 Rm
Food and beverage	**28**	26
Operating equipment	**13**	15
Consumable stores	**31**	29
	72	70
Food and beverage costs recognised as an expense and included in other operating expenses	**(253)**	(254)
The cost of operating equipment recognised as an expense and included in other operating expenses	**(14)**	(17)

There were no significant inventories written off during the year.

28 TRADE AND OTHER RECEIVABLES

	2025 Rm	2024 Rm
Financial instruments		
Financial assets measured at amortised cost		
Trade receivables (net)	**89**	84
Gross	**119**	103
Allowance for ECLs	**(30)**	(19)
Debt investments – amounts owing by LPM site owners (net)	**58**	72
Gross	**130**	141
Allowance for ECLs	**(72)**	(69)
Other receivables	**19**	35
Deposits	**114**	105
	280	296
Non-financial instruments		
Prepayments	**128**	124
VAT receivable	**1**	2
Deferred expenses	**9**	9
Straight-lining of operating leases	**17**	13
	155	148
	435	444

28 TRADE AND OTHER RECEIVABLES *continued*

28.1 Trade receivables

Trade receivables comprise a widespread customer base mostly in respect of the hotel, conferencing and tenanting of commercial office and retail space provided in the ordinary course of business at the group's properties. Credit sales mostly have negotiated credit terms of 30 days and are therefore all classified as current. Trade receivables also comprise amounts owed by LPM site owners relating to gross gaming win. The group does not hold any collateral as security.

The carrying value less the respective credit loss allowance of trade receivables is assumed to approximate their fair values due to the short-term nature of trade receivables.

Exposure to credit risk

The group performs ongoing credit evaluations of the financial condition of its customers for both new credit applications and existing customers having credit facilities. These reviews include evaluating previous relations the customer has had with the group, taking into account the length of time and amount of business. New customers are given credit only after meeting strict minimum requirements. The utilisation of credit limits is regularly monitored by management by reviewing the ageing analysis of these debtors on an ongoing basis. At 31 March 2025, no single customer was in debt in excess of 10% of the total trade receivables balance. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable as shown above. There has been no significant increase in credit risk.

Management closely monitors credit limits that are exceeded and anticipates that any losses from non-performance by these counterparties, which have not been provided for, will be immaterial.

Certain trade receivables being amounts owed by LPM site owners relating to gross gaming win do not expose the group to significant credit risk and no significant losses from non-performance by these counterparties are expected by the group. This is due to strong credit controls implemented, personal sureties signed by site owners, and the group's ability to manage LPMs at sites where site owners default on payments.

Specific trade receivables

Specific trade receivables consist mainly of tenant debtors from the tenanting of commercial office and retail space. The loss allowances for tenanting debtors are in respect of long outstanding balances that generally have slower payment terms and are managed on a one-on-one basis.

Loss allowance calculated under the provision matrix

The group applies the IFRS 9 simplified approach to measuring ECLs which uses a lifetime expected loss allowance for trade receivables by applying a provision matrix which is presented below. In accordance with this approach, the loss allowance for trade receivables is determined as the lifetime ECLs on trade receivables. Trade receivables are categorised into respective characteristics, namely geographical and business type. The provision matrices have been developed by making use of judgement and past default experience of debtors, but also incorporate forward-looking information such as general economic conditions of the industry as at the reporting date. The following South African macroeconomic factors were used to determine forward-looking information:

- Inflationary impacts mentioned in note 21 *Goodwill* on the economy;
- Gross domestic product;
- Vulnerability of state-owned enterprises and municipalities; and
- High unemployment rate.

Trade receivables are written off when there is no reasonable expectation of recovering additional cash, mostly when the respective debtor has been liquidated and no further distributions are possible. The following are the indicators of default:

- Failure of a debtor to engage in a repayment plan once the account falls into arrears;
- Failure to make payments after the institution and/or conclusion of legal proceedings; and/or
- Business rescue and/or liquidation of the debtor.

28 TRADE AND OTHER RECEIVABLES *continued*

28.1 Trade receivables *continued*

On the bases described above, the loss allowance was determined as follows for trade receivables:

	Current – performing Rm	30 to 60 days past due Rm	60 to 90 days past due Rm	More than 90 days past due Rm	Total Rm
As at 31 March 2025					
Carrying value of debtors with no ECLs recognised	**37**	**–**	**–**	**–**	**37**
Carrying value of debtors with ECLs recognised	**9**	**5**	**1**	**3**	**18**
Gross amount	**9**	**5**	**1**	**16**	**31**
Specific credit losses	**–**	**–**	**–**	**(13)**	**(13)**
Carrying value of debtors with ECLs recognised	**18**	**9**	**2**	**5**	**34**
Gross carrying amount	**19**	**9**	**3**	**20**	**51**
Expected loss rate (%)	**3.1**	**1.7**	**37.7**	**72.4**	**32.6**
Lifetime ECLs	**(1)**	**–**	**(1)**	**(15)**	**(17)**
	64	**14**	**3**	**8**	**89**
As at 31 March 2024					
Carrying value of debtors with no ECLs recognised	32	–	–	–	32
Carrying value of debtors with ECLs recognised	12	4	1	1	18
Gross amount	15	5	1	10	31
Specific credit losses	(3)	(1)	–	(9)	(13)
Carrying value of debtors with ECLs recognised	17	6	2	9	34
Gross carrying amount	17	7	2	14	40
Expected loss rate (%)	0.9	10.1	11.3	39.8	16.3
Lifetime ECLs	–	(1)	–	(5)	(6)
	61	10	3	10	84

Movements in the allowance for ECLs on trade receivables are as follows:

	2025 Rm	2024 Rm
At 1 April	**19**	19
Loss allowance recognised during the year	**16**	14
Loss allowance unused and reversed during the year	**(3)**	(8)
Impairment charge for bad and doubtful debts, and recoveries	**(2)**	(6)
At 31 March	**30**	19

The creation of the provisions is offset by the release of provisions for impaired receivables and has been included in other operating expenses in profit or loss (note 11) due to the amounts not being material.

28.2 Debt investments

The group's debt investments, at amortised cost, comprise mainly short-term loans to LPM site owners as well as payments on behalf of site owners. Debt investments, other than personal suretyships, are unsecured, interest free and repayable in weekly instalments. These receivables are discounted at the prevailing prime interest rate. Deferred differences are recognised in profit or loss. Debt investments are made up as follows:

	2025 Rm	2024 Rm
Carrying value of loans to LPM site owners	**48**	66
Gross	**118**	133
Loss allowance	**(70)**	(67)
Carrying value of payments on behalf of site owners	**10**	6
Gross	**12**	8
Loss allowance	**(2)**	(2)
	58	72

28 TRADE AND OTHER RECEIVABLES *continued*

28.2 Debt investments *continued*

Exposure to credit risk

The ECL model of IFRS 9 requires the classification and measurement of ECLs using the general model for loans and advances measured at amortised cost. The general model is a three-stage model. The three stages are Performing (Stage 1), Underperforming (Stage 2) and Non-performing (Stage 3). Impairment of loans in Stage 1 is measured based on a 12-month ECL and loans in Stages 2 and 3 are based on lifetime ECLs. Loans in Stages 2 and 3 are minimised and controlled through strict loan granting criteria. The maximum exposure to credit risk at the reporting date is the carrying value of loan investments as shown above. There has been no significant increase in credit risk. The creation and release of the allowance for credit losses have been included in other operating expenses in profit or loss (note 11) due to the amounts not being material.

In determining whether there has been a significant increase in credit risk, consideration is given to the average gross gaming win generated per site per month. The average gross gaming win generated per site per month has been determined to be R135 000 (2024: R135 000). Therefore, where a site is generating less than this, the site is considered to be underperforming in terms of its cash generations. This is considered to be a significant increase in credit risk.

Probability of default is an estimate of the likelihood of default over a given time horizon. The estimation is based on current conditions, adjusted to take into account estimates of future conditions that will impact the probability of default. A loss given default is an estimate of the loss arising on default. The time of recovery and the recovery rate are taken into account when the loss given default is estimated. Exposure at default is an estimate of the exposure at a future default date, which is the total balance outstanding at default.

Site owner loans comprise amounts due by LPM site owners resulting in initial costs incurred to get the gaming sites approved by the gambling boards, as well as funding requirements for maintaining and expanding their operations. The loan repayment periods range between three and 36 months, are unsecured, interest free and are repayable in weekly instalments.

Payments on behalf of site owners comprise amounts due by LPM site owners resulting in initial costs incurred to get the gaming sites approved by the gambling boards. These loans are repayable once site licences are approved which is generally within six months, are unsecured and interest free.

All amounts repayable over greater than 12 months are disclosed as non-current loans (refer to note 25).

Loss allowance calculated under the general model

The three-stage model has been developed by making use of judgement and past default experience of loans, but also incorporates forward-looking information such as the macroeconomic factors mentioned above as at the reporting date. All loans and advances are assessed on a monthly basis to determine whether there has been a significant increase in credit risk. There have been no changes in estimation techniques or significant assumptions applied in the determination of ECL allowances. The basis of inputs, assumptions and estimation techniques are as follows:

Stage 1 Performing (12-month ECLs)	Stage 1 LPM site owner loans total R38 million (2024: R48 million) with 12-month ECLs of R1 million (2024: R1 million), based on past default experience on loans to site owners it was determined that if a site generates more than the average gross gaming win of the LPM business segment for the reporting period of R135 000 (2024: R135 000), it is more likely to be able to service its debt. Varying percentages of default are applied to all site owners in this category and are calculated by making use of judgement and past default experience on loans to site owners. Based on this and taking into account the forward-looking information, the overall ECL percentage is 2% (2024: 2%). Payments on behalf of Stage 1 LPM site owners total R5 million (2024: R5 million) with 12-month ECLs of R180 000 (2024: R200 000). These loans are considered Stage 1 when current licence approvals and outstanding licence approvals are less than 26 weeks. These loans are not considered significant and therefore no further disclosure is provided in this regard.
Stage 2 Underperforming (lifetime ECLs)	Stage 2 LPM site owner loans total R77 million (2024: R79 million). In cases where significant increase in credit risk has occurred an impairment equal to the lifetime ECL is recognised. For LPM site owner loans, it was determined that if a site generates less than the average gross gaming win of the LPM business segment for the reporting period of R135 000 (2024: R135 000), it is more likely to default in repayment due to past default experience with debtors. Varying percentages of default are applied to all site owners in this category and are calculated by making use of judgement and past default experience on loans to site owners. Based on this and taking into account the forward-looking information, the overall ECL percentage is 80% (2024: 76%) with an ECL amount of R65 million (2024: R62 million). Payments on behalf of site owner loans total R4 million (2024: R3 million) that are considered underperforming. The group considers a significant increase in credit risk events when a licence approval is outstanding for more than 26 weeks but less than 52 weeks. These loans are not considered significant and therefore no further disclosure is provided in this regard.
Stage 3 Non-performing (lifetime ECLs)	For LPM site owner loans, sites that are closed or temporarily closed are fully provided for totalling R5 million (2024: R5 million). It is the group's experience that closed or temporarily closed sites will not generate sufficient future cash flows to settle outstanding loans and the loans are considered to be credit impaired. For payments on behalf of site owner loans of R1 million (2024: R1 million), where licence approvals are outstanding for more than 52 weeks are fully provided for.

28 TRADE AND OTHER RECEIVABLES *continued*

28.2 Debt investments *continued*

On the above basis, the ECL allowance for debt investments was determined as follows:

	Stage 1 Performing (12-month ECL) Rm	Stage 2 Under-performing (Lifetime ECL – not credit impaired) Rm	Stage 3 Non-performing (Lifetime ECL – credit impaired) Rm	Total Rm
As at 31 March 2025				
Carrying value of debt investments with ECLs recognised			**–**	**–**
Gross amount			**6**	**6**
Specific credit losses			**(6)**	**(6)**
Carrying value of debt investments with ECLs recognised	**42**	**16**	**–**	**58**
Gross amount	**43**	**81**	**–**	**124**
Expected credit loss rate (%)	**2.3**	**80.2**	**–**	**53.2**
Lifetime ECLs	**(1)**	**(65)**	**–**	**(66)**
	42	**16**	**–**	**58**
As at 31 March 2024				
Carrying value of debt investments with ECLs recognised			–	–
Gross amount			6	6
Specific credit losses			(6)	(6)
Carrying value of debt investments with ECLs recognised	52	20	–	72
Gross amount	53	82	–	135
Expected credit loss rate (%)	1.9	75.6	–	46.7
Lifetime ECLs	(1)	(62)	–	(63)
	52	20	–	72

Movements in the allowance for ECLs on debt investments are as follows:

	2025 Rm	2024 Rm
At 1 April	**69**	70
Loss allowance recognised on specific receivables during the year	**2**	2
12-month ECL allowance recognised during the year	**1**	1
Lifetime ECL allowance recognised during the year:		
Receivables with significant increase in credit risk but not credit impaired	**8**	2
Loss allowance unused and reversed during the year	**(6)**	(3)
Impairment charge for bad and doubtful debts, and recoveries	**(2)**	(3)
At 31 March	**72**	69

The creation of the provisions is offset by the release of provisions for impaired receivables and has been included in other operating expenses in profit or loss (note 11) due to the amounts not being material.

28.3 Other receivables and deposits

Other receivables and deposits do not contain significant credit risk. There are no significant receivables past due not impaired and therefore no further disclosure is provided in this regard.

29 CASH AND CASH EQUIVALENTS

	2025 Rm	2024 Rm
Cash and cash equivalents measured at amortised cost		
Current accounts	**237**	343
Call deposit accounts	**13**	10
Cash	**230**	282
Gross cash and cash equivalents	**480**	635
Less: Bank overdrafts included in borrowings (note 32)	**(29)**	(44)
Net cash and cash equivalents per the statement of cash flows	**451**	591

Due to the short-term nature of these assets and historical experience, cash and cash equivalents are regarded as having a low probability of default and therefore the related ECL is deemed not significant.

30 SHARE CAPITAL AND PREMIUM

	Number of ordinary shares	Number of treasury shares	Net number of shares	Ordinary share capital Rm	Share premium Rm	Treasury shares Rm	Total Rm
At 1 April 2023	1 050 188 300	(4 234 342)	1 045 953 958	4	6 585	(104)	6 485
Share buy-back	(6 869 583)	–	(6 869 583)	*	(86)	–	(86)
Odd-lot offer	(138 044)	–	(138 044)	*	(2)	–	(2)
Repurchase and cancellation of share trust shares	(583 857)	583 857	–	*	(10)	10	–
At 31 March 2024	**1 042 596 816**	**(3 650 485)**	**1 038 946 331**	**4**	**6 487**	**(94)**	**6 397**
Treasury shares settled	**–**	**776 699**	**776 699**	**–**	**–**	**40**	**40**
At 31 March 2025	**1 042 596 816**	**(2 873 786)**	**1 039 723 030**	**4**	**6 487**	**(54)**	**6 437**

* *Amount less than R1 million*

The total number of authorised ordinary shares is 1 200 000 000 (2024: 1 200 000 000) with a par value of 2 cents per share (2024: 2 cents per share). The company also has 20 000 000 authorised unissued preference shares of no par value. All issued shares are fully paid up. The shares related to the IFRS 2 *Share-based Payment* – equity-settled (refer to note 35.1) are still to be settled in full by the remaining participants.

The directors of the company have, as a general authority until the forthcoming AGM, been authorised to allot and issue authorised but unissued ordinary shares as they in their discretion deem fit (subject to the company's Memorandum of Incorporation ("MoI"), the Companies Act and the JSE Limited Listings Requirements). This authority does not extend to the issue of shares for cash (whether by way of a general issue of shares for cash or a specific issue for cash) where the JSE Limited Listings Requirements or the Companies Act require an additional approval to be granted. The board of directors has also been given a general authority to acquire ordinary shares issued by the company subject to the MoI, Companies Act and JSE Limited Listings Requirements which is valid until the company's next AGM, or 15 months from the date of the passing of the special resolution authorising same, whichever period is the shorter. The board of directors has been authorised to determine the preferential rights attaching to the future issue of preference shares (subject to the approval of the JSE).

31 OTHER RESERVES

	Common control reserve[1] Rm	Transactions with non-controlling interests Rm	Financial assets at FVOCI Rm	Cash flow hedge reserve Rm	Property, plant and equipment revaluation reserve Rm	Share-based payment reserve Rm	Total Rm
Balance at 31 March 2023	(3 231)	(659)	(339)	68	101	10	(4 050)
Cash flow hedges	–	–	–	(56)	–	–	(56)
Fair value adjustment	–	–	–	(79)	–	–	(79)
Deferred tax	–	–	–	23	–	–	23
Financial assets at FVOCI fair value reserve							
Fair value adjustments[2]	–	–	(242)	–	–	–	(242)
Revaluation of owner-occupied property reclassified to investment property	–	–	–	–	17	–	17
Fair value adjustments	–	–	–	–	22	–	22
Deferred tax	–	–	–	–	(5)	–	(5)
Acquisition of non-controlling interests	–	(30)	–	–	–	–	(30)
Balance at 31 March 2024	**(3 231)**	**(689)**	**(581)**	**12**	**118**	**10**	**(4 361)**
Cash flow hedges	**–**	**–**	**–**	**(11)**	**–**		**(11)**
Fair value adjustment	**–**	**–**	**–**	**(15)**	**–**	**–**	**(15)**
Deferred tax	**–**	**–**	**–**	**4**	**–**	**–**	**4**
Financial assets at FVOCI fair value reserve							
Fair value adjustments[2]	**–**	**–**	**(185)**	**–**	**–**	**–**	**(185)**
Revaluation of owner-occupied property reclassified to investment property	**–**	**–**	**–**	**–**	**6**	**–**	**6**
Fair value adjustments	**–**	**–**	**–**	**–**	**7**	**–**	**7**
Deferred tax	**–**	**–**	**–**	**–**	**(1)**	**–**	**(1)**
Common control reserve movement[1]	**5**	**–**	**–**	**–**	**–**	**–**	**5**
Transfer to retained income	**–**	**–**	**–**	**–**	**–**	**(10)**	**(10)**
Balance at 31 March 2025	**(3 226)**	**(689)**	**(766)**	**1**	**124**	**–**	**(4 556)**

[1] *The common control reserve arose on the group's acquisition of the Bingo and LPM businesses from the HCI group during the 2018 financial year, together with the Bet.co.za acquisition during the 2021 financial year. During the current year under review, the movement arose due to the group's acquisition of HCI's share of investment property (refer note 42* Related parties*)*

[2] *Deferred tax is not provided on the fair value adjustments of the group's equity instruments at FVOCI due to the future profitability of the respective holding entities not being anticipated to produce taxable capital gains in the foreseeable future*

32 INTEREST-BEARING BORROWINGS

	2025 Rm	2024 Rm
Financial liabilities measured at amortised cost		
Bank borrowings	**2 277**	2 263
Corporate bonds (Domestic Medium-term Note Programme)	**4 989**	5 720
Loans from non-controlling interests	**163**	126
Bank overdrafts	**29**	44
	7 458	8 153
Non-current	**6 363**	7 946
Current portion	**1 095**	207
	7 458	8 153
Secured	**7 295**	8 027
Unsecured	**163**	126
	7 458	8 153

During November 2024 the existing Revolving Credit Facility ("RCF") of R1.5 billion was refinanced. In February 2025, an additional RCF to the value of R650 million was entered into and capital to the value of R720 million relating to a note from the Domestic Medium-term Note Programme was repaid. Refer to notes 41.1, 45 and 46 for further details on cash flow movement of borrowings, borrowings and covenants.

Borrowings of R163 million relate to the non-controlling effective interests in the group's subsidiary, Emerald Safari Resort Proprietary Limited. This loan is unsecured and interest will be payable at the prime overdraft rate upon conclusion of the 18-month interest holiday being 1 April 2025. The repayment terms remain subject to the board of directors of the borrower subsidiary, and must be repaid in full by 2050. At 31 March 2025, there was no intention to settle the loan in the next 12 months.

Securities

The following represents the carrying amount of assets of the company, together with certain of its subsidiaries, that are pledged as security in respect of the group's interest-bearing borrowings:

	2025 Rm	2024 Rm
Property, plant and equipment	**5 107**	5 118
Investment property	**242**	247
Other claims and receivables	**116**	114
Pledge of cash in bank accounts	**223**	356
	5 688	5 835

The group has mortgage bonds registered over six of its immovable properties.

Fair values and interest rates

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments and is within level 3 of the fair value hierarchy. The fair values of long and medium term borrowings are based on cash flows discounted using commensurate variable rates chargeable by lenders of the above loans ranging between 8.66% and 9.07% (2024: 9.75% and 9.97%). All borrowings bear interest at floating rates (refer to note 45.1a(ii)).

The carrying amounts and fair values of borrowings are as follows:

	Carrying amount		Fair value	
	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Bank borrowings	**2 277**	2 263	**2 273**	2 229
Corporate bonds (Domestic Medium-term Note Programme)	**4 989**	5 720	**4 995**	5 565
Loans from non-controlling interests	**163**	126	**163**	126
Bank overdrafts	**29**	44	**29**	44
	7 458	8 153	**7 460**	7 964

33 LEASE LIABILITIES AND COMMITMENTS

	Land and buildings Rm	Plant and equipment Rm	Total Rm
At 1 April 2024	**269**	**5**	**274**
Additions	**11**	**3**	**14**
Finance costs	**23**	**–**	**23**
Lease payments	**(63)**	**(6)**	**(69)**
Remeasurements	**(9)**	**4**	**(5)**
Terminations	**(22)**	**–**	**(22)**
Disposal of business (note 48)	**(1)**	**–**	**(1)**
At 31 March 2025	**208**	**6**	**214**
Less: Current portion	**(39)**	**(4)**	**(43)**
Non-current portion	**169**	**2**	**171**
At 1 April 2023	299	6	305
Additions	32	4	36
Finance costs	27	–	27
Lease payments	(65)	(5)	(70)
Remeasurements	(24)	–	(24)
At 31 March 2024	269	5	274
Less: Current portion	(41)	(3)	(44)
Non-current portion	228	2	230

	2025 Rm	2024 Rm
Total cash flows in respect of leases:		
Interest portion of the lease liabilities (included in finance costs cash flows)	**23**	27
Principal portion of the lease liabilities (included in cash flows from financing activities)	**46**	43
Short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities (included in cash generated from operations)	**143**	151
Total cash outflow for leases	**212**	221

The group leases various properties, the most significant being the Golden Horse Casino land, leases of various properties at the bingo business sites and offices at certain of the LPM business sites as well as gaming equipment at the casinos. These rental contracts are for fixed periods of three to 30 years, but may have extension options as described below.

Variable lease payments

Certain property leases contain variable payment terms that are linked to indices which are not considered significant by the group and therefore no further disclosure has been presented. The group also has variable lease terms linked to gross gaming win. Variable lease payments are included in other operating expenses in note 11.

Variable lease payments in respect of gaming equipment

The bingo division has gaming machine leases containing variable payment terms that are linked to gross gaming win generated by the respective machines and these payments are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs and are not included in the measurement of the lease liabilities. A 10% increase in gross gaming win across all sites in the group with such variable lease contracts would increase total gaming equipment lease payments included in operating costs by approximately R8 million (2024: by approximately R10 million).

Extension options and termination options

Extension options and termination options are included in certain property and gaming equipment leases across the group. These are used to maximise operational profitability in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessors.

33 LEASE LIABILITIES AND COMMITMENTS *continued*

Extension options and termination options *continued*

Extension and termination options in respect of its property leases

The Golden Horse Casino land has an extension option with effect from 1 September 2030 which the group is reasonably certain to extend and is included in the lease liability. Hemingways casino had a cinema lease with an extension option with effect from 21 August 2024. During the prior year, this extension option was derecognised from the lease liability as it was no longer certain that the lease was to be extended. As a result, the lease liability was remeasured by R21 million with a reduction in the right-of-use asset of R2 million, and a remeasurement was recognised in other operating expenses amounting to R19 million.

Where the group leases property for the bingo operations, all extension options have been capitalised:

- If a gaming licence term exceeds the initial property rental term, the group is typically reasonably certain to extend the lease contract (or not terminate the lease contract); and
- For operational properties being leased and more suitable properties have been identified, management is reasonably certain not to extend the property lease contract.

Lease terminations of R22 million were incurred during the year under review by the bingo division due to closure of sites.

Extension options and termination options in respect of gaming equipment leases

Certain casino gaming equipment leases have extension options that have not been capitalised as it is not reasonably certain that the leases will be extended (or not terminated). Most of the leases with extension options have been converted to short-term leases. The group has the option to terminate, without penalties, the remaining lease contracts.

Residual value guarantees

The group has not provided residual value guarantees in relation to any of its leases as none of its leases contain residual value guarantees.

Leases not yet commenced but committed

The group has not committed to any leases that had not commenced by the reporting date.

Discount rates

The group's incremental borrowing rates applied ranged from 5.1% to 9.8% (2024: 6.6% to 10.6%).

34 DERIVATIVE FINANCIAL INSTRUMENTS

	2025 Rm	2024 Rm
Derivatives measured at fair value		
Cash flow hedges		
Asset	–	11
Less: Current portion	–	(11)
Non-current portion	–	–

The group's derivative financial instruments, which comprised interest rate swaps at fair value of R11 million at the previous financial year end, all matured on 31 May 2024. For effective hedges, gains and losses are recognised in the hedging reserve directly in other comprehensive income (after tax). The fair value of the group's derivatives used for hedge accounting was calculated as the present value of the estimated future cash flows based on observable yield curves. A debit of R15 million (2024: a debit of R79 million), representing the effective portion of the cash flow hedge was recognised in other comprehensive income. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. During the year, a credit of R1 million was reclassified from other comprehensive income to profit or loss (included in finance costs) (2024: a credit of R54 million). The group recognised a R7 million credit (31 March 2024: R39 million credit) in finance costs in respect of the interest rate swap instruments, and in the cash flow, finance costs in respect of the interest rate swaps of R11 million inflow (2024: R36 million inflow). The notional amounts of the outstanding effective interest rate swap contracts at 31 March 2024 were:

	2025 Rm	2024 Rm
Linked to the three-month JIBAR		
With a fixed rate of 7.135%	–	700
With a fixed rate of 7.095%	–	560
With a fixed rate of 7.145%	–	2 240
	–	3 500

SI put option

In terms of the acquisition agreement of the SunWest and Worcester interests (refer to note 23), in the event that any party acquires 35% or more of the issued ordinary shares of SI triggering a change in control of the SI group, the group may elect to put its equity interests in SunWest and Worcester to SI. SI can elect to either settle the put option by the issue of new ordinary shares in SI and/or for a cash consideration, based on the aggregate value of the group's interest in SunWest and Worcester. No derivative has been recognised as the fair value of the option is Rnil at 31 March 2025 (Rnil at 31 March 2024).

35 LONG-TERM INCENTIVE LIABILITIES

The group only operates the cash settled Share Appreciation Bonus Plan referred to in note 35.2 as a long-term incentive plan, with the equity settled executive facility referred to under note 35.1 having been discontinued.

35.1 Equity-settled – executive facility (historical discontinued facility)

The scheme has been discontinued with no new allocations/facilities permitted in future. The scheme has no participants left who are employed by any company within the group, and only two participants (2024: three) remain. The 2.9 million ordinary shares held by the two remaining participants are classified as treasury shares in terms of IFRS 2 *Share-based payments*. During the year under review, 776 699 shares were sold by the third participant and the respective loan settled by the reporting date. The remaining shares are pledged to the company (with effect from 14 March 2019) as security until the loans in respect of the facilities relating thereto are repaid. Dividends on these remaining shares have been ceded to the company. Refer also to note 30 *Share capital and premium*.

35.2 Cash-settled – Tsogo Sun Group Share Appreciation Bonus Plan

The Tsogo Sun Group Share Appreciation Bonus Plan is a bonus scheme whereby participants receive cash bonuses, the amounts of which are determined with reference to the growth in the company's share price and dividends declared. Allocations of notional shares are discretionary and administered in terms of the rules of the scheme.

The fair value of the notional shares allocated is expensed over the period as services are rendered by the employees. In terms of the rules, the fair values of the bonus payments are determined using the seven-day volume weighted average trading price of the company's shares prior to the date of determination of the fair value of the long-term incentive bonus.

The liability is calculated using a binomial lattice model as it allows for a better estimation of the liability. Assumptions and inputs are as follows:

- Respective strike prices as shown in the below table;
- Volatility: based on market prices since the June 2019 unbundling of Southern Sun Limited 25.2% (2024: 43%);
- Forward dividend yield 0% as the scheme allows for the receipt of dividends (2024: 0%); and
- The risk-free rate was taken from the South African swap curve as at the valuation dates based on the expected term to expiry 7.3% to 7.4% (2024: 8.1% to 8.3%).

The following table summarises details of the units awarded to participants per financial year, the units vested at the end of the year and expiry dates of each allocation:

	Total appreciation units granted		Appreciation units granted and not vested		Strike price	Appreciation units vested and still outstanding		Expiry date	Liability	
	2025	2024	**2025**	2024	R	**2025**	2024		**2025 Rm**	2024 Rm
Grant date										
1 April 2018[1]	**–**	124 584	**–**	–	24.08	**–**	124 584	31 March 2024	**–**	–
12 December 2019	**970 425**	970 425	**–**	–	10.82	**970 425**	970 425	11 December 2025	**1**	5
18 December 2020	**300 000**	3 020 000	**–**	–	5.20	**300 000**	3 020 000	17 December 2026	**3**	35
16 March 2022	**7 200 000**	12 800 000	**–**	12 800 000	9.61	**7 200 000**	–	15 March 2026	**17**	52
1 March 2023	**9 550 000**	10 900 000	**9 550 000**	10 900 000	10.67	**–**	–	28 February 2027	**12**	21
15 March 2024	**13 850 000**	15 250 000	**13 850 000**	15 250 000	9.92	**–**	–	14 March 2028	**13**	2
At 31 March	**31 870 425**	43 065 009	**23 400 000**	38 950 000		**8 470 425**	4 115 009		**46**	115
Average share price utilised to value the liability									**R8.25**	R10.88

[1] *As a result of the share price collapse due to COVID-19, the liability of the respective appreciation units was reduced to Rnil*

All appreciation units issued pre the Southern Sun Limited unbundling of 14 June 2019 include both businesses and both the share prices of Tsogo Sun Limited and Southern Sun Limited are taken into consideration when valuing those liabilities. All appreciation units issued after 14 June 2019 relate to Tsogo Sun Limited only.

The group recognised a credit (representing reversal of provisions) of R39 million (2024: R43 million expense) during the year under review. The long-term incentive liability in the group's statement of financial position at 31 March 2025 is R13 million (2024: R23 million), with a current portion of R33 million (2024: R92 million).

36 PROVISIONS

	2025 Rm	2024 Rm
At 1 April		
Short-term incentives	74	89
Staff bonuses	13	21
Long-service awards	1	7
	88	117
Created/(reversed)		
Short-term incentives	73	68
Staff bonuses	31	30
Long-service awards	(1)	(6)
	103	92
Utilised		
Short-term incentives	(81)	(83)
Staff bonuses	(31)	(38)
	(112)	(121)
At 31 March		
Short-term incentives	66	74
Staff bonuses	13	13
Long-service awards	–	1
Total provisions	79	88
Less: Current portion	(79)	(88)
Non-current portion	–	–

37 TRADE AND OTHER PAYABLES

	2025 Rm	2024 Rm
Financial instruments		
Trade and other payables	707	668
Trade payables	146	129
Capital creditors	112	95
Accrued expenses	154	139
Advance deposits	24	19
Tenant deposits (note 18)	14	11
Deferred income (refer below)	28	30
Other payables	229	245
Non-financial instruments	196	197
VAT payable	70	73
Leave pay liability	51	50
Payroll-related payables	40	40
Gaming levies	35	34
	903	865
Deferred income		
The group accounts for its gaming customer reward programmes (gaming win) in terms of IFRS 9 *Financial Instruments* and is made up as follows:		
At 1 April	30	25
Created during the year	199	228
Forfeitures during the year	(15)	(13)
Utilised during the year	(186)	(210)
At 31 March	28	30

Other payables include unallocated deposits received, Smartcard gaming credits due to customers and other sundry payables.

The carrying amounts of the group's trade and other payables are assumed to approximate their fair values due to the short-term nature of trade and other payables. The expected timing of the recognition of deferred income is within one year (2024: one year) and is considered current.

38 CASH GENERATED FROM OPERATIONS

	2025 Rm	2024 Rm
Profit before tax from operations	**1 729**	2 185
Adjusted for:		
Dividends received from investments in equity instruments designated at FVOCI	**(74)**	(63)
Proceeds from insurance claims for capital assets	**(7)**	(6)
Share of profit of associates	**(2)**	(9)
Amortisation and depreciation	**693**	712
Finance income	**(52)**	(44)
Finance costs	**761**	749
Long-term incentive expense	**(39)**	43
Movement in provisions	**103**	92
Gain on disposal of property, plant and equipment	**(1)**	(1)
Impairment of non-current assets	**399**	310
Loss on disposal of business	**3**	–
Fair value adjustment on investment properties	**(49)**	5
Other non-cash moves[1]	**78**	31[2]
Cash generated from operations before working capital movements	**3 542**	4 004
Working capital movements		
Increase in inventories	**(18)**	(18)
Increase in trade and other receivables	**(8)**	(57)
Decrease in payables and provisions	**(146)**	(259)
Cash generated from operations	**3 370**	3 670

[1] *Other non-cash moves have been grouped together due to immateriality. These comprise mainly leave pay cost, bad and doubtful debt impairments, ECL allowance reversal (net of recognitions), gains and losses on lease modifications and terminations, operating equipment usage and other sundry items, none of which are individually material*

[2] *Previously, various non-cash items were shown separately in the note, together totalling R28 million, net. Due to none of these being individually material, these have been aggregated into "Other non-cash moves"*

39 INCOME TAX PAID

	2025 Rm	2024 Rm
Tax asset (net) at 1 April	**14**	40
Current tax provided	**(579)**	(597)
Tax asset (net) at 31 March	**(1)**	(14)
	(566)	(571)

40 DIVIDENDS PAID TO THE COMPANY'S SHAREHOLDERS

	2025 Rm	2024 Rm
Ordinary		
Unclaimed dividends owing to shareholders at 1 April	**(2)**	(2)
Dividends declared	**(730)**	(908)
Unclaimed dividends owing to shareholders at 31 March	**2**	2
	(730)	(908)

41 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

41.1 Changes in interest-bearing borrowings

Changes arising from interest-bearing borrowings for the year under review, excluding bank overdrafts from short-term borrowings of R29 million (2024: R44 million), are as follows:

	Non-current Rm	Current Rm	Total Rm
At 1 April 2024	**7 946**	**163**	**8 109**
Cash flow movements			
Borrowings raised[1]	**966**	**503**	**1 469**
Borrowings repaid[1]	**(1 670)**	**(487)**	**(2 157)**
Interest paid during the year	**–**	**(723)**	**(723)**
Non-cash movements			
Borrowing facilities raised[2]	**1 500**	**–**	**1 500**
Borrowing facilities repaid[2]	**(1 500)**	**–**	**(1 500)**
Borrowings reclassification to current	**(900)**	**900**	**–**
Interest raised for the year	**21**	**710**	**731**
At 31 March 2025	**6 363**	**1 066**	**7 429**
At 1 April 2023	8 380	64	8 444
Cash flow movements			
Borrowings raised[3]	1 730	591	2 321
Borrowings repaid[3]	(2 130)	(496)	(2 626)
Interest paid during the year	–	(796)	(796)
Non-cash movements			
Borrowing facilities raised[4]	2 050	–	2 050
Borrowing facilities repaid[4]	(2 050)	–	(2 050)
Extinguishment of non-controlling interests' borrowings	(38)	–	(38)
Interest raised for the year	4	800	804
At 31 March 2024	7 946	163	8 109

(1) *The group raised R0.97 billion and repaid R1.67 billion in cash as part of the refinancing programme and debt reduction*

(2) *At the time of the November 2024 debt refinancing, R1.5 billion was settled free of value (offset between the same lender), therefore, there was no cash flow through the group's bank accounts at the time the group received the new borrowing facilities of R1.5 billion, this concluded the settlement of the revolving credit facilities which were due to mature on 30 November 2025*

(3) *The group raised R1.73 billion and repaid R2.13 billion in cash as part of the refinancing programme and debt reduction*

(4) *At the time of the May 2023 debt refinancing, R1.55 billion and R0.50 billion were settled respectively, free of value (offset between the same lender), therefore, there was no cash flow through the group's bank accounts at the time the group received the new borrowing facilities of R2.05 billion, this concluded the settlement of three medium-term notes which were due to mature on 30 November 2024*

41.2 Changes in lease liabilities

Changes arising from lease liabilities for the year under review are as follows:

	Non-current Rm	Current Rm	Total Rm
At 1 April 2024	**230**	**44**	**274**
New leases raised	**8**	**6**	**14**
Principal elements of lease payments	**–**	**(46)**	**(46)**
Interest raised for the year	**–**	**23**	**23**
Interest paid during the year	**–**	**(23)**	**(23)**
Remeasurement of leases	**5**	**(10)**	**(5)**
Termination of leases	**(18)**	**(4)**	**(22)**
Reclassification to current	**(54)**	**54**	**–**
Disposal of business	**–**	**(1)**	**(1)**
At 31 March 2025	**171**	**43**	**214**
At 1 April 2023	267	38	305
New leases raised	22	14	36
Principal elements of lease payments	–	(43)	(43)
Interest raised for the year	–	27	27
Interest paid during the year	–	(27)	(27)
Termination of leases	(19)	(5)	(24)
Reclassification to current	(40)	40	–
At 31 March 2024	230	44	274

42 RELATED PARTIES

The company's ultimate controlling shareholder is Hosken Consolidated Investments Limited ("HCI") (a company listed on the JSE) which indirectly holds 50% of the company's issued share capital. At 31 March 2025, 520 114 404 shares were beneficially held by HCI indirectly through TIH Prefco (RF) Proprietary Limited ("TIH Prefco"), and 1 853 491 shares were beneficially held by HCI indirectly through Tsogo Investment Holding Company Proprietary Limited. At the prior year end, HCI directly and indirectly held 50% of the company's issued share capital. HCI held 104 932 377 shares directly, and 415 182 027 shares were beneficially held by HCI indirectly through TIHC Investments (RF) Proprietary Limited ("TIHC") and 1 853 491 shares were beneficially held by HCI indirectly through Tsogo Investment Holding Company Proprietary Limited.

HCI has a majority shareholding in GRiPP Advisory Services Proprietary Limited ("GRiPP") which is responsible for the internal audit function for the group.

In accordance with the Eastern Cape Gambling Board's licence conditions, an Eastern Cape-based Black Enterprise, Muji Investments Proprietary Limited ("Muji"), is the vehicle distributor appointed as a supplier to the group, from which Vukani Gaming Eastern Cape (a subsidiary of the group) procures motor vehicles for the licence period. Muji and Vukani have a common director appointed to their boards.

The group's significant transactions with related parties were all made on terms equivalent to those that prevail in arm's length transactions. Transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated on consolidation and are not disclosed in this note. The following were transactions with related parties during the year under review:

		2025 Rm	2024 Rm
42.1	**Transactions with related parties**		
	Dividends paid to HCI	**48**	91
	Dividends paid to TIH Prefco	**150**	–
	Dividends paid to TIHC	**166**	361
	Investment property acquired from HCI	**164**	28
	Internal audit fees paid to GRiPP	**20**	18
	Vehicles purchased from Muji	**11**	37
	Property rentals received from associates	**21**	23
42.2	**Amounts owing to related parties**		
	Non-current		
	Amount owing to non-controlling interests (note 32)	**163**	126

42.3 Key management compensation

Directors of the company and prescribed officers of the group are considered to be the group's key management personnel. All remuneration and fees are paid by subsidiary companies. Remuneration and fees paid to key management during the year by the group are as follows:

42.3.1 Non-executive directors

	Directors' fees for the year ended 31 March	
	2025 R'000	2024 R'000
JA Copelyn	**1 327**	1 218
MJA Golding	**385**	353
BA Mabuza	**787**	723
F Mall	**582**	534
VE Mphande	**456**	417
Y Shaik	**593**	544
RD Watson	**574**	524
	4 704	4 313

At 31 March 2025, non-executive directors indirectly held a total of 23 059 454 shares (2024: 23 059 454 indirectly held shares) being 6 946 560 shares indirectly held (2024: 6 946 560 shares indirectly held) by JA Copelyn, a non-executive director and Chairperson, and 16 112 894 shares indirectly held (2024: 16 112 894 shares indirectly held) by MJA Golding, a non-executive director.

42 RELATED PARTIES *continued*

42.3 Key management compensation *continued*

42.3.2 Executive directors

	Year ended 31 March 2025				
	Basic remuneration R'000	Benefits R'000	Short-term incentives R'000	Long-term incentives R'000	Total paid R'000
CG du Toit	9 216	567	6 750	23 938	40 471
G Lunga[(1)]	3 017	543	1 000	348	4 908
Total remuneration	12 233	1 110	7 750	24 286	45 379

	Year ended 31 March 2024				
	Basic remuneration R'000	Benefits R'000	Short-term incentives R'000	Long-term incentives R'000	Total paid R'000
CG du Toit	8 575	539	5 525	17 640	32 279
G Lunga	2 817	525	1 200	8 820	13 362
Total remuneration	11 392	1 064	6 725	26 460	45 641

[(1)] *Resigned with effect from 2 June 2025*

42.3.3 Other key management and prescribed officers

	Year ended 31 March 2025				
	Basic remuneration R'000	Benefits R'000	Short-term incentives R'000	Long-term incentives R'000	Total paid R'000
B Mogiba[(1)]	3 171	490	1 220	940	5 821
S van Vuuren[(2)]	2 078	575	1 000	348	4 001
C Wannell[(3)]	1 880	283	600	348	3 111
Total remuneration	7 129	1 348	2 820	1 636	12 933

	Year ended 31 March 2024				
	Basic remuneration R'000	Benefits R'000	Short-term incentives R'000	Long-term incentives R'000	Total paid R'000
B Mogiba[(1)]	3 000	464	1 950	7 938	13 352
S van Vuuren[(2)]	1 702	100	600	2 646	5 048
C Wannell[(3)]	1 711	319	600	2 646	5 276
Total remuneration	6 413	883	3 150	13 230	23 676

[(1)] *CEO – VSlots*
[(2)] *Director of Human Resources (including daily operations) – Group*
[(3)] *Legal Manager and representative of the Company Secretary – Group*

43 FUTURE CAPITAL EXPENDITURE

	2025 Rm	2024 Rm
Authorised by directors and contracted for:		
Property, plant and equipment	71	56
Investment property	28	–
	99	56

44 CONTINGENCIES AND GUARANTEES

The group has entered into various agreements with its bankers and the respective gambling boards whereby the bank has guaranteed agreed capital amounts not exceeding R177 million (2024: R117 million) for gambling board taxes and working capital. The group has also entered into various agreements with its bankers and respective utility boards, suppliers and municipalities whereby the bank has guaranteed agreed capital amounts not exceeding R21 million (2024: R24 million) for utility expenses. Landlord rental guarantees amounting to R11 million (2024: R13 million) have also been provided through bank guarantees.

45 FINANCIAL RISK MANAGEMENT

45.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses derivative financial instruments to hedge certain risk exposures.

Risk management process

The board of directors recognises that the management of business risk is crucial to the group's continued growth and success and this can only be achieved if all three elements of risk – namely threat, uncertainty and opportunity – are recognised and managed in an integrated fashion. The audit and risk committee is mandated by the board of directors to establish, coordinate and drive the risk management process throughout the group. It has overseen the establishment of a comprehensive risk management system to identify and manage significant risks in the business. Internal financial and other controls ensure a focus on critical risk areas, are closely monitored and are subject to management oversight and internal audit reviews.

The systems of internal control are designed to manage rather than eliminate risk, and provide reasonable, but not absolute, assurance as to the integrity and reliability of the financial statements, the compliance with statutory laws and regulations and to safeguard and maintain accountability of the group's assets. The board of directors and management acknowledge that an integrated approach to the total process of combined assurance improves the assurance coverage and quality, in addition to being more cost-effective.

In addition to the risk management processes embedded within the group, management identifies, quantifies and evaluates the group's risks annually, utilising risk assessments. The severity of risks is measured in qualitative (e.g. zero tolerance for regulatory risks) as well as quantitative terms, guided by the risk tolerance and risk appetite measures of the board of directors. The scope of the risk assessment includes risks that impact shareholder value or that may lead to a significant loss or loss of opportunity. Appropriate risk responses to each individual risk are designed, implemented and monitored.

The risk profiles, with the risk responses, are reviewed by the audit and risk committee at least three times a year. This methodology ensures that identified risks and opportunities are prioritised according to the potential impact on the group and cost-effective responses are designed and implemented to counter the effects of risks and take advantage of opportunities.

Financial risk management is carried out by a central treasury department ("Group Treasury") under policies approved by the board of directors. Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the group's operating units. The board of directors provides principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments and non-derivative financial instruments and investing excess liquidity. Credit risk is managed at an entity level for trade receivables.

(a) Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk

(i) Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates

The group is not exposed to significant foreign exchange risk and therefore no further information has been presented.

(ii) Interest rate risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates

The group's primary interest rate risk arises from long-term borrowings (excluding bank overdrafts and lease liabilities). Borrowings at variable rates expose the group to cash flow interest rate risk. Borrowings at fixed rates expose the group to fair value interest rate risk. The group's policy is to borrow at floating rates, having due regard that floating rates are generally lower than fixed rates in the medium term.

45 FINANCIAL RISK MANAGEMENT *continued*

45.1 Financial risk factors *continued*

(a) Market risk continued

(ii) Interest rate risk continued

The group manages its interest rate risk by using floating-to-fixed interest rate swaps, when appropriate. Interest rate swaps have the economic effect of converting floating rate borrowings to fixed rates. Previously, where the group raised long-term borrowings at floating rates, it swapped a portion of them into fixed rates in terms of group policy. Under the interest rate swaps, the group agreed with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to an agreed reference interest rate calculated on agreed notional principal amounts. At the beginning of the reporting period, the group had swaps of R3.5 billion. These had settlement dates coinciding with the dates on which interest was payable on the underlying debt, settlement being 31 May 2025 when these swaps expired. No new swaps were entered into by the group during the year under review. Hedge accounting was applied to the group's interest rate swaps.

Group policy requires that between 0% and 75% of its net borrowings (net borrowings = gross borrowings net of cash and cash equivalents) are to be in fixed rate instruments over a 12-month rolling period. As at 31 March 2025, the group had no interest rate swaps in place. For the prior year, as at 31 March 2024, 44% of consolidated gross borrowings and 47% of consolidated net borrowings were in fixed rates taking into account interest rate swaps (excluding non-controlling interest borrowings). These fixed interest rate swaps ranged from 7.095% to 7.145% referenced against the three-month JIBAR of 8.367%. The hedge ratio was monitored on an ongoing basis taking into account the interest rate cycle.

The effects of the interest rate swaps on financial position and performance are as follows:

	2025 Rm	2024 Rm
Carrying amount – asset	–	11
Notional amount (refer to note 34)	–	3 500
Maturity dates	–	31 May 2024
Hedge ratio of consolidated gross borrowings (%)	–	44
Effective portion of hedge recognised in other comprehensive income (debits)	(15)	(79)
Reclassification from other comprehensive income to profit or loss (credits)	1	54
Weighted average hedged rate for the year (%)	7.14	7.14

Floating rate bank borrowings that are not hedged are linked/referenced to various rates, the carrying amounts of which, are as follows:

	2025 Rm	2024 Rm
At 31 March		
Linked to the Rand Overnight Deposit Index	56	47
Linked to one-month JIBAR	56	47
Linked to three-month JIBAR	7 154	4 483
	7 266	4 577

At 31 March the interest rate profile of the group's interest-bearing financial instruments, excluding the effect of lease liabilities, and in the prior year, excluding the effect of interest rate swaps, was:

	Carrying amount	
	2025 Rm	2024 Rm
Variable rate instruments		
Financial assets	250	353
Financial liabilities	(7 458)	(8 153)
	(7 208)	(7 800)

45 FINANCIAL RISK MANAGEMENT *continued*

45.1 Financial risk factors *continued*

(a) Market risk continued

(ii) Interest rate risk continued

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates would have increased/decreased pre-tax profit or loss by R72 million (2024: R43 million), including the effects of the interest rate swaps. This analysis assumes that all other variables remain constant. The analysis was performed on the same basis for 2024.

Following the global markets, South Africa is transitioning from JIBAR to the South African Overnight Index Average rate ("ZARONIA"). The end of 2026 is marked as the potential cessation of the Johannesburg Interbank Average Rate ("JIBAR") which will be replaced by ZARONIA. The Market Practitioners Group ("MPG") published an update on the transition from JIBAR to ZARONIA. The JIBAR cessation announcement will likely come in 2025 followed by the formal cessation date at the end of 2026. The MPG's transition plan is divided into "three pillars", the adoption of the new benchmark in derivatives markets for new contracts, cash markets for new contracts, and the transition of legacy JIBAR positions.

The MPG has recommended that market participants take an active approach in this impending transition of loan and other contracts away from JIBAR legacy positions and cautions that these should be addressed earlier rather than later. An early active approach reduces the risks and exposure of a disorderly transition and mitigates the risk of a failure of that contract. The inclusion of appropriate fallback provisions will assist the parties to that contract in reaching an agreed position with which to continue the contract and will provide business certainty.

(iii) Other price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market

The group's exposure to equity securities price risk arises from the listed investment held by the group classified in the statement of financial position at fair value through other comprehensive income (note 23). These equities are publicly traded on the JSE. Other than this, the group has no pricing risk.

To manage its price risk arising from investments in equity securities, the group has limits set by the board of directors which are reviewed on a regular basis.

Sensitivity

At 31 March 2025, the share price closed at R4.02 per share (2024: R4.22 per share) resulting in a fair value loss of R14 million (2024: R7 million fair value loss). Had the closing share price increased/decreased by 3%, equity would increase/decrease by R8 million (2024: R9 million).

(b) Credit risk

The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation

The group has no significant concentrations of credit risk. Overall credit risk is managed on a group basis with exposure to trade and other receivables managed at entity level.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with financial institutions, as well as credit exposures to the group's customer base, including outstanding receivables.

For financial institutions, only group audit and risk committee-approved parties are accepted (on behalf of the board of directors). The group has policies that limit the amount of credit exposure to any financial institution. The group limits its exposure to financial institutions by setting credit limits based on their credit ratings and generally only with reputable financial institutions with strong credit ratings. The utilisation of credit limits is regularly monitored. To reduce credit exposure, the group has International Swaps and Derivatives Association Master Agreements with most of its counterparties for financial derivatives which permit net settlement of assets and liabilities in certain circumstances. The credit quality ratings of financial institutions that the group deposits funds with are at least Ba2.

Refer to note 28 *Trade and other receivables* for further credit risk analysis in respect of trade and other receivables.

45 FINANCIAL RISK MANAGEMENT *continued*

45.1 Financial risk factors *continued*

(c) Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available. Although current liabilities exceed current assets at 31 March 2025, the group generates sufficient cash flows during the period to meet all current liability obligations. Refer to note 3(a) for further details in respect of liquidity.

Management monitors rolling forecasts of the group's liquidity headroom on the basis of expected cash flow and the resultant borrowing position compared to available credit facilities. This process is performed during each financial year for five years into the future in terms of the group's long-term planning process.

In order to manage the group's liquidity, the group's policy is to ensure that, at all times, its unutilised borrowing facilities are maintained at a minimum of R500 million. At 31 March 2025, the group had R1.1 billion (2024: R1.1 billion) surplus facilities. Bank overdrafts are not considered to be long-term debt but rather working capital arrangements as part of cash management as set up with the financial institutions, and are therefore excluded:

	2025 Rm	2024 Rm
Debt at 31 March (bank borrowings and corporate bonds, excluding accrued interest)	**(7 211)**	(7 915)[(2)]
Credit facilities[(1)]	**8 272**	8 992
Headroom available	**1 061**	1 077

[(1)] *Excludes indirect facilities (letters of guarantees), finance leases, bank overdrafts and borrowings from non-controlling interests*
[(2)] *The prior period, previously incorrectly reported as R7 983 million, has been represented to exclude accrued interest of R68 million at 31 March 2024 in accordance with the facility arrangements*

The group sources its funding from a syndicate of large South African banks and institutions thereby reducing liquidity concentration risk. The facilities comprise a mix of short, medium and long-term tenure, with utilisations and available facilities as shown in the table below:

	2025 facility			2024 facility		
	Total Rm	**Utilisation Rm**	**Available Rm**	Total Rm	Utilisation Rm	Available Rm
Demand facilities	**172**	**–**	**172**	172	–	172
364-day notice facilities	**1 000**	**111**	**889**	1 000	95	905
Term facilities maturing 30 November 2025[(1)]	**–**	**–**	**–**	1 500	1 500	–
Term facilities maturing 28 February 2026	**900**	**900**	**–**	1 620	1 620	–
Term facilities maturing 30 November 2026	**–**	**–**	**–**	650	650	–
Term facilities maturing 28 February 2027	**1 650**	**1 650**	**–**	1 000	1 000	–
Term facilities maturing 31 May 2027	**1 000**	**1 000**	**–**	1 000	1 000	–
Term facilities maturing 31 August 2027	**900**	**900**	**–**	900	900	–
Term facilities maturing 30 November 2027[(1)]	**1 500**	**1 500**	**–**	–	–	–
Term facilities maturing 31 May 2028	**550**	**550**	**–**	550	550	–
Term facilities maturing 31 August 2028	**200**	**200**	**–**	200	200	–
Term facilities maturing 31 August 2029	**400**	**400**	**–**	400	400	–
Total facilities	**8 272**	**7 211**	**1 061**	8 992	7 915	1 077
Accrued interest included in short-term borrowings[(2)]		**55**			68	
Total borrowings		**7 266**			7 983	

[(1)] *The group completed a refinancing programme of its debt in November 2024, whereby the debt in existence was treated as an extinguishment and the new debt recognised due to the revised terms*
[(2)] *The prior period "Available", previously incorrectly reported as R1 009 million, has been represented to exclude accrued interest of R68 million at 31 March 2024 in accordance with the facility arrangements*

45 FINANCIAL RISK MANAGEMENT *continued*

45.1 Financial risk factors *continued*

(c) Liquidity risk continued

The tables below analyse the group's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, inclusive of capital and interest:

	Less than one year Rm	Between one and two years Rm	Between two and three years Rm	Between three and four years Rm	Over four years Rm
At 31 March 2025					
Bank borrowings	**300**	**834**	**1 588**	**–**	**–**
Corporate bonds	**1 336**	**1 355**	**2 053**	**802**	**415**
Loans from non-controlling interests	**19**	**34**	**18**	**18**	**518**
Lease liabilities	**45**	**38**	**34**	**33**	**92**
Bank overdrafts	**29**	**–**	**–**	**–**	**–**
Trade and other payables	**707**	**–**	**–**	**–**	**–**
	2 436	**2 261**	**3 693**	**853**	**1 025**
At 31 March 2024					
Bank borrowings	306	1 651	694	–	–
Corporate bonds	552	2 158	1 387	2 067	1 219
Loans from non-controlling interests	–	19	19	19	588
Lease liabilities	64	56	49	48	155
Bank overdrafts	44	–	–	–	–
Trade and other payables	668	–	–	–	–
	1 634	3 884	2 149	2 134	1 962

45.2 Financial instruments by category

The table below reconciles the group's accounting categorisation of financial assets and financial liabilities (based on initial recognition) to the classes of assets and liabilities as shown on the face of the statement of financial position:

	Amortised cost Rm	Financial assets at FVOCI Rm	Derivatives used for hedging Rm	Not categorised as a financial instrument Rm	Total Rm	Non-current Rm	Current Rm
At 31 March 2025							
Financial assets							
Financial assets at FVOCI	**–**	**826**	**–**	**–**	**826**	**826**	**–**
Non-current receivables	**26**	**–**	**–**	**–**	**26**	**26**	**–**
Trade and other receivables	**280**	**–**	**–**	**155**	**435**	**–**	**435**
Cash and cash equivalents	**480**	**–**	**–**	**–**	**480**	**–**	**480**
Financial liabilities							
Interest-bearing borrowings	**7 458**	**–**	**–**	**–**	**7 458**	**6 363**	**1 095**
Trade and other payables	**707**	**–**	**–**	**275**	**982**	**–**	**982**
At 31 March 2024							
Financial assets							
Financial assets at FVOCI	–	1 011	–	–	1 011	1 011	–
Non-current receivables	29	–	–	–	29	29	–
Derivative financial instruments	–	–	11	–	11	–	11
Trade and other receivables	296	–	–	148	444	–	444
Cash and cash equivalents	635	–	–	–	635	–	635
Financial liabilities							
Interest-bearing borrowings	8 153	–	–	–	8 153	7 946	207
Trade and other payables	668	–	–	285	953	–	953

46 CAPITAL RISK MANAGEMENT

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern and provide optimal returns for shareholders through maintaining an optimal capital structure.

The group defines capital as equity funding provided by shareholders and debt funding from external parties. Shareholder funding comprises permanent paid-up capital, share premium, revenue reserves and other reserves as disclosed in the statement of financial position. Debt funding comprises loans from financial institutions, corporate bonds and loans from non-controlling interests and net debt represents gross debt net of all cash reserves. Debt funding excludes lease liabilities.

The policy of the board of directors is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The board of directors monitors the cost of capital, which the group defines as the WACC, taking into account the group's internally calculated cost of equity (shareholder funding) and long-term cost of debt assumptions. In order to maintain or adjust the capital structure, in the absence of significant investment opportunities, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or acquire own shares.

The board of directors seeks to maintain a balance of the higher returns that might be possible with optimal levels of net interest-bearing debt and unutilised headroom and the advantages and security afforded by a sound equity position. The group's debt capacity and optimal gearing levels are determined by the cash flow profile of the group and are measured through applicable ratios such as net debt to adjusted EBITDA, as measured for covenant purposes (as shown below) and interest cover. These ratios provide a framework within which the group's capital base is managed. The group's current utilisation of debt facilities is shown in notes 32 and 45.1(c).

Under the terms of the borrowing facilities, the group is required to comply with the following financial covenants at the end of each interim and annual reporting period:

- Net debt:adjusted EBITDA, as measured for covenant purposes, required to be less than 3.0 times;
- Adjusted EBITDA, as measured for covenant purposes, covers net interest by at least 3.0 times; and
- Loan to value of less than 40% for interim reporting only.

No debt covenants in respect of external borrowings were breached during the year under review. The covenants are monitored and reported to the board of directors and CODM on a quarterly basis. Apart from the external debt borrowing covenants, the group is not subject to externally imposed capital requirements.

	2025 Rm	2024 Rm
Net debt:adjusted EBITDA, as measured covenant purposes (times)	**2.09**	1.99
Adjusted EBITDA, as measured for covenant purposes, covers net interest (times)	**4.92**	5.64
Total borrowings (note 32)	**7 458**	8 153
Less: Cash and cash equivalents (note 29)	**(480)**	(635)
Guarantees by the group's bankers (note 44)	**209**	154
Net debt, including guarantees	**7 187**	7 672
Adjusted EBITDA, as measured for covenant purposes, is made up as follows:		
Adjusted EBITDA (per note 5)	**3 474**	3 901
Adjust for:		
IFRS 16 depreciation (note 12)	**(43)**	(47)
IFRS 16 finance costs (note 15)	**(23)**	(27)
Effective interest income on loans to LPM site owners and other sundry interest (note 14)	**12**	7[(1)]
Long-term incentive and restructure costs (note 10)	**(35)**	43
Non-controlling interests share of profits and losses	**50**	(15)[(1)]
Adjusted EBITDA, as measured covenant purposes	**3 435**	3 862
Net interest, as measured for covenant purposes, is made up as follows:		
Total net interest (note 14 and note 15)	**709**	705
Adjust for:		
IFRS 16 finance costs (note 15)	**(23)**	(27)
Effective interest income on loans to LPM site owners and other sundry interest (note 14)	**12**	7
	698	685

[(1)] *The amounts have been represented to disaggregate the effective interest income on loans to LPM site owners and non-controlling interests share of profits and losses, previously combined due to immateriality*

47 FAIR VALUE ESTIMATION OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTY

Specific valuation techniques used to value financial instruments and investment property include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves; and
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments and investment property.

Financial instruments in level 1

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

The group has the following level 1 financial instruments (note 23):

	2025 Rm	2024 Rm
Equity instruments at FVOCI	**273**	287

Financial instruments in level 2

The level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

The group had the following level 2 financial instruments (note 34):

	2025 Rm	2024 Rm
Derivative financial instruments – interest rate swaps asset	**–**	11

Financial instruments and investment property in level 3

Level 3 inputs are unobservable inputs for the asset or liability. The basis of fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date assuming buyers and sellers in the principal market for the asset have all of the following characteristics:

- They are independent of each other;
- They are knowledgeable, having a reasonable understanding about the asset and the transaction using all available information, including information that might be obtained through due diligence efforts that are usual and customary;
- They are able to enter into a transaction for the asset or liability; and
- They are willing to enter into a transaction for the asset or liability.

The group has the following level 3 financial instruments and investment property:

	2025 Rm	2024 Rm
Equity instruments at FVOCI (note 23)	**553**	724
Investment properties (note 20)	**736**	476
	1 289	1 200

There were no transfers between levels 1, 2 and 3 during the year under review or in the prior year. The group has no other financial assets or liabilities measured at fair value.

48 BUSINESS DISPOSAL

The group does not consider the business disposal during the year of R1 million net asset value for R4 million cash consideration significant, and therefore no further disclosure is provided in this regard.

49 EVENTS OCCURRING AFTER THE REPORTING DATE

The directors are not aware of any matters or circumstances arising since the end of the reporting period, not otherwise dealt with within these consolidated financial statements that would affect the operations or results of the group significantly, other than as mentioned below:

Dividend declaration

Subsequent to the company's reporting date, on 28 May 2025, the board of directors declared a final gross cash dividend of 30.0 cents per share in respect of the year ended 31 March 2025 from distributable reserves. The aggregate amount of the dividend paid on 28 July 2025, not recognised as a liability at the reporting date, is R313 million.

50 SUBSIDIARIES HAVING MATERIAL NON-CONTROLLING INTERESTS

The total non-controlling interests' share of profit or loss for the year and accumulated non-controlling interests, all having their place of business being in South Africa, are allocated as follows:

	Ownership as at 31 March		Share of (loss)/profit for the year 31 March		Accumulated non-controlling interests as at 31 March	
	2025 %	2024 %	**2025 Rm**	2024 Rm	**2025 Rm**	2024 Rm
Emerald Safari Resorts Proprietary Limited[1]	**45**	45	**(51)**	–	**(26)**	25
Tsogo Sun Emonti Proprietary Limited	**35**	35	**(4)**	5	**127**	136
Galaxy non-controlling interests	**Various**	Various	**(17)**	(8)	**(76)**	(59)
Vukani non-controlling interests	**Various**	Various	**22**	20	**31**	24
Other non-controlling interests	**Various**	Various	**–**	(2)	**(12)**	(15)
			(50)	15	**44**	111

[1] *Effective shareholding*

Summarised financial information, before intergroup eliminations, for subsidiaries having material non-controlling interests is as follows:

	Tsogo Sun Emonti Proprietary Limited		Emerald Safari Resorts Proprietary Limited	
Summarised statements of financial position as at 31 March	**2025 Rm**	2024 Rm	**2025 Rm**	2024 Rm
Non-current assets	**213**	215	**403**	498
Current assets	**217**	210	**22**	18
Total assets	**430**	425	**425**	516
Non-current liabilities	**10**	2	**56**	48
Current liabilities	**24**	29	**367**	394
Total liabilities	**34**	31	**423**	442
Net assets	**396**	394	**2**	74
Summarised statements of changes in equity as at 31 March				
Extinguishment of non-controlling interest loans	**–**	–	**–**	17

50 SUBSIDIARIES HAVING MATERIAL NON-CONTROLLING INTERESTS *continued*

Summarised statements of profit or loss for the year ended 31 March	**Tsogo Sun Emonti Proprietary Limited** 2025 Rm	2024 Rm	**Emerald Safari Resorts Proprietary Limited** 2025 Rm	2024 Rm
Income	**208**	219	**273**	310
Profit/(loss) before income tax	**25**	25	**(157)**[1]	(1)
Income tax (expense)/credit	**(7)**	(7)	**23**	–
Profit/(loss) for the year	**18**	18	**(134)**	(1)
Other comprehensive income	**–**	–	**–**	–
Total comprehensive income	**18**	18	**(134)**	(1)
Dividends paid to non-controlling interests	**5**	4	**–**	–

[1] *Includes R120 million write off of property, plant and equipment as noted in note 18*

Summarised statements of cash flows for the year ended 31 March	**Tsogo Sun Emonti Proprietary Limited** 2025 Rm	2024 Rm	**Emerald Safari Resorts Proprietary Limited** 2025 Rm	2024 Rm
Cash generated from operations	**15**	14	**59**	52
Interest received	**17**	17	**–**	2
Finance costs paid	**–**	–	**(42)**	(22)
Income tax paid	**(1)**	(6)	**–**	(1)
Dividends paid	**(15)**	(13)	**–**	–
Net cash generated from operations	**16**	12	**17**	31
Net cash utilised for investment activities	**(17)**	(7)	**(43)**	(47)
Net cash (utilised for)/generated by financing activities	**(1)**	(3)	**23**	–
Net (decrease)/increase in cash and cash equivalents	**(2)**	2	**(3)**	(16)
Cash and cash equivalents at beginning of the year	**14**	12	**9**	25
Cash and cash equivalents at end of the year	**12**	14	**6**	9

51 SUBSIDIARY COMPANIES

The following are the company's principal subsidiaries in which it has interests, both directly and indirectly. All these subsidiary companies have share capital consisting of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group, which is 100% except for Emerald Safari Resort Proprietary Limited and Tsogo Sun Emonti Proprietary Limited where the group holds 55% effectively and 65% respectively.

Subsidiary

Direct shareholding

- Akani Egoli Management Proprietary Limited
- Akani-Egoli Proprietary Limited
- Akani Msunduzi Proprietary Limited
- Akani Msunduzi Management Proprietary Limited
- Garden Route Casino Proprietary Limited
- Gold Reef Management Proprietary Limited
- Goldfields Casino and Entertainment Centre Proprietary Limited
- Silverstar Casino Proprietary Limited
- Tsogo Sun Alternative Gaming Investments Proprietary Limited
- Tsogo Sun Hotels, Gaming and Entertainment Proprietary Limited
- West Coast Leisure Proprietary Limited

Indirect shareholding

- Emerald Safari Resort Proprietary Limited
- Galaxy Gaming and Entertainment Proprietary Limited
- Tsogo Sun Caledon Proprietary Limited
- Tsogo Sun Casinos Proprietary Limited
- Tsogo Sun Emonti Proprietary Limited
- Tsogo Sun Investments Proprietary Limited
- Tsogo Sun KwaZulu-Natal Proprietary Limited
- Tsogo Sun Newcastle Proprietary Limited
- Tsogo Sun Treasury Proprietary Limited
- Vukani Gaming Corporation Proprietary Limited

The group comprises a large number of companies. The list above only includes those subsidiary undertakings which materially affect the profit or loss or net assets of the group, or a business segment, together with the principal intermediate holding companies of the group. All subsidiaries shown above are incorporated and have their place of business in South Africa. A register detailing information in respect of all subsidiaries of the company is available for inspection at the registered office of the company, which may be inspected by members or their duly authorised agents.

Analysis of shareholding

as at 31 March 2025

	Number of shareholders	%	Number of shares	%
Portfolio size				
Range				
1 – 1 000	4 794	69.03	915 157	0.09
1 001 – 5 000	1 017	14.64	2 502 080	0.24
5 001 – 10 000	300	4.32	2 332 357	0.22
10 001 – 50 000	359	5.17	9 020 296	0.87
50 001 – 100 000	97	1.40	6 796 615	0.65
100 001 – and more	378	5.44	1 021 030 311	97.93
	6 945	100.00	1 042 596 816	100.00
Shareholder spread				
Public	6 941	99.94	497 569 467	47.73
Individuals	6 036	86.91	6 947 032	0.67
Banks and insurance companies	32	0.46	33 934 156	3.25
Pension funds and medical aid societies	227	3.27	79 680 360	7.64
Collective investment schemes and mutual funds	176	2.53	240 715 759	23.10
Other corporate bodies	470	6.77	136 292 160	13.07
Non-public	4	0.06	545 027 349	52.27
Directors[1]	2	0.03	23 059 454	2.21
Controlling shareholder[2]	2	0.03	521 967 895	50.06
	6 945	100.00	1 042 596 816	100.00

	Number of shares	%
Major shareholders owning 1% or more of total number of shares in issue		
Hosken Consolidated Investments Limited[2]	521 967 895	50.06
Allan Gray Balanced Fund	59 778 020	5.73
SBSA ITF Mandg SA Equity Fund	50 458 646	4.84
Alexander Forbes Investments Limited	34 717 275	3.33
Ninety One Value Fund	27 893 890	2.68
Citiclient Nominees No 8 NY GW	19 577 919	1.88
Aylett Equity Prescient Fund	18 177 155	1.74
Geomer Investments Proprietary Limited	15 872 978	1.52
Standard Bank Group Retirement Fund	15 816 436	1.52
Old Mutual Life Assurance	14 746 306	1.41

(1) *At 31 March 2025, 6 946 560 shares were indirectly held (2024: 6 946 560 shares indirectly held) by JA Copelyn, non-executive director and Chairperson and 16 112 894 shares indirectly held (2024: 16 112 894 shares indirectly held) by MJA Golding, non-executive director. There has been no change to directors' shareholdings between the reporting date and the date of these consolidated financial statements*

(2) *At 31 March 2025, 520 114 404 shares (49.89%) were beneficially held by Hosken Consolidated Investments Limited ("HCI") indirectly through TIH Prefco (RF) Proprietary Limited and 1 853 491 shares (0.17%) were beneficially held by HCI indirectly through Tsogo Investment Holding Company Proprietary Limited*

	Number of shares
Treasury shares	
Treasury shares allocated as part of the executive facility – refer to note 35.1 to the consolidated financial statements	2 873 786[1]

(1) *The 2 873 786 shares comprising the subject matter of the executive facility have been classified as treasury shares for the purposes of IFRS 2* Share-based Payments, *but are not treasury shares as defined in the JSE Limited Listings Requirements, and as such, the votes of such shares will be taken into account for purposes of any resolutions proposed which are subject to the JSE Limited Listings Requirements*

Glossary

Adjusted EBITDA	Adjusted EBITDA is defined by the group as earnings before interest, tax, depreciation and amortisation ("EBITDA") and excludes the effects of items which are regarded as unusual and are infrequent and are considered to distort the numbers if they were not adjusted, and headline adjustments in terms of Circular 1/2023 *Headline Earnings*
AGM	Annual general meeting
CGU	Cash-generating unit
CODM	Chief operating decision maker
EBITDA	Earnings before interest, tax, depreciation and amortisation and exceptional items excludes the effects of items which are regarded as unusual and are infrequent and are considered to distort the numbers if they were not adjusted, and headline adjustments in terms of Circular 1/2023 *Headline Earnings*
EBITDA margin	This is calculated by expressing adjusted EBITDA as a percentage of revenue
ECL	Expected credit loss
Emerald	Emerald Safari Resort Proprietary Limited
FVOCI	Fair value through other comprehensive income
HCI	Hosken Consolidated Investments Limited
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	IFRS Accounting Standards
JIBAR	Johannesburg Interbank Agreed Rate
JSE	JSE Limited, or as the context dictates, the trading platform operated by the JSE Limited
LPMs	Limited payout machines
MGP	Market Practitioners Group
MoI	Memorandum of Incorporation
Net debt	Gross debt (including borrowings and overdrafts) net of gross cash and cash equivalents
OCI	Other comprehensive income
pp	Percentage point
SARB	South African Reserve Bank
SI	Sun International Limited
SunWest	SunWest International Proprietary Limited
the Act	The Companies Act of South Africa, 71 of 2008, as amended
the group	Tsogo Sun Limited and its subsidiaries and associates
TIHC	TIHC Investments (RF) Proprietary Limited
Tsogo Sun or the company	Tsogo Sun Limited
VAT	Value added tax
WACC	Weighted average cost of capital
Worcester	Worcester Casino Proprietary Limited
ZARONIA	South African Overnight Index Average rate

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