TSOGO SUN GAMING INVESTOR PRESENTATION YEAR END F'20

June 2020

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Highlights – Continuing Operations

• Income	R11.7 billion	Up 1%
• Ebitdar	R4.0 billion	Down 1%
• Ebitda	R4.0 billion	Up 3%
• Adjusted Earnings	R1.4 billion	Down 14%
• Adjusted Heps	134.5 cents	Down 14%
• Final Dividend per share	Nil	
• Debt:Ebitda	2.95x	

- Funding covenants waived for the September 2020 measurement period
- Interest until F'21 year end rolled up and payable in 3 years

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STATUTORY INCOME STATEMENT

Statutory Group Income Statement (Rm)

	F'20	F'19	% Change
Continuing operations			
Income	**11,686**	**11,619**	**1**
Ebitdar	**3,993**	**4,031**	**(1)**
LTI credit	37	(3)	*
Property rentals	(25)	(132)	*
Ebitda	**4,005**	**3,896**	**3**
Amortisation & depreciation	(881)	(738)	(19)
Exceptional items	(2,097)	(29)	*
Net finance costs	(1,242)	(811)	(53)
Associates and JVs	10	7	*
Income tax expense	(82)	(644)	*
(Loss)/ profit for the period from continuing operations	**(287)**	**1,681**	**(117)**
Profit / (loss) for the period from discontinued operations	564	(59)	*
Profit for the period	**277**	**1,622**	**(83)**

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Statutory Group Income Statement (Rm)

	F'20	F'19	% Change
Profit for the period	**277**	**1,622**	**(83)**
Non-controlling interests continuing operations	(45)	(41)	(9)
Non-controlling interests discontinued operations	(26)	(19)	(34)
Attributable earnings	**207**	**1,562**	**(87)**
Adjustments continuing operations	1,751	22	*
Adjustments discontinued operations	(506)	344	*
Adjusted Earnings	**1,452**	**1,928**	**(13)**
Continuing operations	1,420	1,662	(15)
Discontinued operations	33	266	*
Number of shares in issue	1,056	1,058	-
Adjusted Headline Earnings per share	**137.6**	**182.2**	**(24.5)**
Continuing operations	134.5	157.1	(14)
Discontinued operations	3.1	25.1	*

Note: No final dividend declared for F2020

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CONTINUING OPERATIONS FINANCIAL OVERVIEW

IFRS 16 Impact (Rm)

	F'20
Net Operating costs	14
Ebitdar	**14**
Rentals	107
Ebitda	**122**
Amortisation & depreciation	(44)
Net finance costs	(60)
Profit for the period	**18**

- IFRS 16 impacted the group from 1 April 2020

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Overview – F’19 adjusted for IFRS 16

	H1 F'20 Actual	H2 F'20 Actual	FY F'20 Actual	FY F'19 Actual
Group Revenue (R'bn)	**6.0**	**5.7**	**11.7**	**11.6**
YOY (%)	5%	(3%)	1%	
Group Overheads (R'bn)	**(4.0)**	**(3.7)**	**(7.7)**	**(7.6)**
YOY (%)	(5%)	2%	(2%)	
Group Ebitdar (R'bn)	**2.0**	**2.0**	**4.0**	**4.0**
YOY (%)	4%	(6%)	(1%)	
Group Finance costs	**(0.6)**	**(0.7)**	**(1.2)**	**(0.9)**
YOY (%)	(45%)	(46%)	(45%)	
Adjusted Earnings (R'bn)	**0.7**	**0.7**	**1.4**	**1.7**
YOY (%)	(14%)	(16%)	(15%)	
AHEPS (cents)	**65.3**	**69.2**	**134.5**	**158.3**
YOY (%)	(14%)	(16%)	(15%)	

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Covid-19 and other Income Statement Impacts

- **Covid-19 estimated impact on F'20**
  - Revenue loss R400m
  - Ebitda reduction R250m
  - Adjusted earnings impact R150m

- **Additional significant impacts in F'20 income statement (pre-tax)**
  - Ebitdar
    - Long service award release R62m
  - Exceptional items
    - Impairments (adjusted) (R2,097m)
  - Finance costs
    - Hedge Reserve release loss (adjusted) (R136m)
    - Finance cost increased as a result of additional debt taken on during F2019

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Revenue Segmentation (Rm)

		F'20 Actual	F'19 Actual	% change on PY	% Cont
Casino		7,336	7,495	(2%)	63%
Slots	(75%)	5,513	5,582	(1%)	47%
Tables	(25%)	1,823	1,913	(5%)	16%
Bingo		856	778	10%	7%
LPM		1,654	1,549	7%	14%
Gaming Income		**9,846**	**9,821**	**-**	**84%**
Rooms Revenue		490	490	-	4%
Food & Beverage Revenue		647	648	-	6%
GrandWest dividends		110	90	22%	1%
Other Revenue		593	570	4%	5%
Total Income		**11,686**	**11,619**	**1%**	**100%**

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Segmentation (Rm)

	Income			Ebitdar		
	F'20	F'19	% Change	F'20	F'19	% Change
Casinos						
Gauteng	4,732	4,882	(3%)	1,786	1,935	(8%)
KwaZulu-Natal	2,327	2,313	1%	962	948	1%
Mpumalanga	777	759	2%	274	264	4%
Western Cape	619	604	2%	242	229	6%
Eastern Cape	294	304	(3%)	73	83	(12%)
Free State	129	137	(6%)	31	35	(11%)
Bingo	933	855	9%	287	238	21%
LPMs	1,658	1,559	6%	456	441	3%
Other gaming operations	217	206	5%	(118)	(142)	17%
Gaming Group	**11,686**	**11,619**	**1%**	**3,993**	**4,031**	**(1%)**

Ebitdar impact of Covid-19 significant in large Gauteng casinos due to high cost base with insufficient time to reduce for restrictive trading and lockdown in 2nd half of March 2020

Ebitdar in LPM's impacted by bad debt provision for site owner loans as a result of Covid-19

Net interest Bearing Debt (Rbn)

	F'20 Actual	F'19 Actual
NIBD March 2020	(11.2)	(11.0)
Guarantees	(0.2)	(0.2)
	(11.4)	(11.2)
Ebitda	4.0	3.9
IFRS 16 benefit	(0.1)	-
	3.9	3.9
Debt : EBITDA ratio	**2.96x**	**2.87x**

Note: Debt/ cash flow significant movements

- Dividends (0.9)
- Capex (1.2)
- Interest (1.0)

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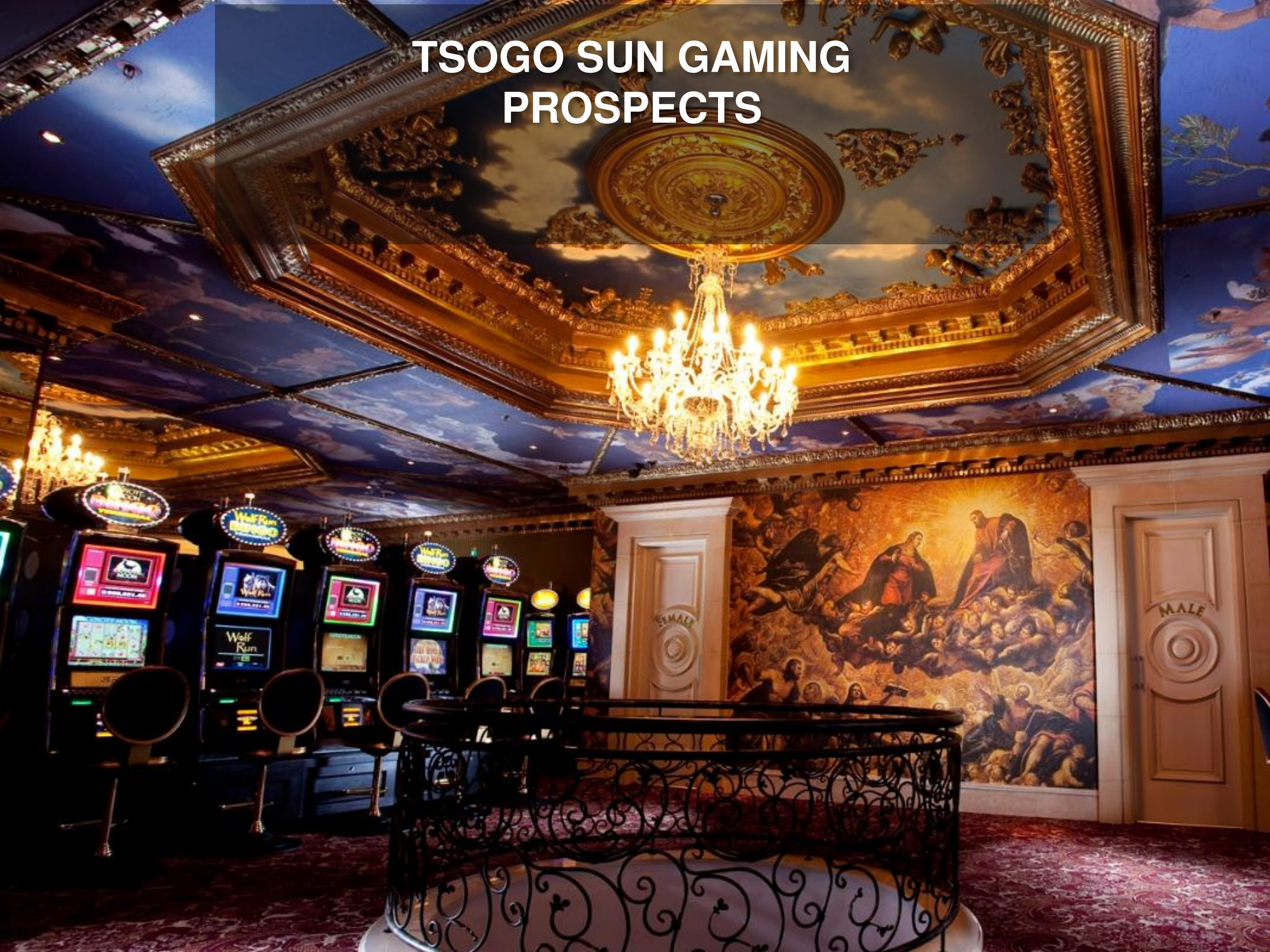

Funding

- **Facilities**
  - Facilities refinanced for 2 – 7 years – R13bn
    - Notes R5.8bn
    - Term, RCF & ONL R7.2bn
  - Negative impact of hedges expected of R0.3bn during F2021
- **Covenants**
  - Funding Covenants met at March 2020
  - With restricted or no revenue future covenant breaches expected
  - Funders approved initial waiver of September 2020 covenant breach
- **Debt and liquidity**
  - Debt increased to R12.0bn as at 9 June 2020
  - Lenders approved 3 quarterly interest roll ups from August 2020 of R0.7bn
  - No final '20 or interim '21 dividends
  - Fixed cost during lockdown reduced substantially
  - Acquisitions / capex limited for F'21

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Opportunities

- Potential sale of non-core assets
- In process of entering online betting sector
- Online casino gaming
- Closing loss making and turn around declining businesses
- Further restructuring of cost base and efficiency
- Western Cape licence remains a challenge

Risks

- Coronavirus lockdown and restrictive trading uncertainty
- Customers financial position post covid-19 crisis
- National Central Monitoring System
- Additional gaming licenses
- Gambling taxes / Levies – Western Cape
- Online Gambling if not restricted to existing casino licensees
- Smoking regulations