

Phumelela Gaming and Leisure Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1997/016610/06)
Share Code: PHM ISIN: ZAE000039269

PHUMELELA GAMING AND LEISURE LIMITED

AUDITED ABRIDGED CONSOLIDATED ANNUAL FINANCIAL RESULTS

FOR THE 12 MONTHS ENDED 31 JULY 2019
AND FURTHER CAUTIONARY ANNOUNCEMENT

SALIENT OPERATIONAL FEATURES

- An unusually high number of local and international sporting results favoured gaming customers, affecting margins at Betting World and Supabets
- Betting operations struggled in a depressed economy
- Horseracing under considerable pressure and facing regulatory uncertainty
- PGI on the Isle of Man once again performed very well
- Demand for live South African horseracing remains buoyant internationally
- Rightsizing of headcount and footprint targeted to realise significant long-term savings

SALIENT FINANCIAL FEATURES

- Withdrawal of the Gauteng betting levy is a R75 million annualised loss of income
- Headline loss per share of 98,20 cents compared with headline earnings per share of 154,23 cents
- Attributable loss per share of 92,32 cents compared with attributable profit of 153,78 cents per share
- Equity accounted profits R163,3 million compared with R169,2 million
- A 9% rise in international profits to R223,4 million
- Net asset value per share reduces by 16% to 849,94 cents
- No interim or final dividend per share declared
- Net debt to equity ratio 33% compared with 23%
- Attention is drawn to the emphasis of matter by the Group auditors

SHORT FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the Company. It contains only a summary of the information in the full announcement ("full announcement") and does not contain full or complete details.

The full announcement can be found at: <https://senspdf.jse.co.za/documents/2019/jse/isse/PHM/F2019.pdf>

A copy of the full announcement is also available for viewing on the Company's website at www.phumelela.co.za/investor-relations/annual-results or may be requested in person, at the Company's registered office or the office of the sponsor, at no charge, during office hours.

Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement, as a whole.

Renewal of cautionary and furthermore a new cautionary announcement

The Company remains under cautionary as engagements with the MEC and the Gauteng Gambling Board are still in progress.

Furthermore, the Company is considering capital raising initiatives with B-BBEE equity ownership high on the agenda. Should these initiatives be successfully concluded these may have a material effect on the Company's securities.

Shareholders are advised to continue to exercise caution when dealing in the Company's securities.

By order of the Board

B Kantor

Chairman

28 November 2019

JA Stuart

Chief Executive Officer

Directors:	B Kantor (Chairman), M Tembe**, JA Stuart* (Group Chief Executive), AW Heide* (Group Finance Director and COO), SKC Khampepe, SA Mahlalela, NJ Mboweni (Mrs), SH Müller, Dr E Nkosi, JB Walters (*Executive, ** Lead Independent)
Company Secretary:	F Moloi (Ms)
Registered Office:	Turffontein Racecourse, 14 Turf Club Street, Turffontein, Johannesburg
Transfer Secretaries:	Computershare Investor Services Proprietary Limited
Sponsor:	Investec Bank Limited