

Tsogo Sun Gaming Limited
Incorporated in the Republic of South Africa
(Registration number 1989/002108/06)
Share code: TSG
ISIN: ZAE000273116
("Tsogo Sun" or "the Company" or "the Group")

TRADING STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

Shareholders are advised that the Group is scheduled to release its financial results for the year ended 31 March 2020 on or about 29 May 2020. In terms of paragraph 3.4(b) of the JSE Limited Listings Requirements, listed companies are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported upon next will differ by at least 20% from those of the prior comparative period.

In line with previous reporting periods, the Company intends publishing Earnings per share ("EPS"), Headline earnings per share ("HEPS") and Adjusted headline earnings per share ("Adjusted HEPS") as well as Earnings before interest, income tax, depreciation, amortisation, property rentals, long term incentives and exceptional items ("EBITDAR") for the year ended 31 March 2020 and for the prior corresponding reporting period. The Company is of the opinion that the publication of Adjusted HEPS and EBITDAR are appropriate in understanding the Group's trading results.

Shareholders are advised that:

Continuing Operations

- Income is expected to be between flat and 2% higher (the same and R232 million higher) compared to the prior comparative period of R11,619 million;
- EBITDAR is expected to be between 2% lower and flat (R81 million lower and the same) compared to the prior comparative period of R4,031 million ⁽¹⁾;
- EPS is expected to be between 115% and 125% lower (178.3 cents and 193.8 cents lower) compared to the prior comparative period EPS of 155.0 cents;
- HEPS is expected to be between 20% and 24% lower (31.4 cents and 37.7 cents lower) compared to the prior comparative period HEPS of 157.1 cents; and
- Adjusted HEPS is expected to be between 13% and 15% lower (20.4 cents and 23.6 cents lower) compared to the prior comparative period Adjusted HEPS of 157.1 cents ⁽¹⁾.

Total Group

- EPS is expected to be between 80% and 90% lower (118.1 cents and 132.8 cents lower) compared to the prior comparative period EPS of 147.6 cents;
- HEPS is expected to be between 30% and 35% lower (54.7 cents and 63.8 cents lower) compared to the prior comparative period HEPS of 182.2 cents; and
- Adjusted HEPS is expected to be between 23% and 27% lower (41.9 cents and 49.2 cents lower) compared to the prior comparative period Adjusted HEPS of 182.2 cents ⁽¹⁾.

For continuing operations, EPS has been negatively impacted by impairments of intangibles of R1.9 billion, impairments of property, plant and equipment and right-of-use assets of R105 million, fair value losses on

investment properties of R81 million, additional interest cost on increased debt taken on in the unbundling of Tsogo Sun Hotels Limited and a transfer from the cash flow hedge reserve on refinancing the group's debt of R136 million and additional depreciation on the Suncoast Casino. The impairments, fair value losses and transfer from the cash flow hedge reserve are excluded from HEPS and Adjusted HEPS.

For discontinued operations, in addition to the factors impacting continuing operations, EPS has been assisted by a profit from discontinued operations of R564 million arising mainly from the realisation of reserves of R506 million on the unbundling of the hotels business. The realisation of reserves is excluded from HEPS and Adjusted HEPS.

⁽¹⁾Prior year Ebitdar and Adjusted HEPS have been restated due to expenses treated as exceptional in the prior period of R41 million now being included in Ebitdar and no longer being adjusted for in Adjusted HEPS. The impact of the restatement is a 1% reduction in Ebitdar and a 3% reduction in Adjusted HEPS in the prior period.

The financial information on which this trading statement is based has not been reviewed and reported on by the Company's external auditors, PricewaterhouseCoopers Inc.

Fourways
22 May 2020

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