

Tsogo Sun Gaming Limited  
(Incorporated in the Republic of South Africa)  
(Registration number 1989/002108/06)  
Share code: TSG ISIN: ZAE000273116  
JSE Alpha code: TSGI  
("Tsogo Sun Gaming" or "the company" or "the group")

#### CONDENSED UNAUDITED CONSOLIDATED INTERIM FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

- Income R3.8 billion up 144%
- Operating costs (R2.5 billion) up 85%
- Ebitda R1.3 billion up 570%
- Adjusted Ebitda R1.2 billion up 723%
- Headline earnings R323 million up 159%
- Earnings per share 31.1 cents up 159%
- Headline earnings per share 30.9 cents up 159%
- NIBD and guarantees R10.3 billion down 13%

#### REVIEW OF OPERATIONS

Tsogo Sun Gaming's half year results were adversely impacted by the closure of the group's businesses from 28 June 2021 to 25 July 2021 as a result of the third wave of the Covid-19 pandemic. The group, however, still managed to achieve income of R3.8 billion (up 144% from the six months ended 30 September 2020, but still 36% below pre-Covid levels for the six months ended 30 September 2019) and adjusted EBITDA (after IFRS 16 adjustments) of R1.2 billion (up 723%, but still 35% below pre-Covid levels).

The EBITDA margin of 33% achieved for the September 2021 interim reporting period is in line with the pre-Covid September 2019 period, which is an exceptional achievement in a restricted environment.

#### DEBT AND COVENANTS

The group achieved the financial covenant resets for the September 2021 period. The next net leverage requirements are for the net debt to adjusted EBITDA ratio to be lower than 3.8 times, and for the adjusted EBITDA to cover interest by not less than 3 times for the rolling 12 months to December 2021. At the date of this report, the directors are not aware of any circumstances whereby the group should not be able to achieve these December 2021 covenant requirements.

Preliminary approval has been obtained from lenders for a reset of the net leverage covenant of 31 March 2022 to 3.6 times net debt to adjusted EBITDA, if required. This is subject to various additional deliverables by 28 February 2022, including a further reduction of net debt levels to lower than or equal to R9.7 billion and a first partial early repayment of at least R300 million of the three-year term loans and secured notes due in November 2022.

The group has done well to reduce net interest bearing debt ("NIBD") and guarantees by R1.5 billion from R11.8 billion as at 30 September 2020 to R10.3 billion at 30 September 2021, notwithstanding the restrictive trading conditions.

#### DIVIDENDS

The board of directors has not declared an interim dividend in respect of the six months ended 30 September 2021.

#### SHORT FORM ANNOUNCEMENT

The content of this short form announcement is the responsibility of the board of directors of Tsogo Sun Gaming. Shareholders are advised that this short form announcement represents a summary of the information contained in the full announcement. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement as a whole and shareholders are encouraged to review the full announcement, which is available at <https://senspdf.jse.co.za/documents/2021/jse/isse/TSGE/Interims.pdf> and on the group's website at <https://www.tsogosungaming.com>.

Fourways

25 November 2021

EQUITY SPONSOR: Investec Bank Limited, 100 Grayston Drive, Sandton, 2196 (PO Box 785700, Sandton, 2146)

DEBT SPONSOR: Nedbank Corporate and Investment Banking, a division of Nedbank Limited, 3rd Floor, Block F, 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, 2196 (PO Box 1144, Johannesburg, 2000)

[www.tsogosungaming.com](http://www.tsogosungaming.com)