

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

Reviewed preliminary condensed consolidated financial results
for the year ended 31 March 2023 and cash dividend declaration

Income	R11.3 billion	up 27%
Operating costs	(R7.3 billion)	up 27%
EBITDA	R4.0 billion	up 27%
Adjusted EBITDA (including leases)	R3.9 billion	up 28%
Headline earnings	R1.6 billion	up 38%
Earnings per share	167 cents	up 25%
Headline earnings per share	152 cents	up 38%
Final dividend per share	57 cents	up 200%
NIBD and guarantees	R8.0 billion	down 11%

DEBT AND COVENANTS

It is pleasing to note that the net debt to adjusted EBITDA ratio for the 31 March 2023 year end, as measured for covenant purposes, amounted to a 2.0 times multiple. This represents a reduction from the 2.9 multiple at the 31 March 2022 year end. The required ratio in terms of the group's debt covenants is less than a 3.0 times multiple.

The group also managed to reduce its net interest-bearing debt and guarantees by approximately R1.0 billion, from R9.0 billion at 31 March 2022, to R8.0 billion at 31 March 2023.

The group refinanced R2.6 billion of its debt in February 2023, whereafter it effectively has no short-term debt, although the RCF of R1.15 billion can be called up on 13 months' notice. Another R1.6 billion of medium-term notes is anticipated to be refinanced on 31 May 2023.

FINANCIAL

Total income generated for the year was R11.3 billion, EBITDA was R4.0 billion, and adjusted EBITDA (after IFRS 16 adjustments) was R3.9 billion. The cost of diesel and the adverse effect on income due to high levels of load shedding, especially in January and February 2023, negatively impacted the group's expected year end position and margins.

Headline earnings achieved for the year amounted to R1.6 billion compared to R1.2 billion reported for the prior year. If, however, the cost of the cancellation of the hotel management contracts, amounting to R289 million (after tax and non-controlling interests), and R57 million (after tax) in respect of a credit for the ineffectiveness of the interest rate swaps are excluded from the headline earnings calculation, then the adjusted headline earnings achieved is R1.8 billion.

DIVIDEND

The board of directors has resolved to declare a final gross cash dividend of 57.0 (fifty-seven) cents per share in respect of the year ended 31 March 2023 from distributable reserves. The dividend will be paid in cash to shareholders recorded in the register of the company at close of business Friday, 14 July 2023. The number of ordinary shares in issue at the date of this declaration is 1 049 604 443 (excluding the 583 857 treasury shares). The dividend will be subject to a local dividend tax rate of 20%, which will result in a net dividend of 45.60000 (forty-five point six) cents per share to those shareholders who are not exempt from paying dividend tax. The company's income tax reference number is 9250039717.

Salient dates for payment of the dividend are:

Last date to trade cum dividend	Tuesday, 11 July 2023
Trading ex-dividend commences	Wednesday, 12 July 2023
Record date	Friday, 14 July 2023
Payment date	Monday, 17 July 2023

Share certificates may not be dematerialised or re-materialised during the period Wednesday, 12 July 2023 and Friday, 14 July 2023, both days inclusive.

IMPORTANT INFORMATION

This short form announcement is the responsibility of the Board of Directors of Tsogo Sun and is only 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, which is available at <https://senspdf.jse.co.za/documents/2023/jse/isse/TSGE/Yearend.pdf> and on the group's website at <https://www.tsogosun.com>. The condensed consolidated financial statements have been reviewed by PricewaterhouseCoopers Inc., and the auditor's unmodified review conclusion is available in the full announcement. The short form announcement itself is not reviewed.

Fourways
25 May 2023

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.tsogosun.com