

Southern Sun Limited  
 Incorporated in the Republic of South Africa  
 Registration number 2002/006356/06  
 Share code: SSU ISIN: ZAE000272522  
 ("Southern Sun" or "the group" or "the company")

SHORT-FORM ANNOUNCEMENT: CONDENSED UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

Financial results

- Occupancy at 56.3%, up 10.3 percentage points
- Ebitdar at R745 million, up 66%
- Adjusted headline profit at R255 million, up 1 400%
- R389 million in share buybacks

Supplementary information

	2023	2022(1)	%
	Unaudited	Unaudited	change
Income (Rm)(2)	2 790	2 082	34
Ebitdar (Rm)(2)	745	449	66
Attributable profit for the year (Rm)	254	325	(22)
Basic profit per share (cents)(3)	18.0	22.0	(18)
Basic headline profit per share (cents)(3)	18.0	22.7	(21)
Basic adjusted headline profit per share (cents)(4)	18.0	1.2	*

(1) Excludes discontinued operations.

(2) Excludes the Separation Payment of R399 million pre-tax.

(3) Includes the Separation Payment of R313 million post-tax.

(4) Excludes the Separation Payment of R313 million post-tax.

\* Percentage change greater than 1 000%.

Operational review

The group is encouraged by the continued improvement in trading volumes in South Africa over the six-month period ended 30 September 2023, particularly when compared to the prior comparative period, which was still impacted by the Omicron variant of Covid-19 with restrictions only entirely lifted on 22 June 2022. The group achieved total income for the six months ended 30 September 2023 of R2.8 billion, a 34.0% growth on revenue generated in the prior comparative period of R2.1 billion, excluding the once-off payment of R399 million received from Tsogo Sun Limited. Group adjusted headline profit for the six months ended 30 September 2023 of R255 million (2022: R17 million) has improved by R238 million.

Improved trading has been particularly prevalent in the Western Cape, which has enjoyed several large events hosted at the Cape Town International Convention Centre such as the recent Netball World Cup. In Gauteng, the group proudly hosted the 15th BRICS Summit in August 2023 at the Sandton Convention Centre, which led to substantial demand for accommodation at the surrounding hotels. In addition, most regions have seen good transient demand, with a substantial portion of the group's hotels trading above pre-Covid-19 levels.

The group's rooms revenue has been supported by average room rate (ARR) growth which has increased by 11.4% for the six-month period ended 30 September 2023, compared to the prior comparative period and by an encouraging 25.2% compared to the same six-month period in 2019. Aided by more normalised demand from local and international travellers and strong demand for conferencing and events, group occupancy at 56.3% for the six-month period ended 30 September 2023, has increased by 10.3 percentage points (pp) compared to 46.0% in the prior comparative period and is 2.8pp below the 59.1% achieved for the same six-month period in 2019.

The buoyant trading levels over the past six months have continued into October and November 2023 and we remain optimistic that this momentum will continue into December and the group's fourth quarter, particularly in the Western Cape. The group

will continue to pursue its stated strategy of reducing debt levels while continuing to allocate capital to key properties in our portfolio so that they remain best-in-class. Customer experience is central to Southern Sun's value proposition and the group will continue to focus on our customer delivery.

Short-form announcement

This short-form announcement is the responsibility of the board of directors of Southern Sun. This short-form announcement is a summary of the full announcement released on SENS on 21 November 2023 and does not include full or complete details. The information contained in this announcement has not been reviewed or reported on by the company's auditors.

The full announcement is available on the company's website: [www.southernsun.com/investors/financial-reports](http://www.southernsun.com/investors/financial-reports) and can also be accessed using the following JSE link: <https://senspdf.jse.co.za/documents/2023/jse/isse/SSUE/Interim23.pdf>

A copy of the full announcement may be requested from [companysecretary@southernsun.com](mailto:companysecretary@southernsun.com) or the sponsor, Investec Bank. Any investment decisions by shareholders should be based on a consideration of the full announcement, which shareholders are encouraged to view on SENS and on the company's website.

The condensed unaudited consolidated interim financial statements for the six months ended 30 September 2023 have not been reviewed and reported on by the group's external auditors, Deloitte & Touche.

21 November 2023

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