

Sun International Limited
(Incorporated in the Republic of South Africa)
Registration number: 1967/007528/06
Share code: SUJ
ISIN: ZAE000097580
LEI: 378900835F180983C60
("Sun International" or "the Company")

AUDITED ANNUAL FINANCIAL RESULTS AND FINAL ORDINARY CASH DIVIDEND DECLARATION FOR THE YEAR ENDED 31 DECEMBER 2024

KEY HIGHLIGHTS

- Continuing income up 5.1% to R12.6 billion
- Continuing adjusted EBITDA up 3.0% to R3.5 billion with adjusted EBITDA margin at 27.9%
- Record SunBet income up 60.6% to R1.2 billion
- 61.2% of R3.6 billion cash generated by South African operations converted to free cash
- Debt to adjusted EBITDA at 1.5x, well within bank covenant of 3.0x or less
- Earnings per share (EPS) up 54.7% to 764 cents per share (cps) (2023: 494 cps)
- Headline earnings per share (HEPS) up 17.4% to 499 cps (2023: 425 cps)
- Adjusted headline earnings per share (AHEPS) up 13.5% to 531 cps (2023: 468 cps)
- Final cash dividend of 237 cps declared, bringing the total dividend to 398 cps (2023: 351 cps) maintaining our 75% of AHEPS dividend payout policy

Performance overview

Sun International's performance reflects the quality of its operating businesses, the resilience of its omnichannel portfolio and disciplined execution on strategy which continues to drive shareholder value. The Sun International group ("group") once again produced a solid set of results.

Showcasing its resilience, the group's continuing income for the year increased by 5.1% to R12.6 billion compared to the year ended 31 December 2023 ("the prior year" or "the prior comparative year"). Additionally, continuing adjusted EBITDA rose by 3.0% to R3.5 billion. The group's adjusted headline earnings grew by 13.0% to R1.3 billion, translating to adjusted headline earnings of 531 cents per share, a 13.5% increase from the prior year.

Sunbet maintained its impressive upward trend, with income increasing by 60.6%, once again exceeding its ambitious growth targets. The rapid expansion of online gaming, fuelled by technological advancements, evolving social attitudes, and several other challenges, necessitates enhanced compliance monitoring. As responsible corporate citizens, we operate within an increasingly vulnerable digital landscape which places additional challenges and responsibilities on the group. We actively collaborate with regulators and industry partners to strengthen systems and processes, ensuring a fair and responsible gaming environment. Through the South African Responsible Gambling Foundation, we invest in education, research, and support initiatives to promote responsible gaming. Continuously reviewing best practices, regulations, and legislation, we strive to balance industry growth with robust consumer protection, leveraging advanced surveillance technology in partnership with service providers.

Income from the group's four largest urban casinos increased by 0.7%, while growth in the smaller regional casinos posed challenges. Rooms and food and beverage revenue from our resorts and hotels showed excellent growth, rising by 10.9%. Conversely, Sun Slots income dropped by 3.1% to R1.4 billion compared to the prior year. Management has implemented various initiatives to address this downturn.

The group has consistently demonstrated its capability to generate significant cash flow through its diverse portfolio and is in a strong financial position with debt (excluding IFRS 16 lease liabilities) at R5.2 billion, down from R5.7 billion as at 31 December 2023, with debt to adjusted EBITDA further reduced to 1.5 times. The debt levels take into account the payment of the 2023 final net dividend of R510 million, the 2024 interim net dividend of R402 million and share buy backs of R141 million. Our net interest decreased by 6.2% from the prior year as a result of the lower debt and interest rates.

In accordance with Sun International's dividend strategy, which aims to deliver a sustainable pay-out to shareholders over the long term while maintaining a target debt to adjusted EBITDA ratio of below two times, the board has kept the dividend pay-out ratio at 75% of adjusted headline earnings per share and resolved to declare a final gross cash dividend of 237 cents per share totalling R612 million, bringing total dividends for the 2024 financial year to 398 cents per share totalling a gross cash dividend of R1 028 million and equating to a dividend yield of 10.2% as at 14 March 2025.

Outlook

The gaming industry is experiencing dynamic changes and Sun International, through its omnichannel strategy, will continue leveraging its strong brand and market presence to retain and expand its customer base. Our balance sheet remains robust, providing us with the financial flexibility to invest and to continue paying dividends at our targeted payout ratio. Through strategic planning, efficient capital allocation, cost management, and a focus on operational excellence, Sun International will sustain its growth trajectory and deliver stakeholder value.

Despite the uncertain macro environment, we expect the lower inflation and interest rates to create a more favourable operating environment in the medium to long term. Year to date trading has followed a similar trend to prior periods with extremely strong growth in our online business Sunbet, increased resorts and hotels income and urban casinos and Sun Slots achieving low single digit growth.

Final cash dividend declaration (dividend number 55)

Notice is hereby given that the board has declared a final gross cash dividend of 237 cents (189.60000 cents net of dividend withholding tax) for the year ended 31 December 2024 (being a 16.7% increase on the prior year's 203 cents), payable to shareholders recorded in the register of the Company at the close of business on the record date appearing below. The dividend has been declared from cash reserves and therefore does not constitute a distribution of 'contributed tax capital' as defined in the Income Tax Act, 58 of 1962. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt.

The issued share capital at the declaration date is 258 181 057 ordinary shares. The salient dates for the final dividend will be as follows:

Declaration date	Monday, 17 March 2025
Last day to trade cum dividend	Tuesday, 8 April 2025
Shares commence trading 'ex' dividend	Wednesday, 9 April 2025
Record date	Friday, 11 April 2025
Payment date	Monday, 14 April 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 9 April 2025 and Friday, 11 April 2025, both days inclusive. Ordinary shareholders who hold dematerialised shares will have their accounts at their CSDP or broker credited or updated on Monday, 14 April 2025. Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on the payment date. Where the transfer secretaries do not have the banking details of any certificated shareholders, the cash dividend will be held in trust by the transfer secretaries pending receipt of the relevant certificated shareholder's banking details after which the cash dividend will be paid via electronic transfer into the personal bank account of the certificated shareholder.

Sun International's tax reference number is 9875/186/71/1.

Directors' responsibility

This short-form announcement is the responsibility of the board of directors of Sun International.

This short form announcement is a summarised version of the full announcement in respect of the annual results for the year ended 31 December 2024 and as such, it does not contain full details pertaining to the Company's annual results. The full announcement can be found on the Company's website: www.suninternational.com/investors and on the JSE's website at: <https://senspdf.jse.co.za/documents/2025/jse/isse/SUI/FY2024.pdf>

Any investment decisions should be made based on the full announcement.

This report is extracted from audited results but is itself not audited. The auditors, Deloitte & Touche, have audited the group and company audited financial statements and their unmodified audit opinion, including key audit matters, along with the group and company audited financial statements are available for inspection at the company's registered office and are also available on Sun International's website at www.suninternational.com/investors. Alternatively, a copy can be obtained from N Titus at investor.relations@suninternational.com. In accordance with the auditors' responsibilities in terms of section 45 of the Auditing Profession Act, the auditors reported that, during 2024, a reportable irregularity was identified in terms of the Auditing Profession Act. The matter was reported to the Independent Regulatory Board for Auditors. This matter has been described in Note 32 to the group and company audited financial statements.

The company's external auditor has not audited or reported on any forecasts included in the audited summary group financial results or this announcement.

Presentation

There will be an investor presentation pertaining to Sun International's annual financial results made available on the Company's website at <https://corporate.suninternational.com/investors>. This will be uploaded on the Company's website at around 09h30 this morning.

Directors

Non-executive

S Sithole (Chairman), GW Dempster (Lead Independent Director), CM Henry, SN Mabaso-Koyana, MLD Marole, TR Ngara, NT Payne*, ZP Zatu Molo

*British

Executive

AM Leeming (Chief Executive), N Basthdaw (Chief Financial Officer)

Group Company Secretary

AG Johnston

Enquiries

Investor Relations

Nwabisa Titus
Tel: +27 82 800 7721
Email: investor.relations@suninternational.com

17 March 2025

Sponsor

Investec Bank Limited