

2021 AUDITED SUMMARY GROUP FINANCIAL RESULTS

for the year ended 31 December 2021

Sun International



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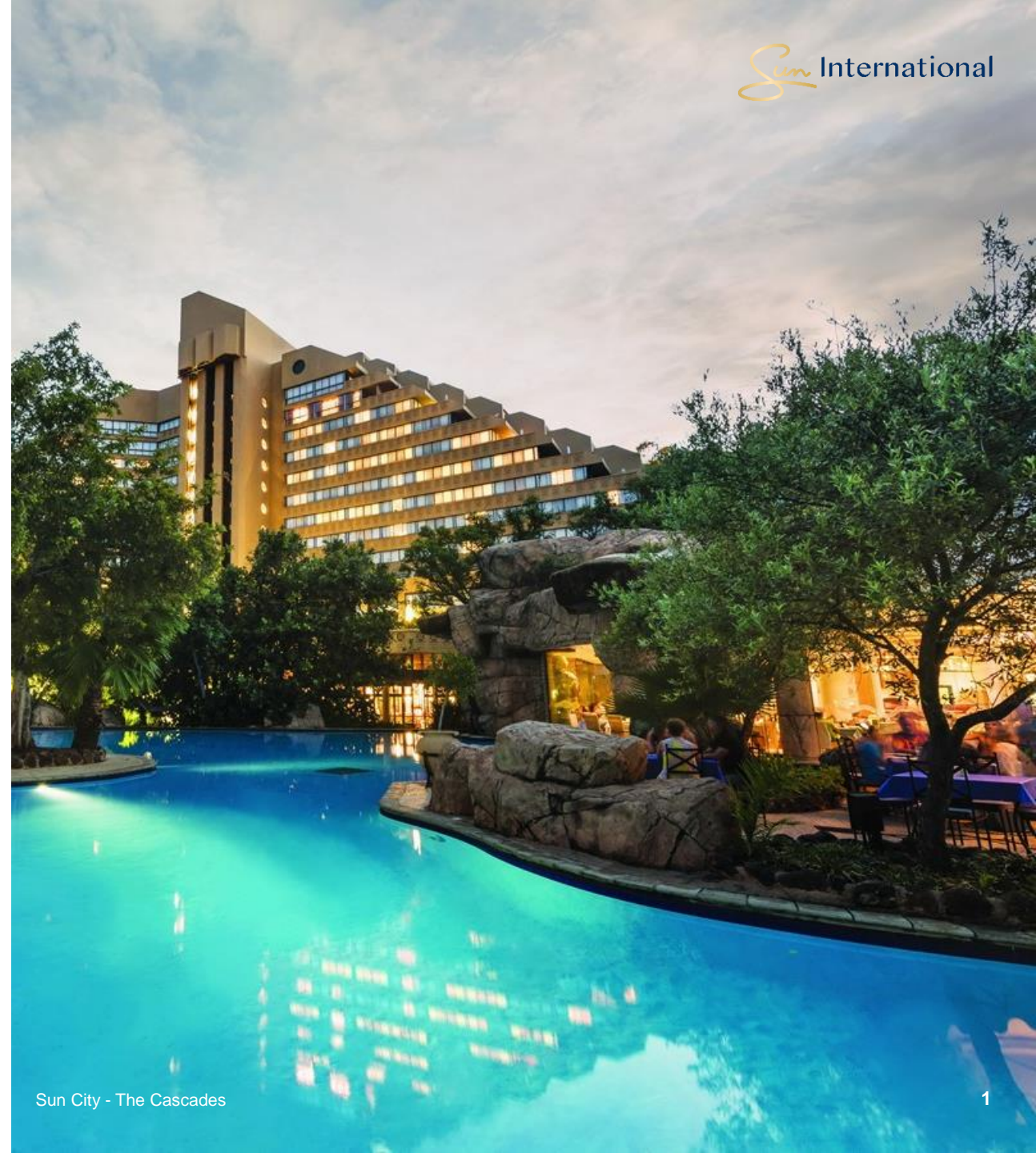
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The Table Bay Hotel



01




Strategic focus and key highlights



01

Strategic focus and key highlights

DELIVERING AGAINST OUR STRATEGY

Refocused portfolio 	Focused on South African market for gaming and casino post exit from Latam	<ul style="list-style-type: none"> Gaming income, making up 85% of group income, proved resilient and rebounded strongly Defended and grew market share for most key domestic urban casinos
	Capturing exceptional growth in alternate gaming	<ul style="list-style-type: none"> Sun Slots income recovered to pre-Covid-19 levels and is trending upwards SunBet rapidly growing gross gaming income with premium sports and online betting offering
Operational and customer excellence 	Improved margins for the gaming and casino business	<ul style="list-style-type: none"> Delivered 30.4% growth in adjusted EBITDA from casino operations while trading under restrictions Targeting mid-to-upper 30% adjusted EBITDA margin for urban casinos
	Enhancing customer experience through unique omni-channel offering	<ul style="list-style-type: none"> Integration of Playtech Neon system and MVG will allow seamless land-based and online interaction Reduced costs and enhanced customer experience at our strategic resorts and hotels
Strengthened balance sheet 	Improving cash generation capacity	<ul style="list-style-type: none"> Long-term strategy to acquire minority interests at attractive multiples Optimise tax structures and cash flow efficiency for the group
	Disciplined capital allocation	<ul style="list-style-type: none"> Capacity for further deleveraging and discipline capital allocation towards high return opportunities Focused on re-instating dividends over the short- to medium-term



Sun Time Square

CONTINUING
GROUP INCOME

R7.8 billion

29%

CONTINUING GROUP
ADJUSTED EBITDA

R1.7 billion

80%

Excludes insurance receipts of R522m

BUSINESS INTERRUPTION
INSURANCE CLAIM

R522 million

TOTAL ANNUALISED
SUSTAINABLE COST SAVINGS

R650 million*

Imply an adjusted EBITDA margin
improvement on 2019 from 28% to 34%

TOTAL GROUP DEBT
(excluding lease liabilities)

R7.1 billion

R541 million

South African debt down with R574 million
to R6.4 billion

AVAILABLE
LIQUIDITY

R2.2 billion

Optimised the balance sheet

STRONG CASINO
INCOME RECOVERY

Casino income

22%

SUN SLOTS CONTINUED
TO SHOW GROWTH

Gaming income

40%

Adjusted EBITDA margin of **25%**

GROWTH IN SUNBET ACTIVE
PLAYERS AND PRODUCT OFFERING

Gaming income

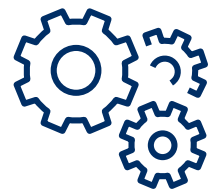
33%

Active players up **41%**

* Cost savings comprises savings on employee costs of R350 million, renegotiated contracts of R102 million, events of R10 million, marketing costs of R55 million, IT costs of R11 million and general costs of R122 million
All comparisons are to 2020



Boardwalk, Port Elizabeth

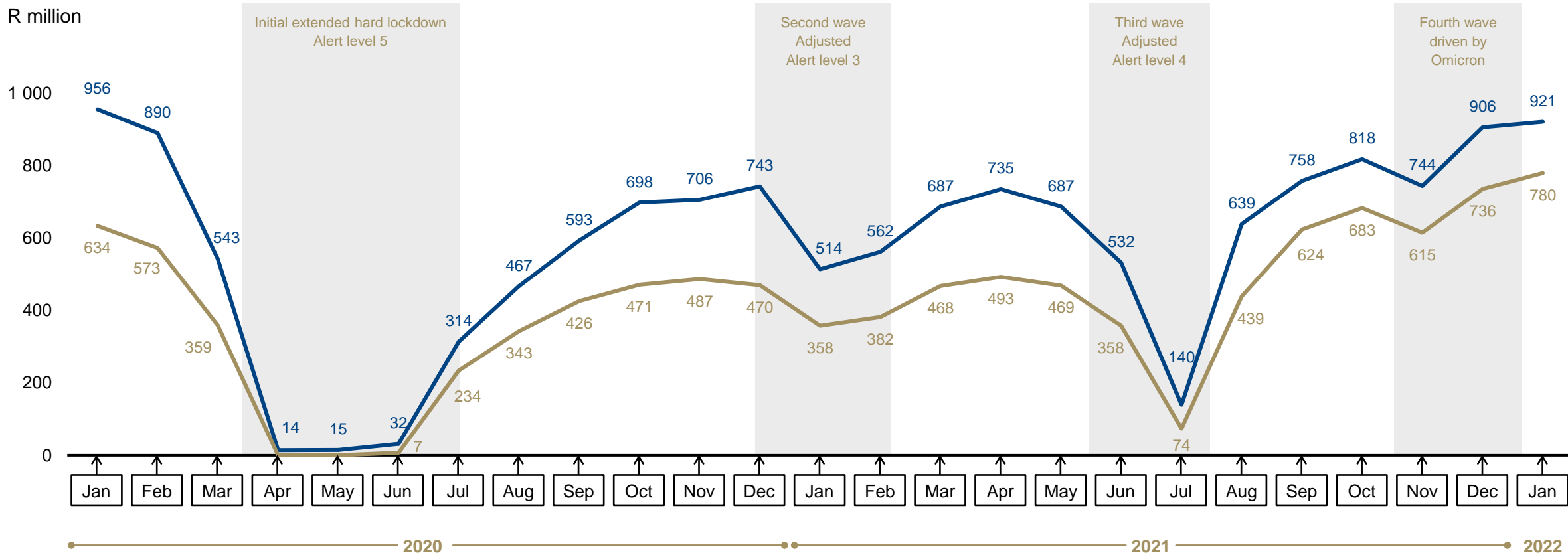


02

Operational review



INCOME TREND



- Total income
- Gaming income



CASINOS

Key takeaways

PERFORMANCE HIGHLIGHTS

- Income up 22% to R4.7 billion
 - Curfew lifted at the end of December
 - Casino income reached a high of 81% of 2019 in October 2021
- Adjusted EBITDA increased by 60% to R1.4 billion, at an adjusted EBITDA margin of 30.4%
- Casino market share in Gauteng increased by 25.5% in 2019 to 27.3% in 2021 while in KwaZulu-Natal it remained in line with the prior year.

CHALLENGES

- Trading impacted by reduced capacity, curfew and alcohol restrictions resulting in reduced footfall
- Closed for 4 weeks in July

OUTLOOK

- Margin will improve as trading normalises
- Adjusted EBITDA margin expected to be in mid to upper 30% range when trading normalises
- Expansion of GrandWest hotel from 39 to 104 rooms, at a cost of R122 million
- Playtech implementation going well
- Long-term benefits expected from omni-channel offering with SunBet





SUN SLOTS

Key takeaways

PERFORMANCE HIGHLIGHTS

- Income increased by 40% to R1.2 billion
 - Market proved resilient. Quick to open sites in response to demand
 - 99% of the LPMs operated during the year under review
- Adjusted EBITDA increased by 55% to R313 million
- Adjusted EBITDA margin of 25%

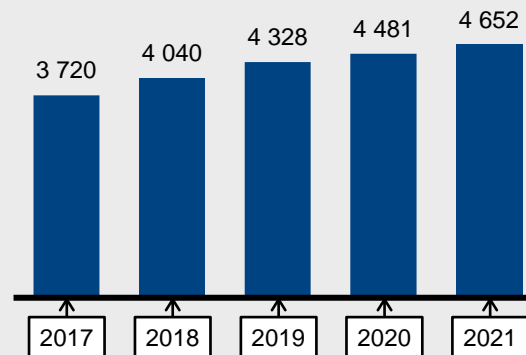
CHALLENGES

- Trading impacted by reduced capacity, curfews and alcohol restrictions
- Most operations closed for the month of July
- 174 machines stolen, damaged or destroyed during riots

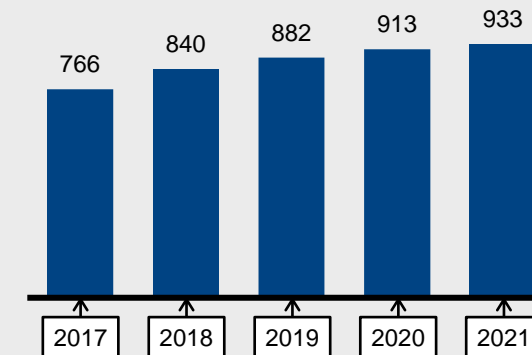
OUTLOOK

- Role out of additional licences, especially in Mpumalanga
- Small scale trial of machines in key African markets
- Aligning with SunBet

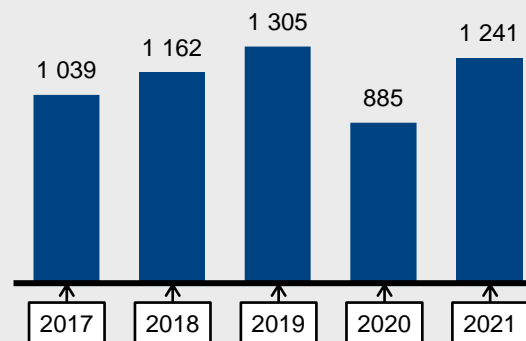
NUMBER OF LPMs



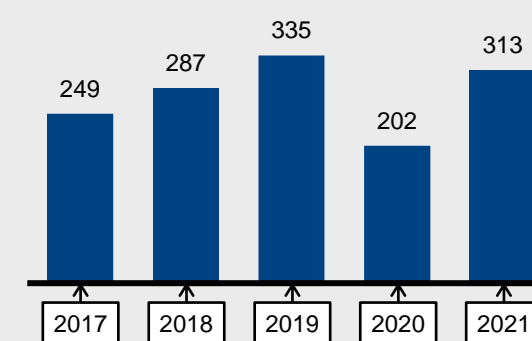
NUMBER of SITES



GGR (R million)



ADJUSTED EBITDA (R million)





SUNBET | Well positioned for growth

Strong fundamentals

Sun International brand and presence

Explosive South African potential

Omni-channel strategy

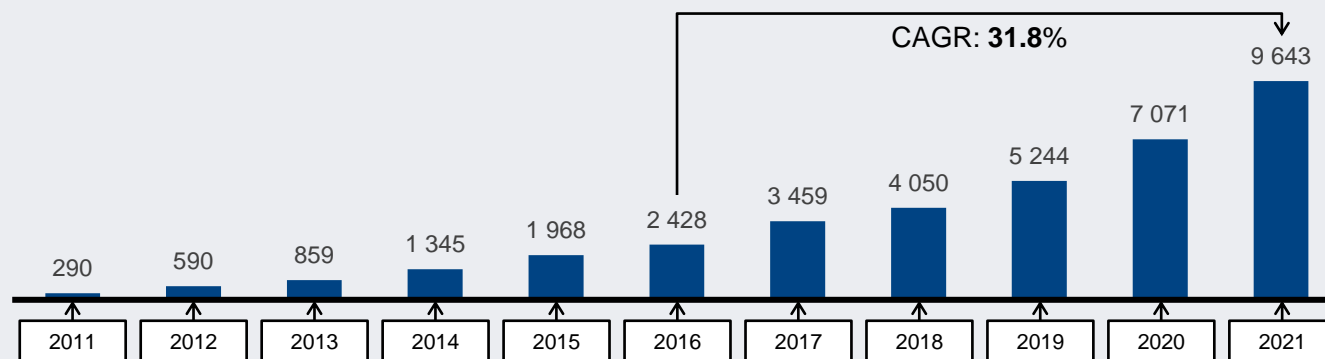
Sun MVG

Trusted

Responsible gambling

South Africa bookmaker and online gaming market

GROWTH OF SOUTH AFRICAN BOOKMAKER INCOME* - SPORTS BETTING (R million)



ESTIMATED SIZE OF ONLINE MARKET

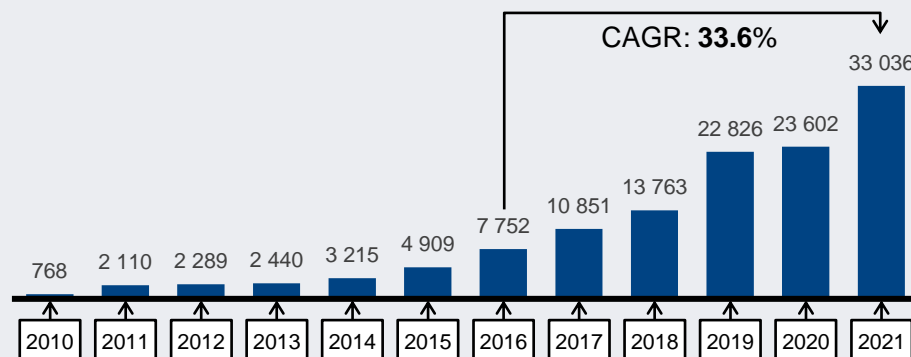
R5.7 billion

SUNBET MARKET SHARE

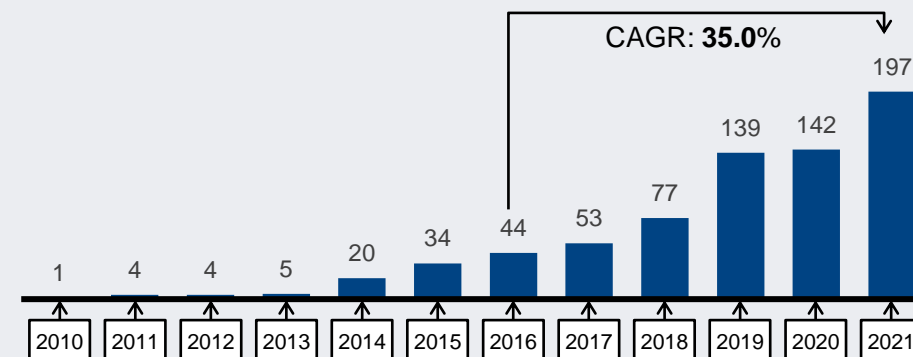
3.4%

SunBet is rapidly growing into a business of scale

ACTIVE PLAYERS



GROSS GAMING INCOME (R million)



* Bookmaker income includes retail and online



RESORTS AND HOTELS

Key takeaways

PERFORMANCE HIGHLIGHTS

- Income increased by 39% to R1.6 billion
 - Sun Vacation Club at Sun City performed well achieving occupancies of 73% excluding closed periods
- Adjusted EBITDA loss of R56 million compared to loss of R158 million in 2020
- Achieved sustainable cost savings of R180 million at Sun City
 - Savings imply adjusted EBITDA margin improvement from 8.9% to 19.4% on 2019
- Strong local leisure demand

CHALLENGES

- Demand from the corporate and MICE* segments remained weak
- Limited international travel
- Food and beverage income remains well below the prior year

OUTLOOK

- Local leisure and gaming markets will remain resilient
- Anticipated pick up in the corporate, MICE* and international travel segments
- The Palace refurbishment commenced in August 2021
 - Expected total capital investment of R184 million with R54 million spent in 2021
- The Table Bay Hotel lease extended to February 2025
- Wild Coast Sun casino licence, renewed for a further 20 years, with effect from 1 September 2021
- Construction of Sun Vacation Club phase 3 to commence in a phased approach with total investment of R850 million over three years



The Table Bay Hotel

* MICE - Meeting, incentives, conferences and exhibition



Sun City - Valley of the Waves



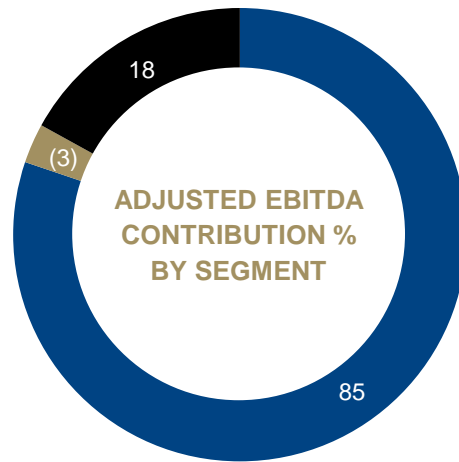
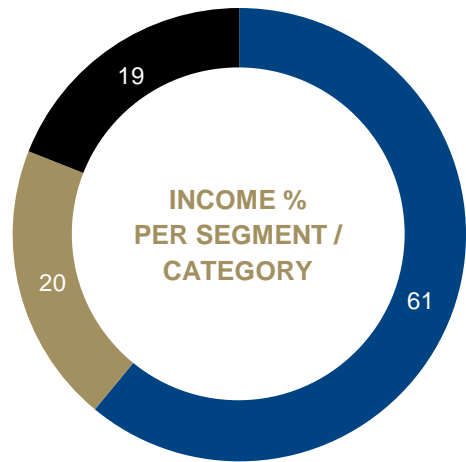
03

Financial review

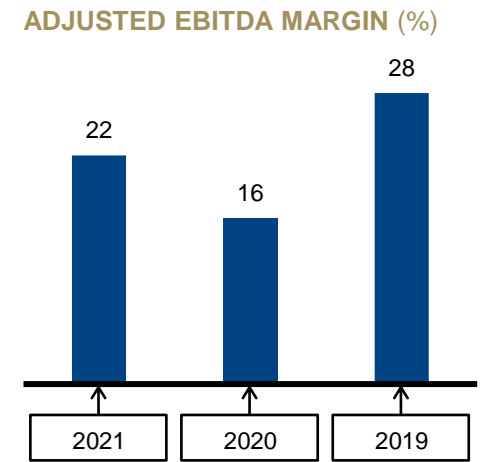


SEGMENTAL HIGHLIGHTS

R million	Income contribution			Adjusted EBITDA contribution		
	2021	2020	%	2021	2020	%
Casino operations*	4 720	3 857	22	1 433	894	60
Alternate gaming	1 424	1 023	39	311	248	25
Total gaming	6 144	4 880	26	1 744	1 142	53
Resorts and hotels** (incl Sun Vacation Club)	1 558	1 123	39	(56)	(158)	65
Total South Africa*	7 702	6 003	28	1 688	984	72



- Casino operations
- Resorts and hotels
- Alternate gaming



* Casino operations comprise of GrandWest, Sibaya, Sun Time Square, Carnival City, Boardwalk, Meropa, Windmill, Flamingo, Golden Valley and management companies

** Resorts and hotels operations comprise of Sun City, Wild Coast Sun, The Table Bay Hotel and The Maslow



SOUTH AFRICAN SEGMENTAL REVIEW

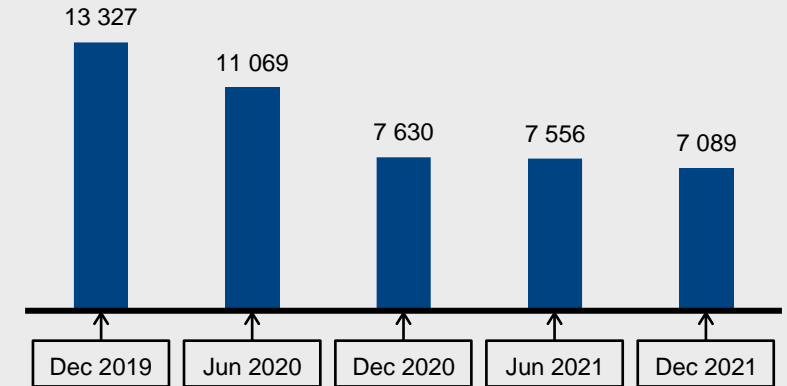
R million	Income			Adjusted EBITDA			Depreciation and amortisation			Adjusted operating profit/(loss)		
	2021	%	2020	2021	%	2020	2021	%	2020	2021	%	2020
Casino operations	4 720	22	3 857	1 433	60	894	(550)	6	(585)	883	>100	309
GrandWest	1 281	25	1 024	399	45	275	(116)	1	(117)	283	79	158
Sun Time Square	977	21	808	274	27	215	(189)	10	(210)	85	>100	5
Sibaya	904	22	743	302	35	224	(49)	6	(52)	253	47	172
Carnival City	642	21	532	138	59	87	(59)	-	(59)	79	>100	28
Boardwalk	349	37	254	50	>100	(1)	(45)	10	(50)	5	>100	(51)
Meropa	188	20	157	49	44	34	(17)	11	(19)	32	>100	15
Windmill	155	21	128	47	57	30	(18)	(6)	(17)	29	>100	13
Golden Valley	114	19	96	15	67	9	(13)	-	(13)	2	>100	(4)
Flamingo	99	22	81	18	50	12	(14)	(17)	(12)	4	100	-
Naledi Sun	3	(25)	4	-	100	(2)	-	-	-	-	100	(2)
Carousel	6	(79)	28	2	>100	(16)	-	100	(6)	2	>100	(22)
Management companies	298	30	229	139	>100	27	(30)	-	(30)	109	>100	(3)
Inter-company management fees	(296)	(30)	(227)	-	-	-	-	-	-	-	-	-
Alternate gaming	1 424	39	1 023	311	25	248	(91)	(2)	(89)	220	38	159
Sun Slots	1 242	40	886	313	55	202	(87)	(1)	(86)	226	95	116
SunBet	182	33	137	(2)	<(100)	46	(4)	(33)	(3)	(6)	<(100)	43
Resorts and hotels operations	1 558	39	1 123	(56)	65	(158)	(205)	10	(228)	(261)	32	(386)
Sun City	1 024	46	699	(52)	63	(142)	(144)	13	(166)	(196)	36	(308)
Wild Coast Sun	380	40	271	49	>100	17	(38)	14	(44)	11	>100	(27)
The Table Bay Hotel	105	(6)	112	(21)	<(100)	(4)	(23)	(64)	(14)	(44)	<(100)	(18)
The Maslow	49	20	41	(32)	(10)	(29)	-	100	(4)	(32)	3	(33)
Total South African operations	7 702	28	6 003	1 688	72	984	(846)	6	(902)	842	>100	82



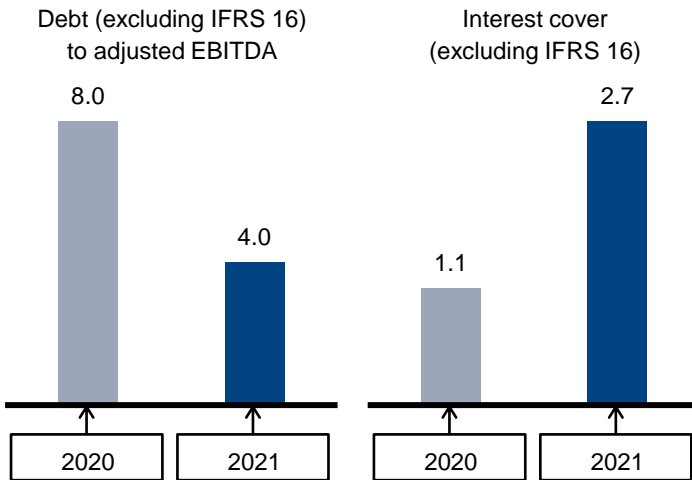
BORROWINGS

R million	Debt	IFRS 16 lease liability	Total debt
South Africa	6 389	869	7 258
Nigeria	700	-	700
Shareholder loans	1 078	-	1 078
Sun International's portion of shareholder loans	(378)	-	(378)
Total debt as at 31 December 2021	7 089	869	7 958
Total debt as at 31 December 2020	7 630	751	8 381

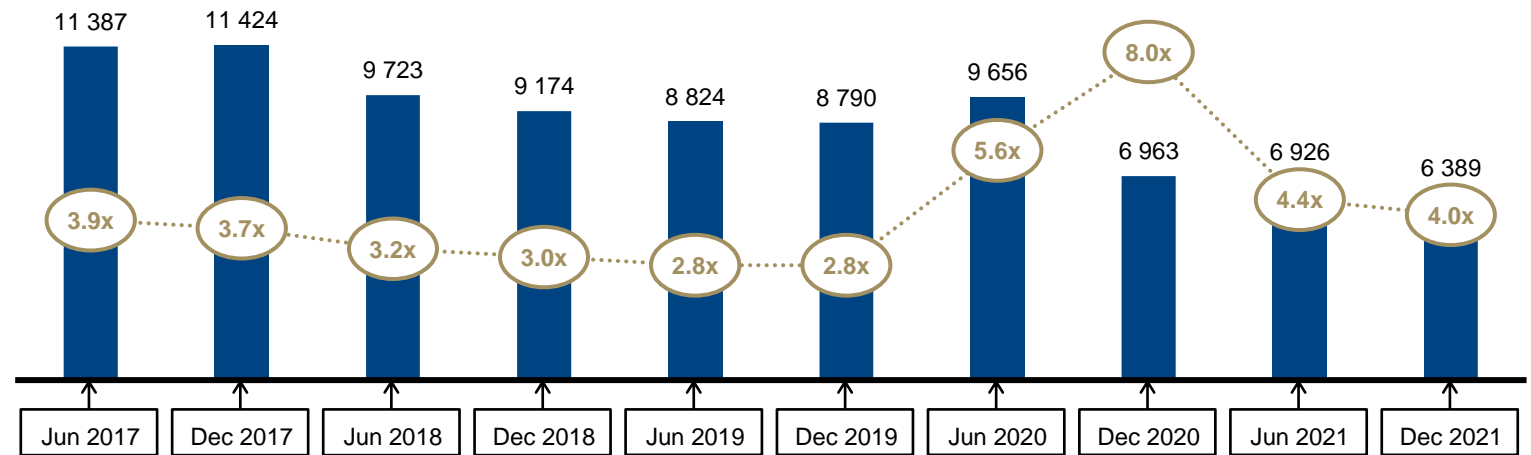
GROUP DEBT (excluding IFRS 16 lease liabilities)



KEY RATIOS: SOUTH AFRICA



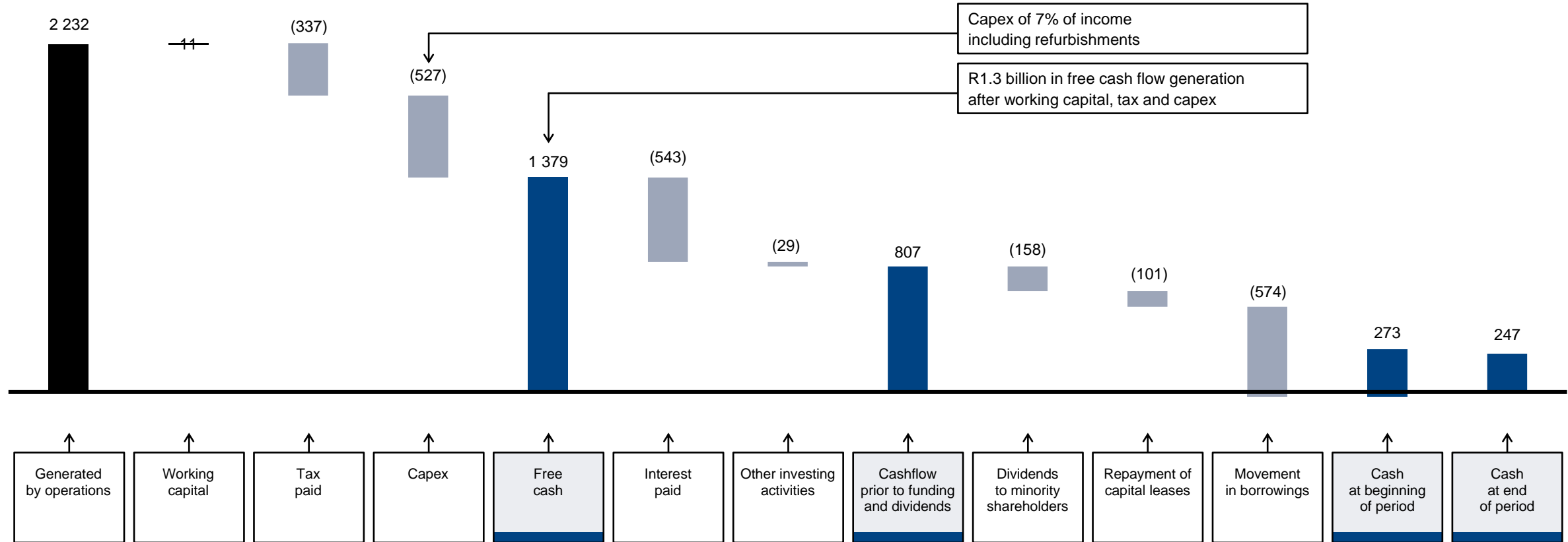
SOUTH AFRICAN DEBT BALANCES AND KEY RATIOS





SOUTH AFRICAN CASH FLOW

R million



● Cash inflow ● Cash outflow

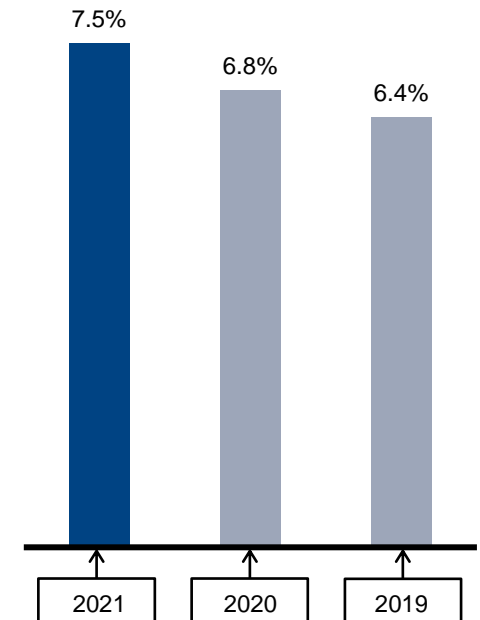


CAPITAL EXPENDITURE AND ALLOCATION PRIORITIES

R million	2021	2020	2019
South African operations			
Refurbishment and ongoing			
Sun City	189	103	249
GrandWest	67	61	108
Sun Slots	87	47	93
Sibaya	42	51	86
Carnival City	35	51	63
Wild Coast Sun	17	17	28
Boardwalk	76	14	14
Sun Time Square	12	13	18
SunBet	2	-	1
Other	54	54	78
Total South Africa	581	411	738
Nigeria	5	6	17
Total group capital expenditure*	586	417	755

SOUTH AFRICA CAPEX

Capex as a percentage of income



GROUP CAPITAL ALLOCATION PRIORITIES

1. Preserving balance sheet strength by reducing debt to long term sustainable levels
2. Acquiring minority stakes at reasonable valuations
3. Disciplined opportunities to grow alternate gaming
4. Creating capacity to re-initiate dividends

* Capex excludes any right-of-use assets



Sun Time Square

04
Outlook and strategic focus





04

Outlook and strategic focus

KEY TAKEAWAYS AND OUTLOOK



Strong recovery under lifted restrictions

- January and February 2022 gaming income in line with 2019
- Demonstrating strong income recovery to more normal levels on lifting of restrictions
- Casino capacity still restricted
- Sun Slots exceeding 2019 income levels



Optimised balance sheet and liquidity

- Strong balance sheet and liquidity position with anticipated further deleveraging
- Disciplined capital allocation to ensure optimal return on investment
- Targeting debt to adjusted EBITDA of <2.0x over medium term (on South African debt - Nigeria debt is shareholder debt and not included in covenants)
- On track for Dreams S.A. earnouts to be achieved



Strong growth and brand awareness

- Gaining market share
- Investment in marketing and resources to gain growth and market share in SunBet
- Serious consideration being given to online casinos
- Omni-channel approach to online and land-based offerings



Operational efficiencies in land-based casinos

- Continued cost optimisation and operational efficiencies
- On track to achieve mid to high 30% adjusted EBITDA margin for land-based casino operations



Turnaround of underperforming resorts and hotels assets

- Operational restructure resulted in sustainable costs savings which will result in margin recovery
- Focusing on income recovery as international and MICE markets recover



04

Outlook and strategic focus

STRATEGIC FOCUS

OMNI-CHANNEL STRATEGY

Uniquely offering holistic casino, slots, online gaming and hospitality customer proposition, underpinned by established MVG loyalty programme

ENABLED BY:



Customer centricity



Technology



Operational excellence



People and culture



Wild Coast Sun

05

Supplementary information





FINANCIAL OVERVIEW FOR THE YEAR

R million	2021	%	2020
Income	7 812	29	6 054
Adjusted EBITDA	1 685	80	936
Adjusted EBITDA margin	22%	47	15%
Adjusted operating profit/(loss)	822	>100	15
Foreign exchange loss	(2)	97	(58)
Net interest	(564)	40	(939)
Adjusted profit/(loss) before tax	256	>100	(982)
Tax	(66)	<(100)	(7)
Adjusted profit/(loss)	190	>100	(989)
Minorities	(73)	<(100)	170
Attributable profit/(loss)	117	>100	(819)
Share of associates	-	(100)	2
Continuing group adjusted headline earnings/(loss)	117	>100	(817)
Discontinued headline loss	(7)	98	(289)
Group adjusted headline earnings/(loss)	110	>100	(1 106)
Group headline earnings/(loss)	265	>100	(409)
Group basic headline earnings/(loss)	263	>100	(1 829)



The Table Bay Hotel



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Supplementary
information

EARNINGS RECONCILIATION

R million	31 December 2021	31 December 2020	Cents earnings/(loss) per share	31 December 2021	31 December 2020
Profit/(loss) attributable to ordinary shareholders	263	(1 829)	Earnings/(loss) per share		
Net loss/(profit) on disposal of property, plant and equipment	22	(8)	Basic	105	(1 045)
Net gain on deconsolidation of subsidiary	(12)	(25)	Diluted	105	(1 045)
Remeasurement to fair value less cost to sell - (Sun Dreams IFRS 5 impairment)	-	612	Dividends per share	-	-
Impairment of assets: Sun Dreams	-	53	Headline earnings/(loss) per share	106	(234)
Impairment of assets: South Africa	-	1 258	Diluted adjusted headline earnings/(loss) per share	44	(633)
Tax relief on above items	(5)	(330)			
Minorities' interests on the above items	(3)	(140)			
Headline earnings/(loss)	265	(409)			
IFRS 9 debt modification/extinguishment adjustment	(43)	43			
Pension fund interest	-	(15)			
Insurance claim received**	(522)	-			
IFRS 16 lease liability impairment (discontinued operations)	-	(24)			
Amortisation of Sun Dreams intangible assets raised as part of PPA	-	51			
Change in estimated redemption value of put option	184	(1 007)			
Foreign exchange and net monetary (profit)/losses***	28	211			
Rights offer expenses	-	21			
Impairment of other financial assets relating to Sun Dreams	-	65			
Interest adjustment on Latam tax provision	(6)	-			
Restructuring costs (South Africa)	10	134			
Restructuring costs (Latam)	-	70			
Other	-	(2)			
Tax relief on above items	137	(107)			
Minorities' interests in the above items	57	(137)			
Adjusted headline earnings/(loss)	110	(1 106)			



* The prior year comparative financial information was restated to reflect the operations of eSwatini as a discontinued operation in terms of IFRS 5: Non-Current Assets and Liabilities Held for Sale from Discontinued Operations due to eSwatini being deconsolidated due to a loss of control in terms of IFRS 10 and classified as discontinued operations. The published prior year results included eSwatini as continued operations

** Insurance receipts include R517 million Covid-19 and R5 million other business interruption claims received

*** Relates to foreign exchange difference on US dollar denominated loans held by the Sun International company and Nigeria

**05**Supplementary
information

GROUP EFFECTIVE TAX RATE

R million	South Africa	Nigeria and Sun Chile	Group continuing
Profit/(loss) before tax continuing operations	661	(87)	574
Preference share funding (interest)	94	-	94
Depreciation on non-qualifying buildings	62	-	62
Fair value adjustments	3	-	3
Other non-deductible expenditure	(1)	-	(1)
Change in estimate of redemption value of put option	184	-	184
Other exempt income	(40)	-	(40)
Tax incentives	(8)	-	(8)
Losses for which no deferred tax asset raised	10	87	97
Taxable income/(loss)	965	-	965
Corporate tax rate	28.0%	-	-
Tax at standard rate	(270)	-	(270)
Current tax charge			
Withholding and other taxes	(2)	-	(2)
Interest adjustment on Latam tax provision	6	-	6
Adjustments for current tax of prior periods	74	-	74
	(192)	-	(192)
Effective tax rate	(29%)	-	33%



Sun City - The Palace

**05**Supplementary
information

BORROWINGS BY SUBSIDIARY

R million	Borrowings	IFRS 16 lease liability	Total borrowings	Minority shares	Attributable to Sun International
South Africa	6 389	869	7 258	1 286	5 972
SunWest	521	108	629	221	408
Carnival City	484	3	487	26	461
Sibaya	212	3	215	20	195
Boardwalk	528	4	532	79	453
Wild Coast Sun	181	58	239	119	120
The Maslow	220	465	685	-	685
Meropa	7	1	8	2	6
Flamingo	53	8	61	15	46
Windmill	48	1	49	13	36
Golden Valley	(6)	1	(5)	(2)	(3)
Sun Slots	46	37	83	25	58
Sun Time Square	5 389	4	5 393	768	4 625
Management and corporate	(1 294)	176	(1 118)	-	(1 118)
Nigeria	700	-	700	354	346
Shareholder loans	1 078	-	1 078	546	532
Sun International's portion of shareholder loans	(378)	-	(378)	(192)	(186)
Total debt as at 31 December 2021	7 089	869	7 958	1 640	6 318
Total debt as at 31 December 2020	7 605	751	8 356	1 699	6 657

South Africa	2021
Debt (excluding IFRS 16) to adjusted EBITDA	4.03x
Interest cover (excluding IFRS 16)	2.67x



05

Supplementary
information

GROUP STRUCTURE

		Licensed by gaming board			
South Africa		Economic interest %*	Slots	Tables	Rooms
Gauteng	Carnival City	91.2	1 400	43	105
	The Maslow	100.0	-	-	281
	Sun Time Square	82.3	1 721	60	238
Western Cape	GrandWest	61.6	2 320	82	39
	The Table Bay Hotel	61.6	-	-	329
	Golden Valley	61.4	227	6	98
	SunBet	100.0	-	-	-
KwaZulu-Natal	Sibaya	87.2	1 287	50	154
Limpopo	Meropa	67.6	400	17	60
North West	Sun City	100.0	700	51	1 299
Northern Cape	Flamingo	71.4	300	7	-
Eastern Cape	Boardwalk	81.6	763	26	140
	Wild Coast Sun	50.1	550	18	396
Free State	Windmill	70.0	401	15	-
Management activities	Sun International Management	100.0	-	-	-
Other Africa					
Nigeria		49.3	54	5	146
South Africa		Economic interest %	LPMs	Sites	
Sun Slots		70.0	4 652	933	

* Excluding employee share scheme shareholding percentage



05

Supplementary
information

ANALYSIS OF MINORITY SHAREHOLDERS

R million	Profit after tax		% Shareholding		Minority portion including SIEST	
	2021	2020	2021	2020	2021	2020
South Africa	231	(782)			(89)	57
SunWest	141	50	61.6	61.6	(54)	(19)
Sibaya	174	107	87.2	87.2	(22)	(14)
Carnival City	34	(12)	91.2	91.2	(3)	1
Boardwalk	(28)	(65)	81.6	81.6	5	12
Wild Coast Sun	(6)	(34)	50.1	70.0	3	17
Meropa	17	9	67.6	67.6	(6)	(3)
Windmill	17	4	70.0	70.0	(5)	(1)
Flamingo	-	(4)	71.4	71.4	-	1
Golden Valley	1	(3)	61.4	61.4	-	1
Sun Time Square	(183)	(440)	82.3	82.3	33	78
South African operations with minorities/SIEST	167	(388)			(49)	73
Sun Slots	157	81	70.0	70.0	(47)	(24)
Management companies with minorities	(93)	(478)	0.0	0.0	7	8
Management and corporate companies	4	-	**	**	1	3
Dinokana	(10)	(10)	93.2	93.2	1	1
SIEST	(6)	(34)	-	-	5	4
Center and wholly owned subsidiaries	(81)	(430)	100.0	100.0	-	-
Nigeria	(31)	(173)	49.3	49.3	16	88
Sun Chile and Sun Latam*	(10)	(34)	100.0	100.0		25
Total continuing group	190	(989)			(73)	170

* Sun Latam includes a minority shareholder interest of 0.042%

** Various shareholding percentages