



*Sun* International

# **AUDITED GROUP FINANCIAL RESULTS**

for the year ended 31 December 2019

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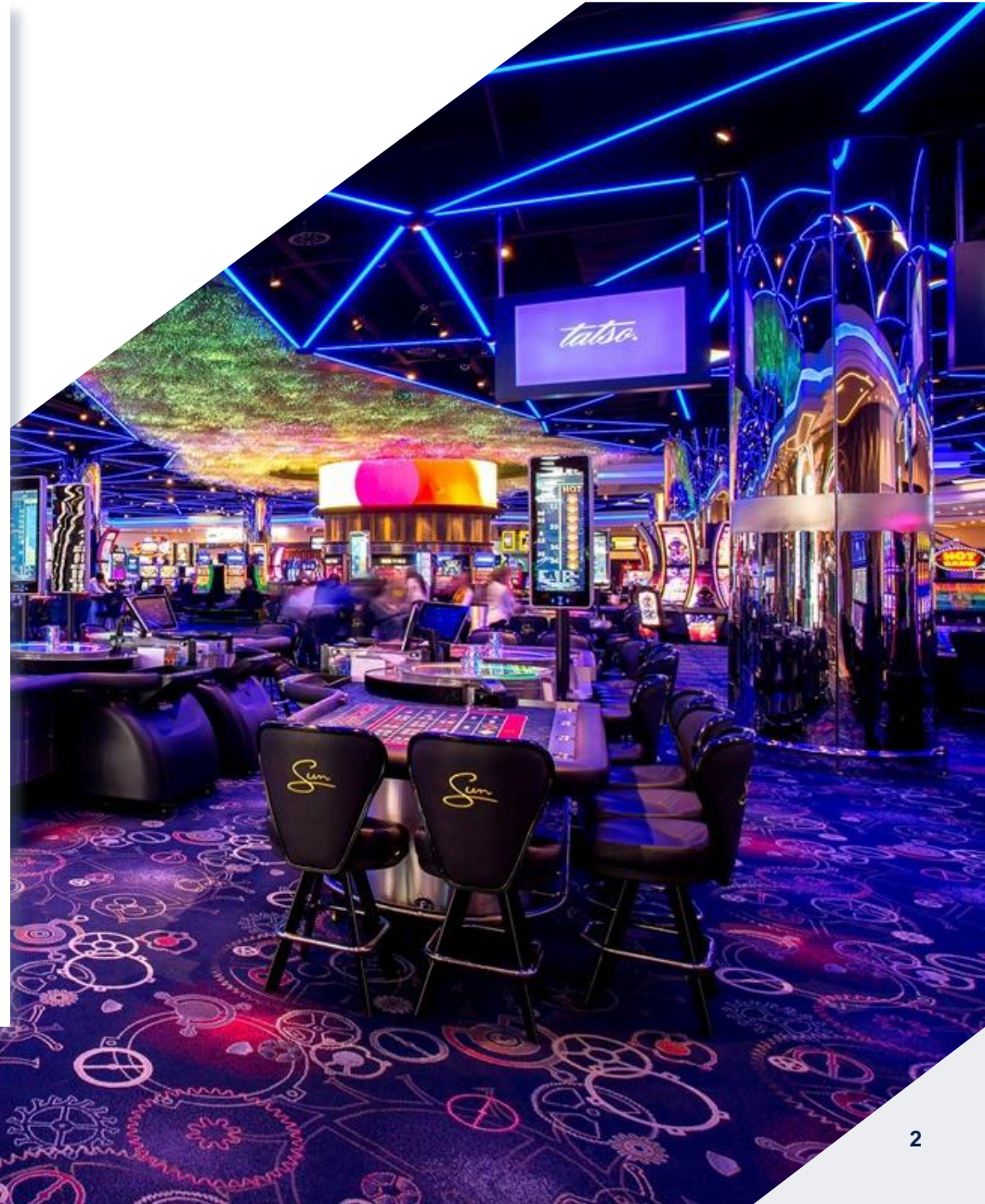
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## OVERVIEW AND KEY HIGHLIGHTS



**GROUP INCOME**  
up 4% to  
**R17.2 billion**



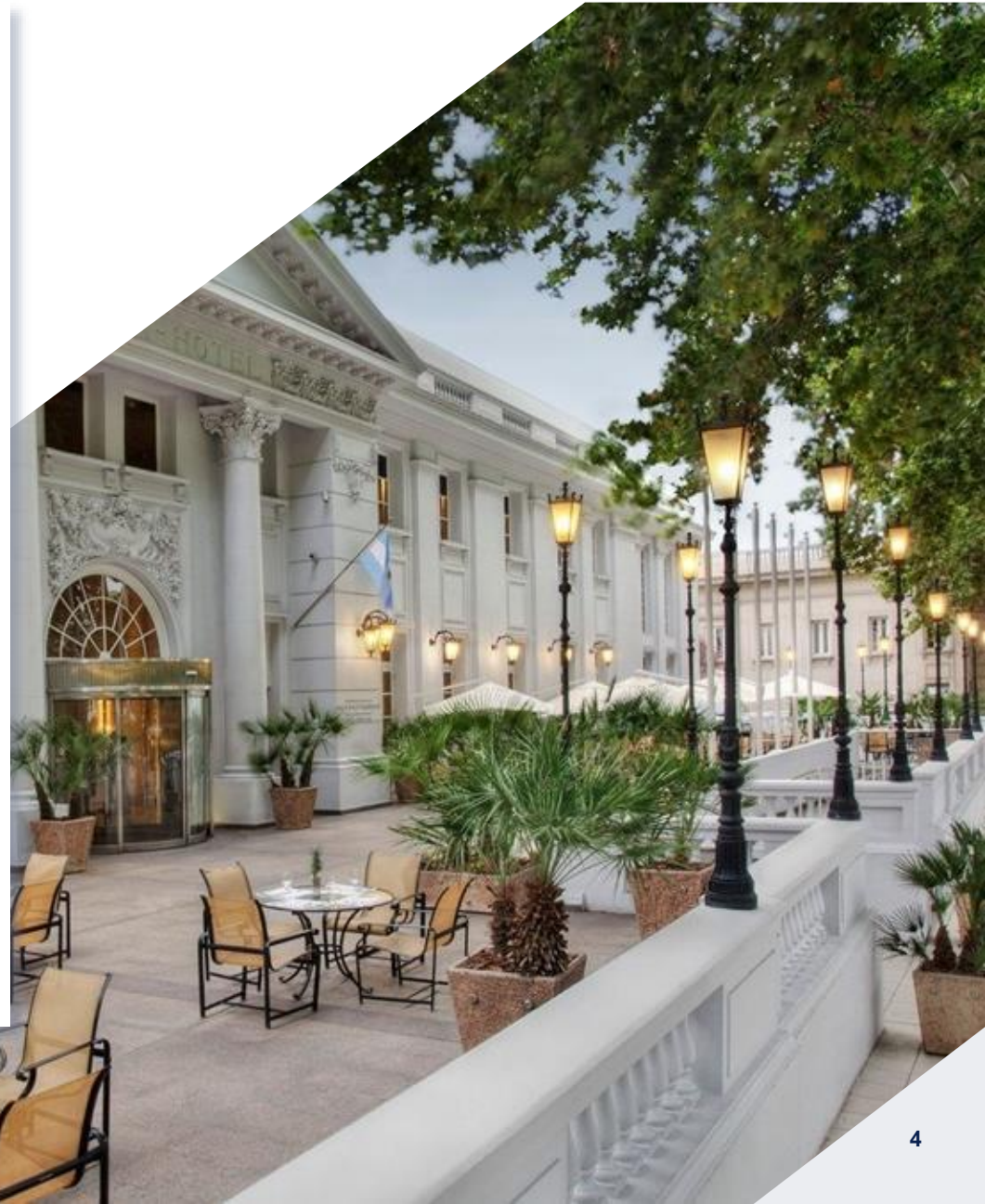
**GROUP ADJUSTED EBITDAR**  
up 1% to  
**R4.6 billion**



**GROUP ADJUSTED  
OPERATING PROFIT**  
up 6% to  
**R3.0 billion**



**GROUP ADJUSTED  
DILUTED HEPS**  
up 91% to  
**605 cents per share**





## KEY OPERATIONAL AND STRATEGIC THEMES

### EXCEPTIONAL GROWTH FROM KEY ASSETS

- Adjusted operating profit from South Africa up 15%
- Exceptional growth from Time Square and Sibaya
- Alternate Gaming adjusted EBITDAR up 25%

### ACCELERATING DE-GEARING

- R1.9 billion in free cash flow from South African operations
- South Africa and Latam leverage reduced, with ample headroom

### DRIVING EFFICIENCY & OPTIMISATION

- South African adjusted EBITDAR margin improved to 29%
- Simplified South Africa's head office and operational model

### DEALING WITH CHALLENGING UNITS

- Sun City turnaround strategy in execution
- Carousel restructured and Boardwalk restructure is underway

### DISCIPLINED INVESTMENT IN QUALITY ASSETS FOR GROWTH

- Key minority stakes acquired at good multiples
- Concluded acquisition of 23.9% in Sibaya
- Acquisition of 30% of Sun Slots subject to regulatory approval

### CONTINUOUSLY STRENGTHENING OUR BUSINESS AND GOVERNANCE

- Focused on improving the guest experience
- Investing in our people and strengthening our business





## KEY HIGHLIGHTS

Despite a tough trading environment, South African operations delivered a pleasing result	<ul style="list-style-type: none"><li>• Income increased by 2% to R11.5 billion</li><li>• Adjusted EBITDAR increased by 5% to R3.3 billion</li><li>• Adjusted EBITDAR margins improved from 28% to 29%</li></ul>
A simplified South African head office and group operational structure implemented	<ul style="list-style-type: none"><li>• Renewed focus on our different customer-end markets in gaming and hospitality</li><li>• Reduced headcount savings to reflect in H1</li></ul>
Balance sheet strengthened	<p><b>SOUTH AFRICA</b></p> <ul style="list-style-type: none"><li>• Debt reduced from R9.2 billion at 31 December 2018 to R8.8 billion post acquisition</li><li>• Debt to Adjusted EBITDA (after lease payments) at 2.8x down from 3.0x and significantly lower than the bank covenant of 3.5x</li><li>• Debt to Adjusted EBITDA at 2.6x, excluding Sibaya transaction</li><li>• Successfully refinanced debt, 50% oversubscribed and reduced cost of funding</li></ul> <p><b>LATAM</b></p> <ul style="list-style-type: none"><li>• Debt reduced from R4.9 billion to R3.9 billion</li><li>• Net Debt to EBITDA reduced from 3.0x to 2.6x</li></ul>
Improving quality of earnings	<ul style="list-style-type: none"><li>• South African interest paid reduced by R163 million year on year</li><li>• Group effective tax rate reduced to 33% from 50%</li><li>• Post Sibaya transaction, minority leakage reduced</li></ul>



## KEY HIGHLIGHTS

Continuous improvement at Time Square	<ul style="list-style-type: none"><li>• Income increased by 15% to R1.4 billion</li><li>• Adjusted EBITDAR increased by 42% to R452 million with margin improved to 32%</li><li>• The casino market share to date was at 16.0%, up from 13.6% in December 2018</li><li>• Continued improvement in hotel occupancy and rate</li></ul>
Sibaya delivering above-market growth	<ul style="list-style-type: none"><li>• Adjusted EBITDAR increased by 14% to R496 million with margin at 36% despite intensified local competition</li></ul>
Exceptional growth in alternate gaming	<ul style="list-style-type: none"><li>• Sun Slots has now reached critical scale as a core contributor to group's profitability</li><li>• SunBet, continues to trade exceptionally well<ul style="list-style-type: none"><li>- Income increased by 82% from R77 million to R140 million</li><li>- Adjusted EBITDAR increased from R8 million to R44 million</li></ul></li></ul>
Accretive acquisitions	<p><b>SOUTH AFRICA</b></p> <ul style="list-style-type: none"><li>• Sibaya transaction concluded at a 5x 2019 EBITDA multiple at a cost of R593 million</li><li>• Acquired minority's interest in Sun Slots for R504 million at a 5x 2019 EBITDA multiple thereby increasing interest to 100%<ul style="list-style-type: none"><li>- Acquisition outstanding regulatory approval</li><li>- Long stop date extended to 30 June 2020</li></ul></li></ul> <p><b>LATAM</b></p> <ul style="list-style-type: none"><li>• The Thunderbird asset is performing slightly behind expectation due to the new Peruvian tax, while the Park Hyatt asset is performing to expectation</li><li>• Disposal of 15% in Sun Dreams and merger with Clairvest not concluded</li></ul>





## KEY HIGHLIGHTS

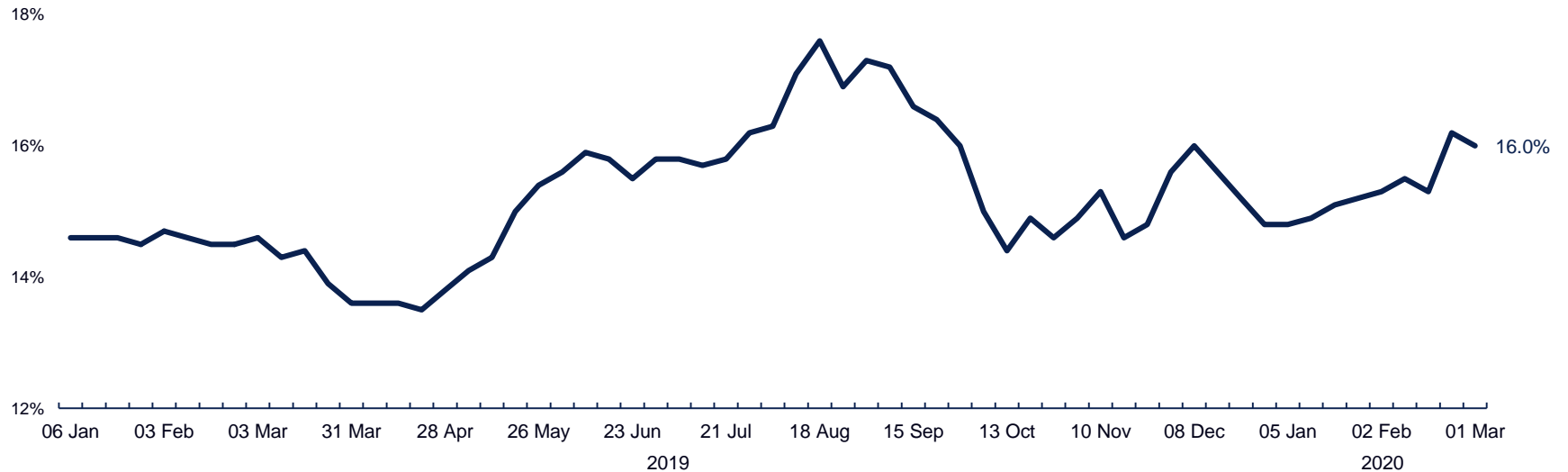
<p><b>Sun City turnaround strategy been executed</b></p>	<ul style="list-style-type: none"><li>• Comprehensive review of Sun City's operations underway</li><li>• New General Manager Brett Hoppe appointed</li><li>• Senior management team strengthened</li><li>• Cascades rooms refurbishment to be completed by October 2020</li></ul>
<p><b>Boardwalk Mall</b></p>	<ul style="list-style-type: none"><li>• The shopping mall development is progressing well</li><li>• Leasing commitments received from major retailers</li><li>• Construction on the mall is anticipated to commence during the second quarter of 2020</li><li>• Emfuleni will realise R93 million and will reinvest R63 million</li><li>• All debt for the project will be on a non recourse basis</li></ul>
<p><b>Wild Coast licence renewal</b></p>	<ul style="list-style-type: none"><li>• The current casino licence which expired in August 2019 has been extended to 31 March 2020</li><li>• Gaming board in process of final adjudication of our bid</li></ul>
<p><b>Chile social unrest</b></p>	<ul style="list-style-type: none"><li>• Widespread social unrest erupted in Chile in October</li><li>• Trading throughout Chile was impacted in October and November</li><li>• Damage to property in Valdivia</li><li>• Trading recovered with good December results</li></ul>



# TIME SQUARE: SUSTAINING MARKET SHARE GROWTH

Time Square captured 16% of Gauteng's gaming market share so far in 2020

8 week rolling total regional market share (%)



## ONGOING DELIVERY AGAINST KEY METRICS

### Operations



1 736 slots and 61 tables



238 key hotel



8 500-seater arena

### Financial performance

- Income: +15% to R1.4 billion
- Adjusted EBITDAR: +42% to R452 million
- Market share 2018: 13.6%  
2019: 15.1%  
2020: 16.0%

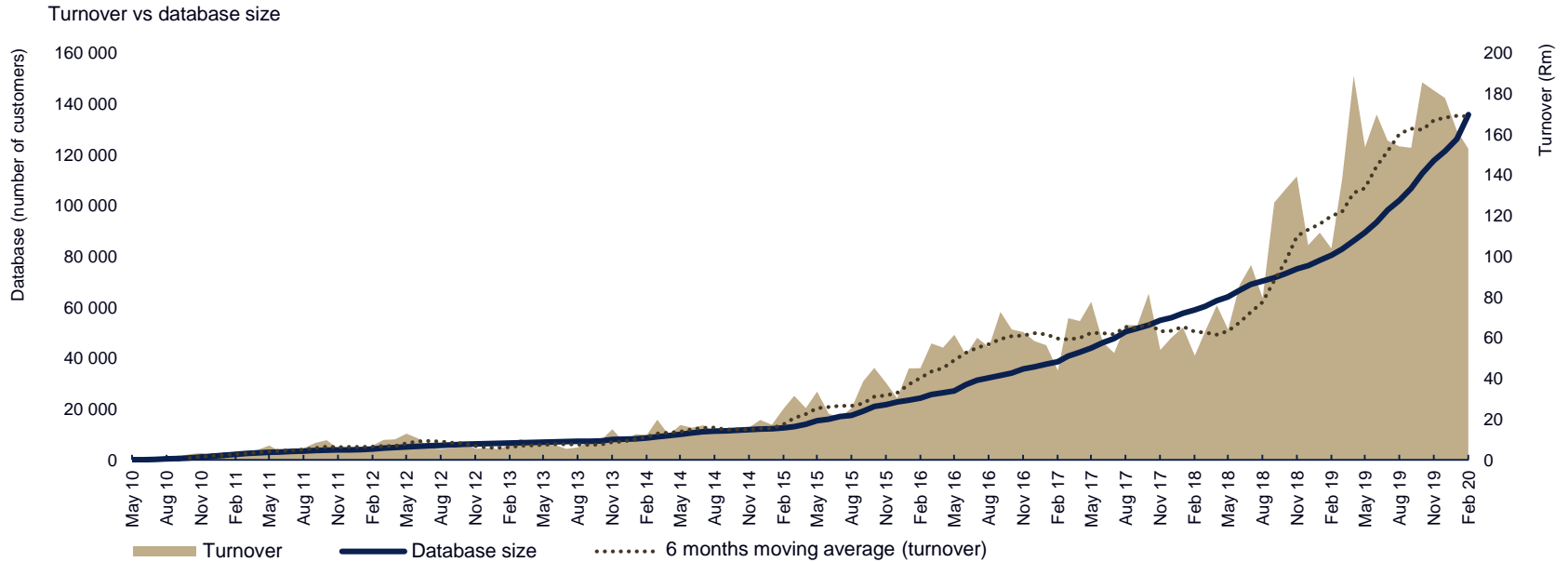
### Outlook

- Market share on an upward trend
- Significant increase in activity and visitation



# SUNBET: ACCELERATING CUSTOMER ACQUISITION

SunBet is achieving exponential growth by capturing the exciting sports betting opportunity



## ONGOING DELIVERY AGAINST KEY METRICS

### Operations



Recruitment of key management



Investment in new software platform



>71 000 new sign ups  
and 31 500 active users

### Financial performance

- Income: +82% to R140 million from R77 million
- Adjusted EBITDAR: up to R44 million from R8 million

### Outlook

- Deployment of new gaming products
- Enhancing CRM platform and VIP management
- Sponsorships and wider brand exposure
- Improving customer experience



## STRENGTHENING OUR LEADERSHIP



**Glenn Joseph  
Appointed  
Chief Operating  
Officer: Gaming**

Glenn started his career at Amalgamated Hospitals Limited as Group Cost Analyst. He has held various senior positions such as Financial Manager at Medscheme Holdings, Financial Manager at Microsoft overseeing West, East, Central Africa and the Indian Oceans Islands

He then progressed his career further with Tsogo Sun where he held positions of Finance & Operations Manager – Montecasino, Director of Operations and Complex General Manager – Montecasino and most recently Chief Operating Officer: Gaming

Glenn was responsible for 13 casinos, providing strategic and operational input and leadership guidance to the general managers and various functional areas



**Graham Wood  
Appointed  
Chief Operating  
Officer: Hospitality**

Graham, an experienced executive in the hospitality industry, returns to Sun International with over 20 years of involvement in this sector

He was formerly Managing Director of Tsogo Sun Hotels, where he oversaw the operation of 95 hotels in South Africa, Rest of Africa and the Middle East

Prior to that Graham held a number of executive roles at Sun International, including Divisional Director of Resorts for the group, after serving as Director of Operations of Sun City Resorts



## STRATEGIC OBJECTIVES



## NEAR TERM STRATEGIC PRIORITIES

### PROTECT AND LEVERAGE OUR EXISTING PORTFOLIO

- Table Bay lease renewal bid submitted
- Boardwalk Mall developments progressing
- Monitoring regulatory developments on Tobacco Bill, National Gambling Bill and Western Cape relocation

### ACCELERATE BALANCE SHEET DE-GEARING

- Strong cash flow continue to drive deleveraging
- Disciplined investment in capex
- Reduction of minority interests will reduce dividend leakage and will assist with further de-gearing

### DRIVE EFFICIENCY, OPTIMISATION AND QUALITY OF EARNINGS

- Shared Service center will be fully rolled-out by Q3 2020
- Bedding down the central office post reorganisation
- Operating metrics will continue to be critically assessed and benchmarked across all units
- Further work to optimise tax and cash flow efficiency for the group

### DEAL WITH UNDER-PERFORMING UNITS

- Sun City turnaround strategy been executed
- Assessing options for Naledi and Carousel
- Nigeria and eSwatini operations to be disposed
- Continue to explore options for Panama
- Continue driving margin improvement

### DISCIPLINED INVESTMENT IN QUALITY ASSETS FOR GROWTH

- Conclude 30% minority acquisition of Sun Slots for R504 million at 5x 2019 EBITDA multiple
- Investigate further opportunities to reduce minority leakage
- Explore online gambling opportunities in Latam



## STRENGTHENING OUR BUSINESS AND GOVERNANCE

### IMPROVING THE GUEST EXPERIENCE

- Bedding down new, channel-focused Sales & Marketing structure
- Driving toward guest satisfaction target of 90%
- Improving VIP recognition process
- Enhancing on resort activations
- Targeting 8-hour turnaround on group enquiries and 20% conversion target
- Food and beverage offerings constantly reviewed and optimised
- Significant focus on key refurbishments

### INVESTING IN OUR PEOPLE

- Head office restructure streamlined the operating model, remove inefficiencies and supplement key skills
- Rewards and recognition program enhanced
- Launched Sun Academy to improve staff training
- Into third year of three-year wage agreement

### LEADERSHIP IN GOVERNANCE & SUSTAINABILITY

- The appointment of Jabu Mabuza as Chairman significantly deepens industry expertise of the board
- Remuneration policy revised based on specific shareholder input
- Sustained Level 1 B-BBEE rating
- Created a focused group sustainability hub (SHE, socio-economic and B-BBEE functions)





## FINANCIAL REVIEW

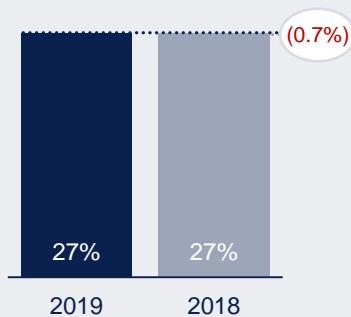




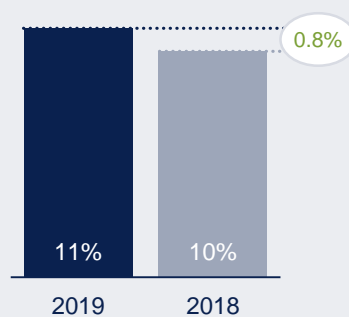
## FINANCIAL OVERVIEW

R million		2019	%	2018
<b>Income</b>		<b>17 232</b>	4	16 614
Adjusted EBITDAR	①	4 610	1	4 560
Adjusted operating profit		2 979	6	2 810
Foreign exchange profit		4	>100	(9)
Net interest		(1 158)	2	(1 177)
Net external interest		(1 063)	10	(1 177)
IFRS 16 interest		(95)	(100)	-
Profit before tax	②	1 825	12	1 624
Tax		(598)	10	(664)
Profit after tax	③	1 227	28	960
Minorities		(449)	10	(500)
Attributable profit	④	778	69	460
Share of associates		3	(63)	8
Discontinued operations		(18)	83	(103)
<b>Group adjusted headline earnings</b>		<b>763</b>	>100	365

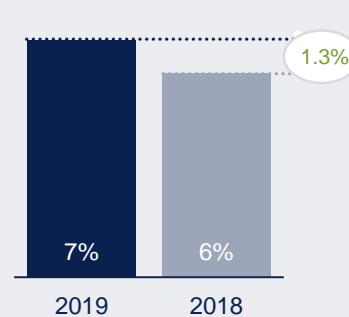
① Adjusted EBITDAR margin (%)



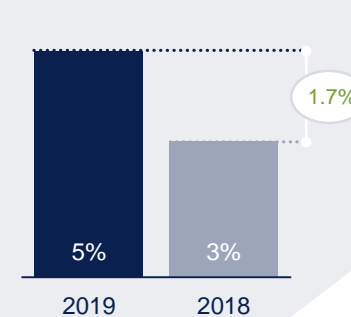
② Profit before tax margin (%)



③ Profit after tax margin (%)



④ Attributable profit margin (%)





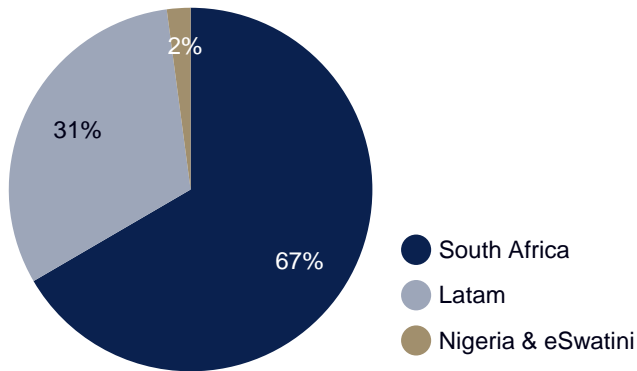
## SEGMENTAL REVIEW



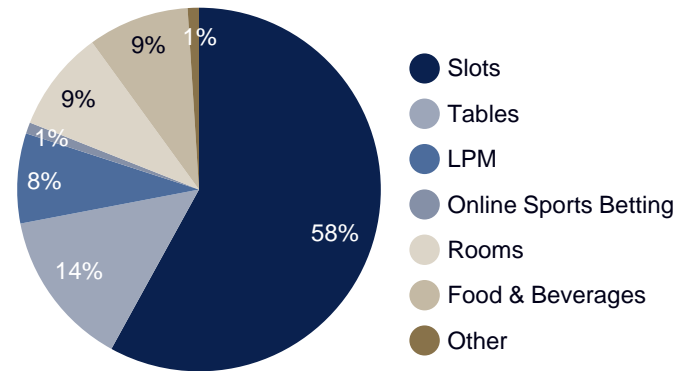
# SEGMENTAL HIGHLIGHTS

R million	South Africa			Latam			Nigeria			eSwatini			Total		
	2019	%	2018	2019	%	2018	2019	%	2018	2019	%	2018	2019	%	2018
Income	11 481	2	11 254	5 396	8	5 018	162	9	148	193	(1)	194	17 232	4	16 614
Adjusted EBITDAR	3 303	5	3 143	1 294	(8)	1 406	12	33	9	1	(50)	2	4 610	1	4 560
Adjusted operating profit	2 222	15	1 926	777	(14)	906	(14)	13	(16)	(6)	-	(6)	2 979	6	2 810

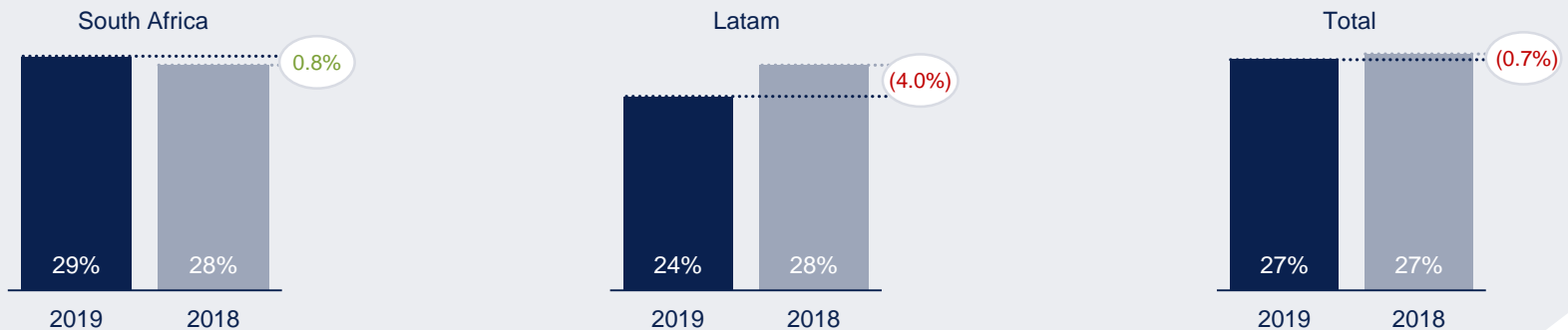
Income per Geography (2019)



Income per Category (2019)



Adjusted EBITDAR margin (%) by geography



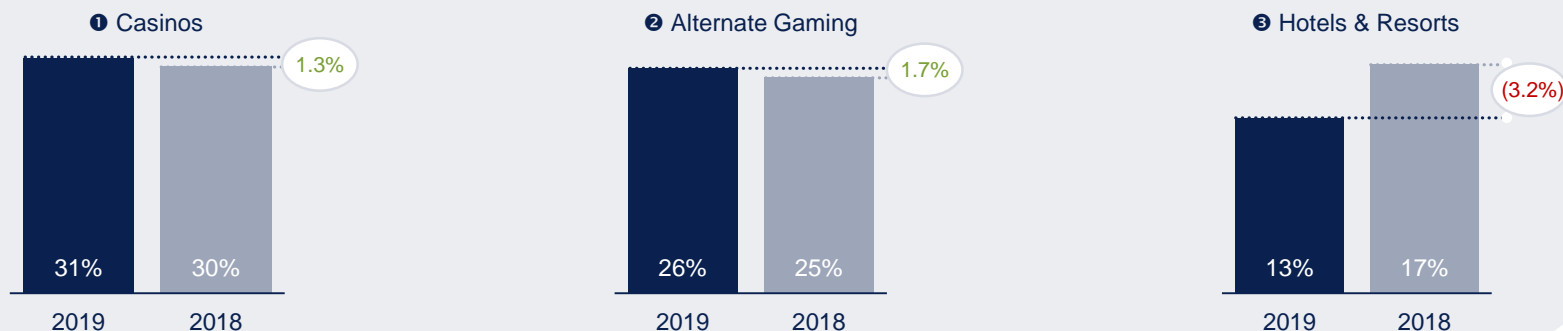


# SOUTH AFRICAN SEGMENTAL REVIEW

R million	Income			Adjusted EBITDAR			Depreciation & amortisation			Operating profit		
	2019	%	2018	2019	%	2018	2019	%	2018	2019	%	2018
GrandWest	2 144	(3)	2 214	831	(5)	874	(117)	17	(141)	710	(2)	727
Sibaya	1 368	6	1 289	496	14	435	(63)	10	(70)	430	19	360
Time Square	1 432	15	1 247	452	42	318	(219)	7	(236)	227	>100	69
Carnival City	958	-	961	236	1	234	(65)	4	(68)	167	2	163
Boardwalk	527	(1)	532	85	(14)	99	(58)	19	(72)	24	4	23
Other SA casino operations* ①	999	(9)	1 100	234	(7)	252	(84)	(5)	(88)	143	(9)	157
<b>South African Casinos</b>	<b>7 428</b>	<b>1</b>	<b>7 343</b>	<b>2 334</b>	<b>6</b>	<b>2 212</b>	<b>(606)</b>	<b>10</b>	<b>(675)</b>	<b>1 701</b>	<b>13</b>	<b>1 499</b>
Sun Slots	1 310	13	1 162	336	14	296	(82)	(26)	(65)	252	14	222
SunBet ②	140	82	77	44	>100	8	(3)	(50)	(2)	40	>100	6
<b>Alternate Gaming</b>	<b>1 450</b>	<b>17</b>	<b>1 239</b>	<b>380</b>	<b>25</b>	<b>304</b>	<b>(85)</b>	<b>(27)</b>	<b>(67)</b>	<b>292</b>	<b>28</b>	<b>228</b>
Sun City	1 604	(4)	1 672	152	(32)	222	(203)	5	(213)	(57)	<(100)	(8)
The Table Bay	353	4	341	115	5	110	(17)	11	(19)	63	7	59
The Maslow	133	(6)	142	(9)	<(100)	8	(27)	<(100)	(12)	(36)	23	(47)
Wild Coast ③	474	(5)	498	84	(14)	98	(48)	-	(48)	35	(26)	47
<b>SA Hotels &amp; Resorts</b>	<b>2 564</b>	<b>(3)</b>	<b>2 653</b>	<b>342</b>	<b>(22)</b>	<b>438</b>	<b>(295)</b>	<b>1</b>	<b>(292)</b>	<b>5</b>	<b>(90)</b>	<b>51</b>
<b>Total South African operations</b>	<b>11 442</b>	<b>2</b>	<b>11 235</b>	<b>3 056</b>	<b>3</b>	<b>2 954</b>	<b>(986)</b>	<b>5</b>	<b>(1 034)</b>	<b>1 998</b>	<b>12</b>	<b>1 776</b>
Management companies	578	2	568	247	31	189	(30)	(25)	(24)	224	49	150
Inter-company management fees	(539)	2	(549)	-	-	-	-	-	-	-	-	-
	<b>11 481</b>	<b>2</b>	<b>11 254</b>	<b>3 303</b>	<b>5</b>	<b>3 143</b>	<b>(1 016)</b>	<b>4</b>	<b>(1 058)</b>	<b>2 222</b>	<b>15</b>	<b>1 926</b>

\* Other SA casino operations include Meropa, Windwill, Flamingo, Carousel, Golden Valley and Naledi

## Adjusted EBITDAR margin (%)



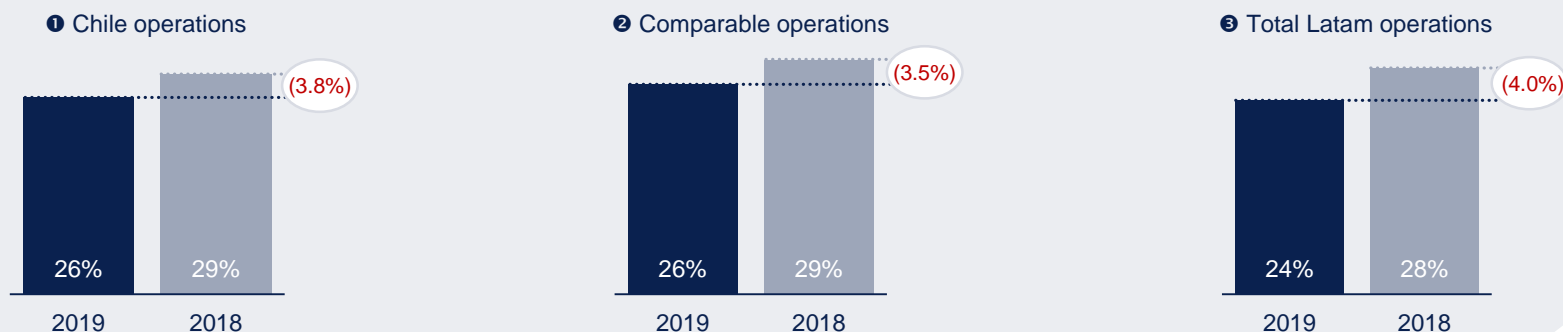


# LATAM SEGMENTAL REVIEW

R million	Income		Adjusted EBITDAR		Operating profit*	
	2019	2018	2019	2018	2019	2018
Monticello	1 976	1 900	539	571	368	404
Sun Dreams SCJ licences	1 561	1 576	573	610	530	572
Sun Dreams municipal licences	793	821	266	286	228	249
Sun Chile office	-	-	(9)	(8)	(9)	(8)
Central office	-	-	(257)	(193)	(376)	(315)
<b>Chile operations</b> ①	<b>4 330</b>	<b>4 297</b>	<b>1 112</b>	<b>1 266</b>	<b>741</b>	<b>904</b>
Peru excluding Thunderbird Resorts	302	287	74	68	(27)	(16)
<b>Comparable operations</b> ②	<b>4 632</b>	<b>4 584</b>	<b>1 186</b>	<b>1 334</b>	<b>714</b>	<b>888</b>
Thunderbird	299	193	31	32	11	14
Mendoza	465	227	77	36	52	25
<b>Continued operations</b> ③	<b>5 396</b>	<b>5 004</b>	<b>1 294</b>	<b>1 402</b>	<b>777</b>	<b>904</b>
Constant currency adjustment	-	14	-	4	-	2
<b>Total Latam operations</b>	<b>5 396</b>	<b>5 018</b>	<b>1 294</b>	<b>1 406</b>	<b>777</b>	<b>906</b>
Average Rand:CLP exchange rate	48.84	48.69				

\* PPA adjustment included in central office

## Adjusted EBITDAR margin (%)





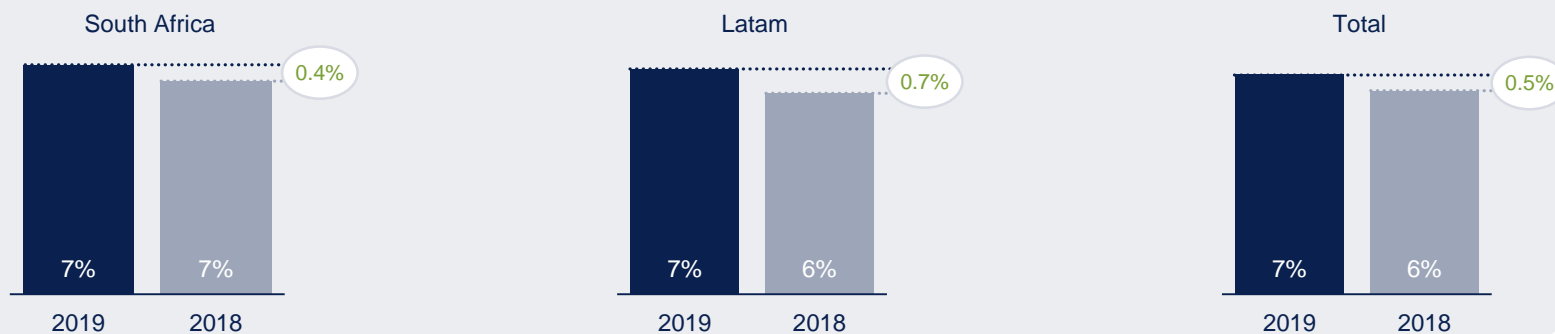
## CAPITAL ALLOCATION



# CAPITAL EXPENDITURE

R million	December 2019 Actual	December 2018 Actual
<b>South African operations</b>		
<b>Expansionary</b>		
Time Square	-	126
	-	126
<b>Refurbishment and ongoing</b>		
Sun City	267	134
GrandWest	119	110
Sibaya	93	72
Sun Slots	87	105
Other	247	201
<b>Total South African capital expenditure</b>	<b>813</b>	<b>622</b>
<b>Latam operations</b>		
Expansionary	65	85
Refurbishment and ongoing	285	205
<b>Total Latam capital expenditure</b>	<b>350</b>	<b>290</b>
<b>Nigerian and eSwatini operations</b>		
Refurbishment and ongoing	17	16
<b>Total Nigeria and eSwatini capital expenditure</b>	<b>17</b>	<b>16</b>
<b>Total group capital expenditure</b>	<b>1 180</b>	<b>1 054</b>

Capex as a percentage of revenue by geography





## BORROWINGS AND CASH FLOW





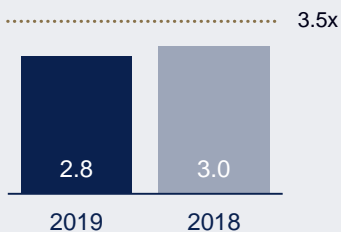
# BORROWINGS

R million	Debt	IFRS 16 Lease liability	Total debt	Minority share	Sun share
<b>South Africa</b>	<b>8 790</b>	<b>779</b>	<b>9 569</b>	<b>1 218</b>	<b>8 351</b>
Operating subsidiaries	7 191	597	7 788	1 218	6 570
Central office	1 599	182	1 781	-	1 781
<b>Nigeria</b>	<b>617</b>	<b>-</b>	<b>617</b>	<b>313</b>	<b>304</b>
Shareholder loans	951	-	951	482	469
Sun International inter-company debt	(334)	-	(334)	(169)	(165)
<b>eSwatini</b>	<b>19</b>	<b>-</b>	<b>19</b>	<b>9</b>	<b>10</b>
<b>Latam</b>	<b>3 901</b>	<b>300</b>	<b>4 201</b>	<b>1 188</b>	<b>3 013</b>
Sun Dreams	3 339	300	3 639	1 188	2 451
Sun Chile	562	-	562	-	562
<b>Total debt as at 31 December 2019</b>	<b>13 327</b>	<b>1 079</b>	<b>14 406</b>	<b>2 728</b>	<b>11 678</b>
31 December 2018	14 683	-	14 683	3 084	11 599

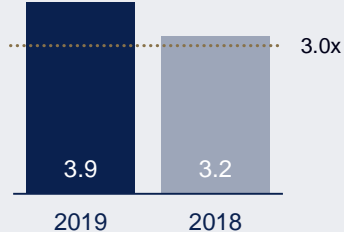
## Key ratios

### South Africa

Debt (excluding IFRS 16) to adjusted EBITDA

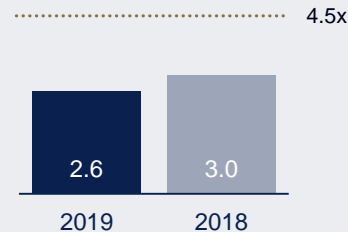


Interest cover (excluding IFRS 16)



### Latam

Debt (excluding IFRS 16) to adjusted EBITDA

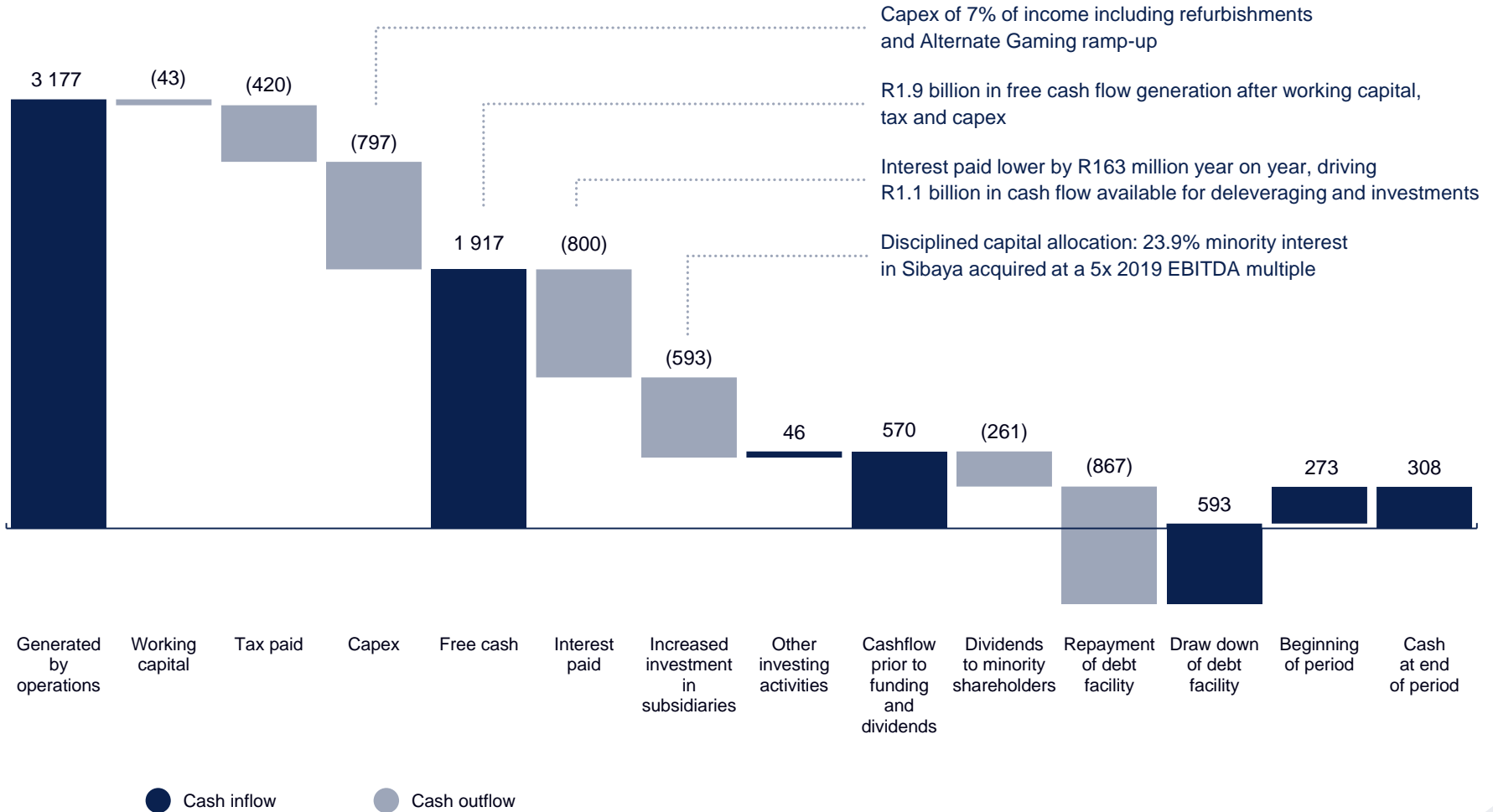


..... Bank covenant



# SOUTH AFRICAN CASH FLOW

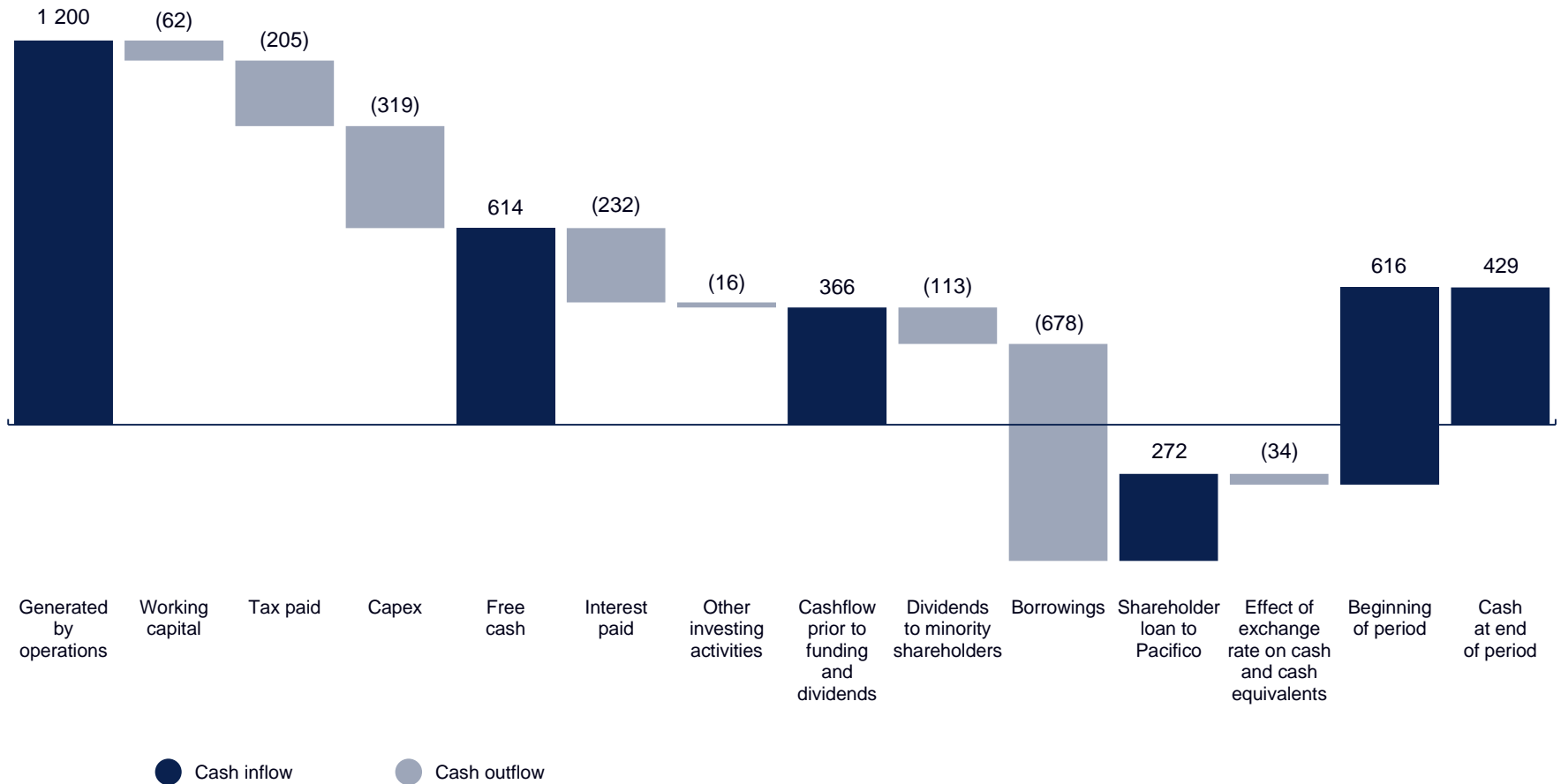
R million





# LATAM CASHFLOW

R million





## CONCLUSION



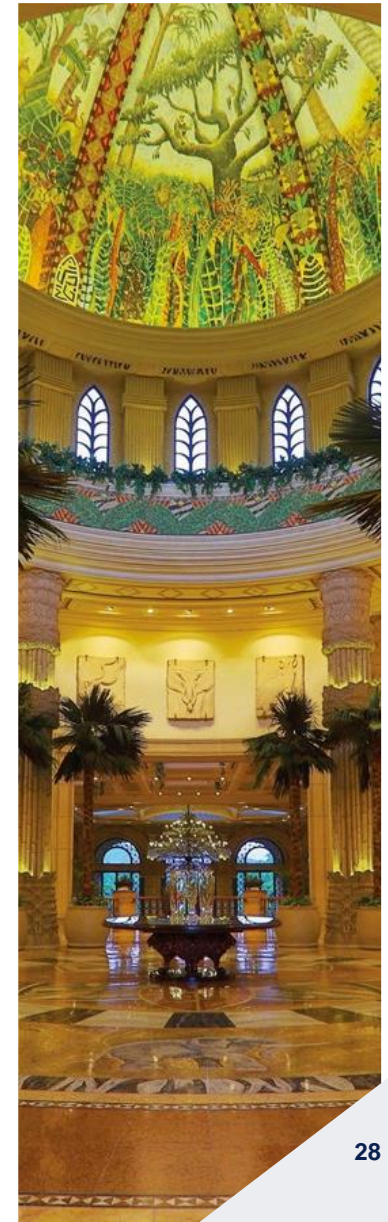
# ROBUST BUSINESS FUNDAMENTALS TO DEAL WITH CHALLENGES AHEAD

## CHALLENGES AHEAD

- Tough trading conditions in South African and Latam
- Impact of the coronavirus pandemic
- Potential impact of regulatory changes from smoking ban, gaming taxes and licence relocations
- SCJ licence renewals

## BUSINESS FUNDAMENTALS

- Defensive over the long term
- Strong cash flow generation
- Attractive margins with scope for optimisation
- Disciplined investment in quality opportunities
- Improving adjusted EBITDAR to AHEPS flow-through





## SUPPLEMENTARY INFORMATION



# SIGNIFICANT CHANGES TO REPORTING

## IFRS 16: LEASES

- Effective 1 January 2019
- Distinction between operating and finance leases removed. Results in almost all leases being recognised on the balance sheet
- Impact on adjusted headline earnings of R63 million, R34 million after minorities

R million	South Africa	Latam	Total
<b>Initial recognition</b>			
Lease liability	812	333	1 145
Reversal of straight-line	(241)	-	(241)
Lease incentives	(81)	-	(81)
Right of use asset	490	333	823
<b>Year ending 31 December 2019</b>			
Additional ROU asset depreciation	(57)	(48)	(105)
Additional ROU interest expense	(76)	(19)	(95)
Reversal of operating lease expense	108	54	162
Foreign exchange	-	(25)	(25)
<b>Income on profit before tax</b>	<b>(25)</b>	<b>(38)</b>	<b>(63)</b>
ROU asset impairment	(163)	-	(163)
ROU asset additions during the year	2	-	2
<b>As at 31 December 2019</b>			
Lease liability	779	300	1 078
Right-of-use asset	272	260	532
<b>IFRS 16 effect on EBITDA</b>	<b>108</b>	<b>54</b>	<b>162</b>



## EARNINGS RECONCILIATION

R million	2019	2018
<b>Profit/(loss) attributable to ordinary shareholders</b>	<b>653</b>	<b>(7)</b>
Net loss on disposal of property, plant and equipment	21	29
Profit on sale of management contract (Lesotho, Botswana and Colombia))	(19)	-
Reversal of impairment of assets (Panama)	(34)	-
Impairment of assets	172	337
Tax relief on the above items	(43)	(89)
Minorities' interests on the above items	11	(24)
<b>Headline earnings</b>	<b>761</b>	<b>611</b>
<b>Adjustments to headline earnings</b>	<b>2</b>	<b>119</b>
Straight-line adjustment for rentals	-	13
Pre-opening expenses	-	3
Insurance claim - Sun City	(89)	-
Onerous lease provision reversal	-	(31)
Restructure and related costs	55	-
Amortisation of Sun Dreams intangibles assets raised as part of PPA	104	102
Foreign exchange losses/(profit) on inter-company loan	4	(44)
Forward exchange contract losses	4	75
Fair value adjustment on put option liabilities	(44)	27
Additional Latam income tax	155	-
Latam withholding tax	22	-
Recognition of Time Square deferred tax	(193)	-
Other	22	45
Tax relief on the above items	(12)	(29)
Minorities' interests in the above items	(26)	(43)
<b>Adjusted headline earnings</b>	<b>763</b>	<b>365</b>





## LATAM SEGMENTAL (CLP)

CLP million	Income			Adjusted EBITDAR			Depreciation & amortisation			Adjusted operating profit		
	2019	%	2018	2019	%	2018	2019	%	2018	2019	%	2018
Iquique	19 199	(5)	20 256	5 613	(10)	6 218	(543)	(28)	(425)	5 070	(12)	5 793
Puerto Varas	19 512	(2)	19 851	7 387	(5)	7 743	(1 309)	4	(1 360)	6 078	(5)	6 383
Temuco	27 690	(3)	28 443	10 092	(8)	11 006	(767)	(12)	(682)	9 325	(10)	10 325
Valdivia	16 822	-	16 888	5 410	(4)	5 629	(505)	(16)	(435)	4 905	(6)	5 194
Coyhaique	6 920	(2)	7 063	1 807	(16)	2 158	(235)	9	(258)	1 572	(17)	1 899
Punta Arenas	24 777	1	24 585	10 680	(3)	11 020	(585)	(20)	(489)	10 095	(4)	10 531
Monticello	96 503	4	92 752	26 308	(6)	27 908	(8 335)	(2)	(8 165)	17 972	(9)	19 742
Sun Latam office	-	-	-	(416)	(3)	(402)	-	-	-	(416)	(3)	(402)
Central office	-	-	-	(12 612)	(34)	(9 436)	(5 784)	23	(7 517)	(18 396)	(9)	(16 953)
<b>Total Chile operations</b>	<b>211 422</b>	<b>1</b>	<b>209 838</b>	<b>54 269</b>	<b>(12)</b>	<b>61 844</b>	<b>(18 063)</b>	<b>7</b>	<b>(19 332)</b>	<b>36 206</b>	<b>(15)</b>	<b>42 512</b>
Perú	14 725	5	14 018	3 606	8	3 332	(4 940)	<(100)	(1 886)	(1 334)	<(100)	(313)
<b>Comparable operations</b>	<b>226 147</b>	<b>1</b>	<b>223 856</b>	<b>57 875</b>	<b>(11)</b>	<b>65 176</b>	<b>(23 003)</b>	<b>4</b>	<b>(21 218)</b>	<b>34 872</b>	<b>(17)</b>	<b>42 199</b>
Thunderbird	14 618	55	9 440	1 525	(3)	1 571	(999)	(84)	(542)	527	(22)	676
Mendoza	22 760	>100	11 095	3 780	>100	1 738	(1 229)	<(100)	(509)	2 551	>100	1 229
<b>Group operations</b>	<b>263 525</b>	<b>8</b>	<b>244 391</b>	<b>63 181</b>	<b>(8)</b>	<b>68 484</b>	<b>(25 231)</b>	<b>(13)</b>	<b>(22 269)</b>	<b>37 950</b>	<b>(14)</b>	<b>44 104</b>



## COMPARING GROUP H2 2019 TO H1 2019

	Revenue (Rm)			Adjusted EBITDAR (Rm)			Margin (%)		
	H2 2019	%	H1 2019	H2 2019	%	H1 2019	H2 2019	%	H1 2019
GrandWest	1 097	5	1 047	432	9	398	39.4	4	38.0
Sun City	865	18	740	97	73	56	11.2	47	7.6
Sibaya	701	5	667	262	12	234	37.4	7	35.1
Time Square	761	13	671	249	23	203	32.7	8	30.3
Carnival City	484	2	474	117	(2)	119	24.2	(4)	25.1
Boardwalk	273	7	254	45	13	40	16.5	5	15.7
Wild Coast Sun	249	11	225	50	47	34	20.1	33	15.1
Meropa	159	5	151	54	15	47	34.0	9	31.1
Windmill	124	(1)	125	43	2	42	34.7	3	33.6
Flamingo	78	3	76	18	13	16	23.1	9	21.1
Golden Valley	89	10	81	20	54	13	22.5	41	16.0
Carousel	41	(24)	54	(6)	54	(13)	(14.6)	39	(24.1)
Table Bay	185	11	167	60	11	54	32.4	-	32.3
The Maslow	71	15	62	(5)	-	(5)	(7.0)	14	(8.1)
Naledi	10	-	10	-	100	(3)	-	100	(30.0)
<b>South African operations</b>	<b>5 187</b>	<b>8</b>	<b>4 804</b>	<b>1 436</b>	<b>16</b>	<b>1 235</b>	<b>27.7</b>	<b>8</b>	<b>25.7</b>
Sun Slots	673	6	637	179	14	157	26.6	8	24.6
SunBet	72	4	69	24	20	20	33.3	15	29.0
<b>South African operations incl. Alternate Gaming</b>	<b>5 932</b>	<b>8</b>	<b>5 510</b>	<b>1 639</b>	<b>16</b>	<b>1 412</b>	<b>27.6</b>	<b>8</b>	<b>25.6</b>
Management companies	308	13	272	139	43	97	45.1	26	35.7
Intercompany management fees	(284)	(11)	(256)	1	>100	-	(0.4)	>(100)	-
<b>Total South Africa</b>	<b>5 956</b>	<b>8</b>	<b>5 526</b>	<b>1 779</b>	<b>18</b>	<b>1 509</b>	<b>29.9</b>	<b>10</b>	<b>27.3</b>
Latam	2 677	(2)	2 719	630	(6)	670	23.5	(4)	24.6
eSwatini	106	23	86	6	50	4	5.7	24	4.6
Nigeria	92	31	70	15	>100	(3)	16.3	>100	(4.3)
<b>Total Group</b>	<b>8 831</b>	<b>5</b>	<b>8 401</b>	<b>2 430</b>	<b>11</b>	<b>2 180</b>	<b>27.5</b>	<b>6</b>	<b>25.9</b>



## COMPARING SOUTH AFRICA H1 2019 TO H1 2018

	Revenue (Rm)			Adjusted EBITDAR (Rm)			Margin (%)		
	H1 2019	%	H1 2018	H1 2019	%	H1 2018	H1 2019	%	H1 2018
GrandWest	1 047	(2)	1 073	398	(3)	410	38.1	-	38.2
Sun City	740	(5)	783	56	(38)	88	7.4	(34)	11.2
Sibaya	667	6	632	234	9	214	35.1	4	33.9
Time Square	671	15	581	203	55	131	30.3	35	22.5
Carnival City	474	1	468	119	(1)	120	25.1	(2)	25.6
Boardwalk	254	1	252	40	(7)	43	15.7	(8)	17.1
Wild Coast Sun	225	(9)	247	34	(24)	45	15.1	(17)	18.2
Meropa	151	4	145	47	12	43	31.8	7	29.7
Windmill	125	(9)	138	42	(14)	49	33.3	(6)	35.5
Flamingo	76	(6)	81	16	(11)	19	22.4	(5)	23.5
Golden Valley	81	(2)	83	13	(19)	16	16.0	(17)	19.2
Carousel	54	(33)	80	(13)	(63)	(8)	(24.1)	>(100)	(10.0)
Table Bay	167	4	160	54	15	48	32.7	9	30.0
The Maslow	62	(7)	67	(5)	>(100)	4	(6.5)	>(100)	6.0
Naledi	10	11	9	(3)	(50)	(2)	(20.0)	10	(22.2)
<b>South African operations</b>	<b>4 804</b>	-	4 799	<b>1 235</b>	2	1 220	<b>25.8</b>	2	25.4
Sun Slots	637	13	562	157	19	132	24.6	5	23.5
SunBet	69	>100	30	20	>100	4	29.4	>100	13.3
<b>South African operations incl. Alternate Gaming</b>	<b>5 510</b>	2	5 391	<b>1 412</b>	4	1 356	<b>25.7</b>	2	25.1
Management companies	272	4	271	97	74	61	39.3	75	22.5
Intercompany management fees	(256)	-	(257)	-	100	(2)	0.4	(50)	0.8
<b>Total South Africa</b>	<b>5 526</b>	2	5 405	<b>1 509</b>	7	1 415	<b>27.3</b>	4	26.2



## COMPARING SOUTH AFRICA H2 2019 TO H2 2018

	Revenue (Rm)			Adjusted EBITDAR (Rm)			Margin (%)		
	H2 2019	%	H2 2018	H2 2019	%	H2 2018	H2 2019	%	H2 2018
GrandWest	1 097	(4)	1 143	432	(6)	460	39.4	(2)	40.2
Sun City	865	(3)	888	97	(22)	124	11.2	(20)	14.0
Sibaya	701	7	657	262	20	218	37.4	13	33.2
Time Square	761	14	666	249	42	175	32.7	24	26.3
Carnival City	484	(2)	494	117	4	113	24.2	6	22.9
Boardwalk	273	(3)	280	45	(15)	53	16.5	(13)	18.9
Wild Coast Sun	249	(1)	251	50	(2)	51	20.1	(1)	20.3
Meropa	159	(2)	163	54	4	52	34.0	7	31.9
Windmill	124	(8)	135	43	(10)	48	34.7	(3)	35.6
Flamingo	78	(6)	83	18	(18)	22	23.1	(13)	26.5
Golden Valley	89	3	86	20	25	16	22.5	21	18.6
Carousel	41	(50)	82	(6)	14	(7)	(14.6)	(72)	(8.5)
Table Bay	185	2	181	60	43	42	32.4	40	23.2
The Maslow	71	(5)	75	(5)	71	(17)	(7.0)	69	(22.7)
Naledi	10	(9)	11	-	(100)	1	-	(100)	9.1
<b>South African operations</b>	<b>5 187</b>	-	<b>5 195</b>	<b>1 436</b>	6	<b>1 351</b>	<b>27.7</b>	7	26.0
Sun Slots	673	12	600	179	12	160	26.6	-	26.7
SunBet	72	50	48	24	>100	5	33.3	>100	10.4
<b>South African operations incl. Alternate Gaming</b>	<b>5 932</b>	2	<b>5 843</b>	<b>1 639</b>	8	<b>1 516</b>	<b>27.6</b>	7	25.9
Management companies	308	3	298	139	24	112	45.1	20	37.6
Intercompany management fees	(284)	3	(292)	1	(50)	2	(0.4)	43	(0.7)
<b>Total South Africa</b>	<b>5 956</b>	2	<b>5 849</b>	<b>1 779</b>	9	<b>1 629</b>	<b>29.9</b>	7	27.9

\* Sun City other includes revenue from the entertainment centre, complex as well as vacation club rentals and timeshare



## GROUP EFFECTIVE TAX RATE

R million	South Africa	Nigeria	Latam	eSwatini	Total
<b>Profit before tax continuing operations</b>	1 252	(57)	396	(8)	<b>1 583</b>
<b>Profit before tax discontinuing operations</b>	-	-	-	-	-
Preference share funding	85	-	-	-	<b>85</b>
Depreciation on non-qualifying buildings	73	-	-	1	<b>74</b>
Impairment of assets and fair value adjustments	26	-	-	-	<b>26</b>
Other non-deductible expenditure - Refer to Note 1 on next slide	83	-	42	2	<b>127</b>
Movement in put options	(44)	-	-	-	<b>(44)</b>
Exempt income - foreign exchange currency contract	-	-	-	-	-
Exempt income - other (lessor contribution, associated income and disposal of income earning structure)	(136)	-	-	-	<b>(136)</b>
Tax Incentives	(22)	-	-	-	<b>(22)</b>
Deductible foreign withholding taxes	-	-	-	-	-
Utilisation of tax losses not previously recognised	(832)	-	-	-	<b>(832)</b>
Hyperinflationary adjustments	-	-	81	-	<b>81</b>
Chilean capital indexed to inflation adjustment	-	-	79	-	<b>79</b>
Tax losses not meeting recognition criteria	145	57	84	-	<b>286</b>
<b>Taxable income</b>	<b>630</b>	<b>-</b>	<b>682</b>	<b>(5)</b>	<b>1 307</b>
Tax rate (%)	28.0	0.0	27.0	27.5	<b>28.0</b>
Tax at standard rate	176	-	184	(1)	<b>366</b>
<b>Current tax charge</b>	<b>176</b>	<b>-</b>	<b>184</b>	<b>(1)</b>	<b>366</b>
Withholding and other taxes	27	-	(3)	-	<b>24</b>
Additional Latam income tax payable by South Africa	155	-	-	-	<b>155</b>
Effects of tax rates in various jurisdictions	-	-	-	-	<b>(8)</b>
Adjustment for current tax of prior periods	(26)	-	15	-	<b>(11)</b>
Rate change	-	-	-	-	-
	332	-	196	(1)	<b>526</b>
Effective tax rate	27				<b>33</b>
ETR excluding recognition of prior year losses relating to Sun Time Square and additional Latam income tax	33				<b>38</b>



## GROUP EFFECTIVE TAX RATE continued

Note 1: Other non-deductible expenses	Amount
Amortisation of bid expenditure	5
Foreign exchange losses	7
CSI expenditure not qualifying under s18A	2
Other non deductible expenditure	30
Non-deductible legal or professional costs	17
Fines and penalties	5
Securities Transfer Tax	-
Equity settled Share Based Payment expenditure	17
Employee dividend distributions (SIEST only)	-
<b>Total</b>	<b>83</b>



## BORROWINGS BY SUBSIDIARY

R million	2019					2018		
	Borrowings	IFRS 16 Lease liability	Total borrowings	Minority share	Attributable to Sun International	Borrowings	Minority share	Attributable to Sun International
<b>South Africa</b>	<b>8 790</b>	779	<b>9 569</b>	1 218	<b>8 351</b>	9 174	<b>1 310</b>	7 864
SunWest	649	9	658	231	427	728	256	472
Afrisun Gauteng	532	6	538	29	509	608	32	576
Afrisun KZN	213	2	215	20	195	276	92	184
Emfuleni	492	3	495	74	421	507	76	431
Wild Coast	185	45	230	115	115	234	70	164
The Maslow	42	474	516	-	516	-	-	-
Meropa	35	1	36	10	26	74	21	53
Teemane	65	7	72	18	54	73	18	55
Windmill	75	1	76	20	56	74	20	54
Worcester	(21)	2	(19)	(7)	(12)	(12)	(4)	(8)
Sun Slots	(48)	42	(6)	(2)	(4)	24	7	17
Time Square	4 972	5	4 977	710	4 267	5 070	722	4 348
Management and corporate	1 599	182	1 781	-	1 781	1 518	-	1 518
<b>Nigeria</b>	<b>617</b>	-	<b>617</b>	313	<b>304</b>	602	<b>305</b>	297
Shareholder loans	951	-	951	482	469	927	470	457
Sun International inter-company debt	(334)	-	(334)	(169)	(165)	(325)	(165)	(160)
<b>eSwatini</b>	<b>19</b>	-	<b>19</b>	9	<b>10</b>	17	<b>8</b>	9
<b>Latam</b>	<b>3 901</b>	300	<b>4 201</b>	1 188	<b>3 013</b>	4 890	<b>1 461</b>	3 429
Sun Dreams	3 339	300	3 639	1 188	2 451	4 103	1 461	2 642
Sun Chile	562	-	562	-	562	787	-	787
<b>Total debt as at 31 December 2019</b>	<b>13 327</b>	1 079	<b>14 406</b>	2 728	<b>11 678</b>	14 683	<b>3 084</b>	11 599

	South Africa		Chile	
	Covenant	Actual	Covenant	Actual
Debt (excluding IFRS 16) to EBITDA	3.5x	2.8x	4.5x	2.6x
Interest cover (excluding IFRS 16)	3.0x	3.9x		



## GROUP STRUCTURE

South Africa		Economic interest %*	Slots	Tables	Rooms
Gauteng	Carnival City	91.2	1 400	47	105
	The Maslow	100.0	-	-	281
	Time Square	82.3	1 736	61	238
Western Cape	GrandWest	61.6	2 563	75	39
	The Table Bay	61.6	-	-	329
	Golden Valley	61.4	227	6	98
	SunBet	100.0	-	-	-
KwaZulu-Natal	Sibaya	87.2	1 244	48	154
Limpopo	Meropa	67.6	400	17	60
North West	Sun City	100.0	700	51	1 312
	Carousel	100.0	400	-	-
Northern Cape	Flamingo	71.4	300	10	-
Eastern Cape	Boardwalk	81.6	798	27	140
	Wild Coast	50.1	550	19	396
Free State	Windmill	70.0	401	18	-
	Naledi	100.0	100	-	30
Management activities	Sun International Management	100.0	-	-	-
<b>Other Africa</b>					
Nigeria		49.3	100	5	146
eSwatini		50.6	158	13	351
<b>Latam</b>					
Chile		64.4	4 976	227	533
Panama		64.4	384	20	-
Colombia		64.4	246	12	-
Peru		64.4	1 896	88	-
Argentina		64.4	790	25	186
		Economic interest %*	LPMs	Sites	
<b>South Africa</b>					
Sun Slots		70.0	4 328	882	

\* Excluding employee share scheme shareholding percentage





## ANALYSIS OF MINORITY SHAREHOLDERS

R million	Profit after tax		% Shareholding		Minority portion including SIEST	
	2019	2018	2019	2018	2019	2018
<b>South Africa</b>	<b>972</b>	538			<b>(350)</b>	(317)
SunWest	501	501	61.6	61.6	(192)	(192)
Sibaya	290	234	87.2	87.2	(77)	(88)
Carnival City	81	84	91.2	91.2	(7)	(7)
Boardwalk	(17)	(28)	81.6	81.6	3	5
Wild Coast	7	14	50.1	70.0	(3)	(4)
Meropa	53	42	67.6	67.6	(17)	(14)
Windmill	39	48	70.0	70.0	(12)	(14)
Flamingo	8	15	71.4	71.4	(2)	(4)
Golden Valley	15	17	61.4	61.4	(6)	(7)
Time Square	(201)	(362)	82.3	82.3	28	64
<b>South African operations with minorities/SIEST</b>	<b>774</b>	565			<b>(285)</b>	(261)
Sun Slots	178	156	70.0	70.0	(53)	(47)
<b>Management companies with minorities</b>	<b>18</b>	(183)	<b>0.0</b>	0.0	<b>(12)</b>	(9)
Management and corporate						
Manco - NCR	1	1	90.8	90.8	(2)	(1)
Manco - GauCR	-	-	77.9	77.9	-	-
Manco - AfrisunKZN	20	18	52.3	52.3	(7)	(8)
Manco - Flamingo	-	-	50.0	50.0	-	-
Manco - Meropa	3	4	50.0	50.0	(2)	(2)
Manco - Windmill	-	2	50.0	50.0	0	(1)
Dinokana	(11)	(10)	93.2	93.2	1	1
Royale	-	-	73.3	73.3	-	-
SIEST	7	-	-	0.0	-	-
Center and wholly owned subsidiaries	(2)	(198)	100.0	100.0	(2)	2
<b>Nigeria</b>	<b>(61)</b>	(55)	<b>49.3</b>	49.3	<b>30</b>	29
<b>eSwatini</b>	<b>(6)</b>	(7)	<b>50.6</b>	50.6	<b>3</b>	3
<b>Latam</b>	<b>322</b>	484	<b>64.4</b>	64.4	<b>(132)</b>	(215)
<b>Total continuing group</b>	<b>1 227</b>	960			<b>(449)</b>	(500)



*Sun* International