

## 2021 AUDITED SUMMARY GROUP FINANCIAL RESULTS

for the year ended 31 December 2021



## INTRODUCTION

Sun International achieved exceptional results during 2021, with strong growth in revenue and adjusted EBITDA and a significant reduction in group debt, despite the significant impact of Covid-19 related restrictions on operations.

Income from continuing operations increased by 29% from R6,054 million to R7,812 million. Sustainable cost savings of over R650 million contributed to continuing adjusted EBITDA being up by 80% to R1,685 million. Our total group headline earnings improved from a loss of R409 million to earnings of R265 million, equivalent to headline earnings of 106 cents per share from a loss of 234 cents per share, in the prior year.

### Key strategic themes

Sun International's unique omni-channel offering across casinos, online gaming, sports betting, resorts and hotels provides an integrated premium gaming and leisure customer proposition which supported the resilience and recovery of revenue for the group during 2021.

Casino operations and alternate gaming, which make up 80% of group revenue, showed a significant recovery as lockdown restrictions eased. The group was able to successfully defend or grow market share at most urban casinos, while income generated from Sun Slots rebounded to pre-Covid-19 levels. SunBet generated record income during the year and is rapidly scaling up its premium sports and online betting offering.

The R650 million in recurring cost savings embedded during 2020 resulted in margin resilience, even at reduced levels of operation. During 2021, casino operations delivered an adjusted EBITDA margin of over 30% despite the restricted trading conditions. Operational restructuring at our resorts and hotels resulted in R180 million in annualised cost savings at Sun City alone. The various cost optimisation initiatives identified and implemented over the last two years, imply an adjusted EBITDA margin improvement on the 2019 South African results from 28% to 34%.

Balance sheet de-gearing from operational cashflow accelerated in 2021, with a net debt of R541 million repaid during the financial year. The group's capital allocation priorities remain focused on reducing leverage to create capacity for the re-instatement of dividends over the short to medium term and retaining flexibility for disciplined investment in high return opportunities.

## Operational highlights

### URBAN CASINO OPERATIONS

Casino income increased by 22% compared to the 2020 year. Since the easing of the lockdown restrictions our market share in the competitive Gauteng market increased from 25.47% in 2019 to 27.32% in 2021 while in KwaZulu-Natal it remained in line with the prior year.

Overall, casino operations generated adjusted EBITDA of R1,433 million for the year. The effects of the achieved cost saving initiatives, reduced salaries and efficiencies were clearly evident. Despite casino income being 37% below levels achieved in 2019, the group achieved 56% of the 2019 adjusted EBITDA at a margin of over 30%.

### SUN SLOTS

Sun Slots income increased from R886 million to R1,242 million with adjusted EBITDA up from R202 million to R313 million for the year under review.

The slots business proved remarkably resilient, with a strong recovery in trading following the easing of the alcohol ban and relaxation of curfew hours in the last week of January 2021. The group swiftly reactivated closed sites, resulting in 4,652 of the machines being made available for play during the period under review.

In Mpumalanga, the regulator has commenced with a consultation process involving route operators on the submission of Type B licences. This is a positive development in addressing the roll out backlog in the province and will also see the converting of licence applications into live sites. Similarly, the KwaZulu-Natal Gambling and Betting Board's recent decision to accept new licence applications where Limited Pay-out Machines (LPM) quotas have been exceeded, will result in more Type B licences being processed.

### SUNBET

SunBet has continued its strong growth trajectory in 2021 and remains an exciting prospect for the group. Our active players continue to grow and with additional games being offered, the overall player experience has been enhanced. At the end of the year under review, we achieved a substantial improvement in our key performance indicators which included:

- new player acquisitions up by 41% against 2020 and 88% compared to 2019;
- turnover up 78% against 2020 and 66% against 2019; and
- gaming income up to R182 million which represents an increase of 33% against 2020 and 30% against 2019.

We believe that SunBet offers the group significant and exciting growth potential, and with this in mind we continue to invest in people and marketing in order to significantly increase our share of the fast growing online gaming market. With the introduction of live games (live dealer casino games) and potentially slot style games in the near future, the group is well placed to capitalise on this opportunity. Overall income at SunBet was up 33% for the year while a small adjusted EBITDA loss was incurred as we increased our marketing effort and addressed the staffing structures.



The opportunity for SunBet to develop synergies with the group's casino and hotel portfolio offering adds value to SunBet players and positions this unit for significant organic growth. Priority investment in the right people, continued operational and technology improvements and focused marketing will allow SunBet to gain market share in this exciting industry.

## RESORTS AND HOTELS

Total resorts and hotels income was up 39% in 2021 to R1,559 million from R1,123 million in 2020. However income remained 39% below 2019 levels. Overall, our resorts and hotels incurred an adjusted EBITDA loss of R56 million for the year under review, significantly improved from an adjusted EBITDA loss of R158 million during 2020.

The easing of lockdown restrictions to Alert Level 1 in March 2021 increased domestic leisure travel demand into our resort destinations such as Sun City and the Wild Coast Sun. However midweek demand from the corporate and Meetings, Incentives, Conventions and Exhibitions (MICE) segments remained weak. Food and beverage revenue remained well below 2019 levels due to lower occupancies, with certain outlets being closed and costs managed appropriately.

Sun City Vacation Club proved remarkably resilient throughout the lockdown period with R185 million in cash generated in time share sales during 2020 and 2021.

## Debt

Overall group debt (excluding IFRS 16 lease liabilities) reduced from R7,630 million to R7,089 million. Our debt to adjusted EBITDA and interest cover of 4.03 times and 2.67 times respectively, was well within our lenders' covenants of 6.0 times and 1.75 times respectively. Our balance sheet is in a strong position and we will continue to prioritise deleveraging as well as focus on increasing free cashflows and disciplined capital allocation to maximise shareholder value.

With the significantly lower debt levels and as the business returns to pre-Covid-19 levels we anticipate that our debt to adjusted EBITDA ratio will improve rapidly. This will enable the group to consider resuming the payment of dividends and/ or return capital to shareholders through share buybacks.

## FINANCIAL OVERVIEW

for the year ended 31 December 2021

R million	TOTAL CONTINUING GROUP OPERATIONS		
	2021	%*	2020*
Income	7 812	29	6 054
<b>Adjusted EBITDA</b>	<b>1 685</b>	80	936
Depreciation and amortisation	(863)	6	(921)
<b>Adjusted operating profit</b>	<b>822</b>	>100	15
Foreign exchange loss	(2)	97	(58)
Net interest	(564)	40	(939)
Net external interest	(538)	26	(730)
Profit/(loss) relating to the interest rate swaps	59	>100	(135)
IFRS 16 interest	(85)	(15)	(74)
<b>Adjusted profit/(loss) before tax</b>	<b>256</b>	>100	(982)
Tax	(66)	<(100)	(7)
<b>Adjusted profit/(loss) after tax</b>	<b>190</b>	>100	(989)
Minorities	(73)	<(100)	170
<b>Attributable profit/(loss)</b>	<b>117</b>	>100	(819)
Share of associates	–	(100)	2
<b>Continuing group adjusted headline earnings/(loss)</b>	<b>117</b>	>100	(817)
Discontinued headline earnings/(loss)	(7)	98	(289)
<b>Group adjusted headline earnings/(loss)</b>	<b>110</b>	>100	(1 106)
<b>Group headline earnings/(loss)</b>	<b>265</b>	>100	(409)
<b>Group basic headline earnings/(loss)</b>	<b>263</b>	>100	(1 829)

FINANCIAL OVERVIEW continued  
for the year ended 31 December 2021

2021 SUN INTERNATIONAL Audited summary group financial results  
for the year ended 31 December 2021



R million	SIX-MONTH PERIOD ENDED 30 JUNE			SIX-MONTH PERIOD ENDED 31 DECEMBER			12 MONTHS ENDED 31 DECEMBER		
	2021	%	2020	2021	%	2020	2021	%	2020
<b>TOTAL CASINO INCOME</b>	<b>2 328</b>	53	1 525	<b>2 392</b>	3	2 332	<b>4 720</b>	22	3 857
Casino income	<b>2 200</b>	57	1 402	<b>2 249</b>	2	2 212	<b>4 449</b>	23	3 614
Rooms revenue	<b>24</b>	-	24	<b>36</b>	50	24	<b>60</b>	25	48
Food and beverage revenue	<b>68</b>	(4)	71	<b>75</b>	25	60	<b>143</b>	9	131
Other income*	<b>36</b>	29	28	<b>32</b>	(31)	36	<b>68</b>	6	64
Adjusted EBITDA	<b>672</b>	>100	129	<b>761</b>	(1)	765	<b>1 433</b>	60	894
<b>Adjusted EBITDA margin %</b>	<b>28.9</b>	>100	8.5	<b>31.8</b>	(3)	32.8	<b>30.4</b>	31	23.2
<b>TOTAL ALTERNATE GAMING INCOME</b>	<b>699</b>	97	354	<b>725</b>	8	669	<b>1 424</b>	39	1 023
Sun Slots	<b>608</b>	>100	303	<b>634</b>	9	583	<b>1 242</b>	40	886
SunBet	<b>91</b>	78	51	<b>91</b>	6	86	<b>182</b>	33	137
Adjusted EBITDA	<b>165</b>	>100	72	<b>146</b>	(17)	176	<b>311</b>	25	248
<b>Adjusted EBITDA margin %</b>	<b>23.6</b>	16	20.3	<b>20.1</b>	(23)	26.3	<b>21.8</b>	(10)	24.2
<b>TOTAL RESORTS AND HOTELS INCOME</b>	<b>690</b>	21	571	<b>868</b>	57	552	<b>1 558</b>	39	1 123
Casino income	<b>328</b>	92	171	<b>375</b>	59	236	<b>703</b>	73	407
Rooms revenue	<b>143</b>	(26)	192	<b>201</b>	57	128	<b>344</b>	8	320
Food and beverage revenue	<b>111</b>	2	109	<b>156</b>	64	95	<b>267</b>	31	204
Other income*	<b>108</b>	9	99	<b>136</b>	46	93	<b>244</b>	27	192
Adjusted EBITDA	<b>(88)</b>	21	(112)	<b>32</b>	>100	(46)	<b>(56)</b>	65	(158)
<b>Adjusted EBITDA margin %</b>	<b>(12.8)</b>	35	(19.6)	<b>3.7</b>	>100	(8.3)	<b>(3.6)</b>	75	(14.1)
<b>TOTAL SOUTH AFRICA</b>	<b>3 717</b>	52	2 450	<b>3 985</b>	12	3 553	<b>7 702</b>	28	6 003
<b>Adjusted EBITDA</b>	<b>749</b>	>100	89	<b>939</b>	5	895	<b>1 688</b>	72	984
<b>Adjusted EBITDA margin %</b>	<b>20.2</b>	>100	3.6	<b>23.6</b>	(6)	25.2	<b>21.9</b>	34	16.4

\* Other income inclusive of all other products and services the group offers and the net income from management companies.



## HEADLINE AND ADJUSTED HEADLINE EARNINGS ADJUSTMENTS

The group has incurred certain once-off or unusual items that have been adjusted for in headline and adjusted headline earnings in the 2021 year end results, which are described below.

Headline earnings adjustments included the following:

- Net loss on disposal of property, plant and equipment of R22 million; and
- Gain on deconsolidation of eSwatini of R12 million.

Adjusted headline earnings adjustments included the following:

- Restructuring and related costs of R10 million;
- Foreign exchange and net monetary losses of R28 million relating to the loan between Sun International Limited and TCN, Nigeria;
- Extinguishment of IFRS 9 debt adjustment of R43 million which was expensed in the December 2020 results;
- Covid-19 business interruption insurance receipts of R517 million and R5 million relating to other insurance claims; and
- An increase in the estimated redemption value of the Tsogo Sun put option liability of R184 million.

## UPDATE ON KEY MATTERS

### Regulatory

- In January 2020, the MEC of the North West Province responsible for gambling, gazetted an average increase in gaming levies of 2% per tier of gaming income (approximately R9 million per year). The matter is being opposed by the Casino Association of South Africa (CASA).
- On 02 July 2021, the Western Cape High Court delivered its judgment in the application by the Tsogo Sun Group declaring that the Western Cape Gambling and Racing Board (WCGRB) is competent to consider and determine an application to relocate a casino in terms of section 41(2) of the Western Cape Gambling and Racing Act, 1996 and ordered the WCGRB to consider any such application brought by one of the Tsogo Sun entities. However, the Court suspended its declaration for a one-year period to allow the Western Cape Provincial Government (Provincial Government) to enact a new regulatory regime which will expressly allow the WCGRB to approve applications to relocate casinos in the Western Cape. Accordingly, the current casino exclusivity regime will remain in effect until the end of June 2022, to allow the Provincial Government to pass the Amendment Bills into law.
- Our casino licence for the Wild Coast Sun was renewed for a further 20 years, with effect from 1 September 2021. The Eastern Cape Gambling Board (ECGB) has imposed certain licence conditions relating particularly to local procurement from Eastern Cape suppliers who reside in close proximity to the resort.

### Portfolio optimisation

- Swazispa Holdings Limited was placed in liquidation on 14 June 2021. The liquidator has facilitated creditors meetings with oversight by the Master of the High Court. The creditors have formed a committee in conjunction with the liquidators to dispose of the assets.
- The Deloitte forensic investigation commissioned by the Nigerian Securities and Exchange Commission (SEC) regarding certain share transactions when Sun International invested in the Tourist Company of Nigeria (TCN) has been completed and the findings report delivered to the SEC offices in Nigeria. To date we still await the SEC to make its final determination and to release its findings to bring clarity regarding the future of TCN.
- Phase 1 of the Boardwalk Mall is expected to open at the end of the first quarter of 2022 with the remaining components opening in the fourth quarter of 2022.
- The Table Bay Hotel lease has been extended to 28 February 2025 and we continue to engage with the V&A Waterfront Company regarding a longer lease opportunity.
- Subsequent to the disposal of our interest in Dreams S.A. in October 2020, we continue to monitor progress of the renewal of certain casino licences to ascertain whether future earnouts, which formed part of the transaction, will materialise. The earnouts relate to the renewal of four of Dreams S.A. SCJ licences by 31 December 2024 (CLP10.5 billion earnout R198 million) and these licences achieving at least their 2019 adjusted EBITDAR in the first full year following renewal of these licences (CLP31.8 billion earnout (R594 million)). The bids for renewal of the four SCJ licences have been submitted with Dreams S.A. being the only bidder. The announcement on the renewal is expected in June 2022.

## OUTLOOK

South African gaming income in January and February 2022, was in line with 2019 and EBITDA is well up on 2019, which demonstrates we are entering a more normalised trading environment. Group adjusted EBITDA for this year was up due to embedded cost savings across gaming and resorts and hotels.

Online gaming and sports betting continues to grow exponentially driven by increased internet, smart phone and mobile money penetration. SunBet is rapidly scaling up revenues from mid to high-end customers while building a reputation for excellence through our omni-channel offering with Sun International's premium hotel and casino portfolio and integrated MVG programme.

Implementation of Playtech's Neon casino management system in both our land-based casinos as well as our online SunBet platform is a key component to this strategy which will allow our MVG customers to enjoy a seamless interaction with the group as they transition between online gaming and our land-based casinos. We anticipate SunBet will contribute meaningfully to group profitability within three years and are investing in critical resources and skills to capture this transformational opportunity.

We expect to accelerate further de-gearing of the balance sheet to create capacity for disciplined capital allocation towards high return opportunities while targeting the re-instatement of dividends over the short to medium term, with a focus on maximising total shareholder return.



# AUDITED SUMMARY GROUP FINANCIAL STATEMENTS

for the year ended 31 December 2021

## 1) Independent audit

The summary group financial statements have been derived from the audited group financial statements. The directors of the company take full responsibility for the preparation of the summary group financial statements and that the financial information has been correctly derived and is consistent in all material respects with the underlying group financial statements.

The summary group financial statements for the year ended 31 December 2021 have been audited by our auditor PricewaterhouseCoopers Inc., which has expressed an unmodified opinion thereon. The auditors also expressed an unmodified opinion on the group financial statements from which the summary group financial statements were derived. The individual auditor assigned to perform the audit is Elenor Jensen.

A copy of the auditor's report on the group financial statements is available for inspection at the company's registered office or can be downloaded from the company's website, [www.suninternational.com/investors](http://www.suninternational.com/investors).

The company's external auditor has not reviewed or reported on any forecasts included in these summary group financial statements.

## 2) Accounting policies

The summary group financial statements are prepared in accordance with the requirements of the JSE Listings Requirements for preliminary financial statements and the requirements of the South African Companies Act, 71 of 2008, as amended, applicable to summary financial statements. The summary financial statements were prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee (APC) and the Financial Pronouncements as issued by the Financial Reporting Standard Council (FRSC), and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the group financial statements from which the summary group financial statements have been derived, are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous group financial statements, unless otherwise stated. The summary group financial statements should be read in conjunction with the group financial statements for the year ended 31 December 2021, which have been prepared in accordance with IFRS.

Since the start of the Covid-19 pandemic in March 2020, eSwatini has ceased trading which continued into 2021. During June 2021 creditors of eSwatini initiated a liquidation process whereby the court appointed liquidators assumed control of eSwatini in June 2021. eSwatini was considered a subsidiary of Sun International and was, until now, consolidated into the results of Sun International. The liquidation of eSwatini has the following implications for Sun International and was considered fully by management:

- Accounting for eSwatini as a discontinued operation for the June 2021 interim period and restating the prior year comparative results; and
- Assessing the impact of the loss of control in terms of IFRS 10 where the group holds a 50.6% interest in eSwatini.

As a result of this process and that trading has ceased, management has assessed a loss of control from the date that the liquidators were appointed and have therefore classified the eSwatini subsidiary as IFRS 5: Non Current Assets and Liabilities Held for Sale from Discontinued operations for the first six months of 2021. As of the date of liquidation, eSwatini has been deconsolidated from Sun International. The fair value of the consideration receivable is deemed to be Rnil as a return on liquidation seems unlikely. The liquidation has not been completed at year-end.

## ADJUSTED EBITDA

Adjusted EBITDA is defined as earnings before interest (which includes gains and losses on foreign exchange transactions), tax, depreciation, amortisation and rental expense, and is also presented before recognising expenses which are of an unusual and infrequent nature as a result of unforeseen and atypical events. Examples of adjusted expenses are set out below:

- profit/loss on disposal of property, plant and equipment;
- impairment of non-current assets;
- income associated with insurance claims;
- foreign exchange cover profits/losses;
- restructuring costs; and
- other non-recurring expenses which are of an unusual and infrequent nature as a result of unforeseen and atypical events.

## STANDARDS IMPLEMENTED

A number of new standards became effective from 1 January 2021 although they do not have a material effect on the group's financial statements.



# SUMMARY GROUP STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2021

R million	31 December 2021	31 December 2020*
<b>Continuing operations</b>		
Net gaming wins	6 632	5 065
Revenue	1 180	989
Insurance receipts**	522	–
<b>Income</b>	<b>8 334</b>	<b>6 054</b>
Consumables and services	(789)	(667)
Depreciation and amortisation	(863)	(921)
Employee costs	(1 674)	(1 612)
Impairment of assets	–	(1 257)
Levies and VAT on casino income	(1 568)	(1 164)
LPM site owners commission <sup>^</sup>	(362)	(258)
Promotional and marketing costs	(341)	(272)
Property and equipment rentals	(26)	(12)
Property costs	(729)	(618)
Net impairment (losses)/gains on financial assets	(10)	32
Other operational costs	(663)	(683)
<b>Operating profit/(loss)</b>	<b>1 309</b>	<b>(1 378)</b>
Foreign exchange losses	(30)	(269)
IFRS 9 extinguishment adjustment	43	(43)
Finance income	45	17
Finance expense	(609)	(941)
Change in estimated redemption value of put option	(184)	1 007
Share of profit of investments accounted for using the equity method	–	2
<b>Profit/(loss) before tax</b>	<b>574</b>	<b>(1 605)</b>
Tax	(192)	417
<b>Profit/(loss) for the year from continuing operations</b>	<b>382</b>	<b>(1 188)</b>
<b>Loss for the year from discontinued operations</b>	<b>(2)</b>	<b>(1 235)</b>
<b>Profit/(loss) for the year</b>	<b>380</b>	<b>(2 423)</b>

\* 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.

<sup>^</sup> LPM – Limited Pay-out Machines.

R million	31 December 2021	31 December 2020*
<b>Other comprehensive income:</b>		
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurements of post employment benefit obligations	1	25
Tax on remeasurements of post employment benefit obligations	–	(7)
<i>Items that may be reclassified to profit or loss</i>		
Gross gain/(loss) on cash flow hedges	84	(66)
Tax on (loss)/profit on cash flow hedges	(18)	18
Currency translation reserve related to the sale of Sun Dreams	–	(255)
Currency translation reserve	(12)	706
<b>Total comprehensive income/(loss) for the year</b>	<b>435</b>	<b>(2 002)</b>
<b>Profit/(loss) for the year attributable to:</b>	<b>380</b>	<b>(2 423)</b>
Minorities	117	(594)
Ordinary shareholders	263	(1 829)
<b>Total comprehensive profit/(loss) for the year attributable to:</b>	<b>435</b>	<b>(2 002)</b>
Minorities	106	(280)
Ordinary shareholders	329	(1 722)
<b>Total comprehensive profit/(loss) attributable to ordinary shareholders arises from:</b>	<b>329</b>	<b>(1 722)</b>
Continuing operations	324	(970)
Discontinued operations	5	(752)

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## HEADLINE EARNING AND ADJUSTED HEADLINE EARNINGS RECONCILIATION

for the year ended 31 December 2021

R million	31 December 2021	31 December 2020*
<b>Profit/(loss) attributable to ordinary shareholders</b>	<b>263</b>	<b>(1 829)</b>
Net loss/(profit) on disposal of property, plant and equipment	22	(8)
Net profit on disposal of subsidiaries	(12)	(25)
Remeasurement to fair value less cost to sell - (Sun Dreams IFRS 5 impairment)	-	612
Impairment of non-financial assets: Sun Dreams	-	53
Impairment of non-financial assets: South Africa	-	1 258
Tax relief on above items	(5)	(330)
Minorities' interests on the above items	(3)	(140)
<b>Headline earnings/(loss)</b>	<b>265</b>	<b>(409)</b>
IFRS 9 debt modification/extinguishment adjustment	(43)	43
Pension fund interest	-	(15)
Insurance claim received**	(522)	-
IFRS 16 lease liability impairment (Sun Dreams)	-	(24)
Amortisation of Dreams intangible assets raised as part of the PPA	-	51
Change in estimated redemption value of put option	184	(1 007)
Foreign exchange and net monetary 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 the above items	137	(107)
Minorities' interests on the above items	57	(137)
<b>Adjusted headline earnings/(loss)</b>	<b>110</b>	<b>(1 106)</b>
	<b>Cents per share</b>	<b>Cents per share</b>
Earnings/(loss) per share		
basic	105	(1 045)
diluted	105	(1 045)
Headline earnings/(loss) per share	106	(234)
Diluted adjusted headline earnings/(loss) per share	44	(633)

\* 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.

## SUMMARY GROUP STATEMENT OF FINANCIAL POSITION

for the year ended 31 December 2021

R million	31 December 2021	31 December 2020
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, plant and equipment	9 091	9 333
Intangible assets	902	956
Equity accounted investments	31	31
Pension fund asset	9	9
Deferred tax	1 345	1 208
Trade and other receivables	67	58
	<b>11 445</b>	<b>11 595</b>
<b>Current assets</b>		
Inventory	88	100
Trade and other receivables	1 224	1 110
Cash and cash equivalents	374	538
	<b>1 686</b>	<b>1 748</b>
<b>Non current assets held for sale*</b>	<b>26</b>	<b>26</b>
<b>Total assets</b>	<b>13 157</b>	<b>13 369</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Ordinary shareholders' equity before put option reserve	3 293	3 001
Put option reserve	(1 286)	(1 286)
Ordinary shareholders' equity	2 007	1 715
Minorities' interests	(291)	(253)
	<b>1 716</b>	<b>1 462</b>
<b>Non current liabilities</b>		
Deferred tax	440	330
Borrowings	6 716	7 047
Derivative financial instruments	-	74
Put option liability	464	280
Contract liabilities and other liabilities	580	698
	<b>8 200</b>	<b>8 429</b>
<b>Current liabilities</b>		
Borrowings	1 242	1 377
Trade payables and accruals	1 827	1 849
Derivative financial instruments	56	125
Contract liabilities and other liabilities	116	127
	<b>3 241</b>	<b>3 478</b>
<b>Non current liabilities held for sale</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>11 441</b>	<b>11 907</b>
<b>Total equity and liabilities</b>	<b>13 157</b>	<b>13 369</b>





# SUMMARY GROUP STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2021

R million	Share capital and premium	Treasury shares and share options	Share based payment reserve	Foreign currency translation reserve	Reserve for non-controlling interests*	Other reserve**	Retained earnings	Ordinary shareholders' equity before put option reserve	Put option reserves	Ordinary shareholders' equity	Minorities' interests	Total equity
<b>Audited FOR THE YEAR ENDED 31 DECEMBER 2021</b>												
<b>Balance at 31 December 2020</b>	3 100	(400)	63	48	(3 353)	164	3 379	3 001	(1 286)	1 715	(253)	1 462
Total comprehensive loss for the year	–	–	–	(1)	–	66	263	328	–	328	106	434
Derecognition of eSwatini	–	–	–	–	–	–	–	–	–	–	14	14
Treasury share options purchased	–	(33)	–	–	–	–	–	(33)	–	(33)	–	(33)
Reclassification of share option reserve	–	14	(14)	–	–	–	–	–	–	–	–	–
Employee share plans	–	–	(3)	–	–	–	–	(3)	–	(3)	–	(3)
Dividends paid	–	–	–	–	–	–	–	–	–	–	(158)	(158)
<b>Balance at 31 December 2021</b>	<b>3 100</b>	<b>(419)</b>	<b>46</b>	<b>47</b>	<b>(3 353)</b>	<b>230</b>	<b>3 642</b>	<b>3 293</b>	<b>(1 286)</b>	<b>2 007</b>	<b>(291)</b>	<b>1 716</b>
<b>Audited FOR THE YEAR ENDED 31 DECEMBER 2020</b>												
<b>Balance at 31 December 2019</b>	1 893	(352)	60	(89)	(3 007)	194	5 208	3 907	(1 286)	2 621	1 614	4 235
Total comprehensive loss for the year	–	–	–	137	–	(30)	(1 829)	(1 722)	–	(1 722)	(280)	(2 002)
Disposal of equity interest in Sun Dreams	–	–	–	–	(346)	–	–	(346)	–	(346)	(1 446)	(1 792)
Treasury shares purchased	–	(61)	–	–	–	–	–	(61)	–	(61)	–	(61)
Reclassification of share option reserve	–	13	(13)	–	–	–	–	–	–	–	–	–
Employee share plans	–	–	16	–	–	–	–	16	–	16	–	16
Rights offer	1 207	–	–	–	–	–	–	1 207	–	1 207	–	1 207
Dividends paid	–	–	–	–	–	–	–	–	–	–	(141)	(141)
<b>Balance at 31 December 2020</b>	<b>3 100</b>	<b>(400)</b>	<b>63</b>	<b>48</b>	<b>(3 353)</b>	<b>164</b>	<b>3 379</b>	<b>3 001</b>	<b>(1 286)</b>	<b>1 715</b>	<b>(253)</b>	<b>1 462</b>

\* Reserve for non-controlling interests relates to the premium paid on purchases of minorities' interest and profits and losses on disposals of interests to minorities, where there is no change in control.

\*\* Including hedging and pension fund reserve.



## SUMMARY GROUP STATEMENT OF CASH FLOW

for the year ended 31 December 2021

R million	31 December 2021	31 December 2020*
<b>Cash generated/(utilised) by operations before:</b>	<b>1 547</b>	338
Insurance receipts	522	–
Vacation Club timeshare sales	89	96
Tax paid	(449)	(94)
<b>Cash flows from operating activities</b>	<b>1 709</b>	340
Purchase of property, plant and equipment	(550)	(440)
Disposal of property, plant and equipment	54	21
Purchase of intangible assets	(36)	(58)
Investment income received	4	2
Disposal of shareholding in subsidiaries	–	2 247
<b>Cash flows from investing activities</b>	<b>(528)</b>	1 772
Cash paid for purchase of treasury shares	(33)	(61)
Purchase of additional non-controlling shareholding in subsidiaries	–	(36)
Capital raised through a rights offer	–	1 207
Repayment of capital lease liabilities	(101)	(150)
Additional borrowings	1 151	432
Repayment of borrowings	(1 692)	(2 865)
Interest paid	(543)	(754)
Dividends paid	(158)	(141)
<b>Cash flows from financing activities</b>	<b>(1 376)</b>	(2 368)
Effect of exchange rates upon cash and cash equivalents	31	5
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(164)</b>	(251)
Cash and cash equivalents at beginning of the period	538	789
<b>Cash and cash equivalents at end of the period</b>	<b>374</b>	538
Cash held by discontinued operations	–	–
<b>Cash and cash equivalents at end of the year excluding non current assets held for sale</b>	<b>374</b>	538
<b>Cash flows from discontinued operations</b>	<b>–</b>	(215)

\* 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.

## SUPPLEMENTARY INFORMATION

for the year ended 31 December 2021

R million	31 December 2021	31 December 2020*
<b>Adjusted EBITDA RECONCILIATION</b>		
<b>Operating profit/(loss)</b>	<b>1 309</b>	(1 378)
Depreciation and amortisation	863	921
Net loss/(profit) on disposal of property, plant and equipment	22	(8)
Impairment of non-financial assets	–	1 258
Insurance claim**	(522)	–
Rights offer expenses	–	21
Restructuring costs	10	134
Other***	3	(12)
<b>Adjusted EBITDA</b>	<b>1 685</b>	936
<b>Adjusted EBITDA margin (%)</b>	<b>22</b>	15

\* 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.

\*\*\* The consolidation of the Sun International Employee Share Trust are reversed for the adjusted EBITDA reconciliation as the group did not receive the economic benefits of this trust.

SUPPLEMENTARY INFORMATION continued  
for the year ended 31 December 2021



R million	31 December 2021	31 December 2020*
<b>Number of shares for diluted EPS and HEPS calculation ('000)</b>		
Weighted average number of shares in issue	249 441	174 973
Adjustment for dilutive share awards	1 626	–
<b>Diluted weighted average number of shares in issue</b>	<b>251 067</b>	174 973
– basic earnings/(loss) per share	105	(1 045)
– headline earnings/(loss) per share	106	(234)
– adjusted headline earnings/(loss) per share	44	(633)
– diluted basic earnings/(loss) per share	105	(1 045)
– diluted headline earnings/(loss) per share	106	(234)
– diluted adjusted headline earnings/(loss) per share	44	(633)
<b>Continuing – earnings/(loss) per share (cents)</b>		
– basic earnings/(loss) per share	103	(529)
– headline earnings/(loss) per share	109	(15)
– adjusted headline earnings/(loss) per share	47	(467)
– diluted basic earnings/(loss) per share	103	(529)
– diluted headline earnings/(loss) per share	109	(15)
– diluted adjusted headline earnings/(loss) per share	47	(467)
<b>Discontinued – earnings/(loss) per share (cents)</b>		
– basic earnings/(loss) per share	2	(516)
– headline loss per share	(3)	(219)
– adjusted headline loss per share	(3)	(165)
– diluted basic earnings/(loss) per share	2	(516)
– diluted headline loss per share	(3)	(219)
– diluted adjusted headline loss per share	(3)	(165)

\* 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.

R million	31 December 2021	31 December 2020*
<b>TAX RATE RECONCILIATION</b>		
Adjusted profit/(loss) before tax before share of associate	574	(1 607)
Share of associates' profits	–	2
<b>Adjusted profit/(loss) before tax</b>	<b>574</b>	(1 605)
<b>Effective tax (expense)/credit</b>	<b>(192)</b>	417
Depreciation on non-qualifying buildings	17	15
Fair value adjustments	1	20
Other non-deductible expenditure	26	25
Change in estimated redemption value of put option	52	(282)
Other exempt income	(11)	–
Tax incentives	(2)	(4)
Losses for which no deferred tax asset raised	26	270
Withholding tax	2	2
Interest adjustment on Latam tax provision	(6)	15
Adjustments for current tax of prior year	(74)	(29)
<b>Tax (expense)/credit at South African corporate tax rate</b>	<b>(161)</b>	449

\* 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.



## SEGMENTAL REVIEW

for the year ended 31 December 2021

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

\* Income excludes insurance receipts comprising of R517 million Covid-19 and R5 million other business interruption claims received.



## BORROWINGS BY SUBSIDIARY

for the year ended 31 December 2021

R million	Debt	IFRS 16 lease liability	Total debt	Minority share	Sun share
<b>South Africa</b>	<b>6 389</b>	869	<b>7 258</b>	1 286	<b>5 972</b>
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 Sandton	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
Time Square	5 389	4	5 393	768	4 625
Management and corporate	(1 294)	176	(1 118)	–	(1 118)
<b>Nigeria</b>	<b>700</b>	–	<b>700</b>	354	<b>346</b>
Shareholder loans	1 078	–	1 078	546	532
Sun International portion of shareholder loan	(378)	–	(378)	(192)	(186)
<b>Total debt as at 31 December 2021</b>	<b>7 089</b>	869	<b>7 958</b>	1 640	<b>6 318</b>

## CAPITAL EXPENDITURE

for the year ended 31 December 2021

R million	31 December 2021	31 December 2020
<b>South Africa</b>		
<b>Refurbishment and ongoing</b>		
Sun City	189	103
GrandWest	67	61
Sun Slots	87	47
Sibaya	42	51
Carnival City	35	51
Wild Coast Sun	17	17
Boardwalk	76	14
Time Square	12	13
SunBet	2	–
Other	54	54
<b>Total South Africa</b>	<b>581</b>	<b>411</b>
Nigeria	5	6
<b>Total group capital expenditure</b>	<b>586</b>	<b>417</b>
<b>OTHER METRICS</b>		
Net asset value per share (Rand)	6.9	8.4
Capital expenditure	586	417

## Dividends

The board has decided not to declare a dividend for the year ended 31 December 2021.



## ADDITIONAL INFORMATION

for the year ended 31 December 2021

The going concern basis has been used in preparing the summarised consolidated financial statements as the directors have a reasonable expectation that the group will continue as a going concern for the foreseeable future.

### GOING CONCERN

The IFRS Conceptual Framework states that going concern is an underlying assumption in the preparation of IFRS financial statements. Therefore, the financial statements presume that an entity will continue in operation in the foreseeable future or, if that presumption is not valid, disclosure and a different basis of reporting are required. The board of directors ('Board') believes that, as of the date of this report, the going concern presumption is still appropriate and accordingly the summarised consolidated financial statements of the group have been prepared on the going concern basis.

IAS 1 – Preparation of Financial Statements ('IAS 1') requires management to perform an assessment of the group's ability to continue as a going concern. If management is aware of material uncertainties related to events or conditions that may cast significant doubt upon the group's ability to continue as a going concern, IAS 1 requires these uncertainties to be disclosed.

The director's assessment of whether the group is a going concern was considered and the directors concluded that:

- The group and company are solvent, with its assets exceed its liabilities and are expected to remain solvent after considering the approved budget and expected performance;
- Based on the short and longer term forecasts (as per the budget approved by the group's board of directors the group is expected to be able to meet all its short-term obligations through a combination of the cash generated by operations and the utilisation of the current facilities available to the group;
- As at 31 December 2021, South Africa's debt amounted to R6.4 billion and its adjusted EBITDA (additionally including the effect of IFRS 16 and other adjustments as agreed with the consortium of lenders to be the 'covenant') to R1.6 billion, resulting in a Debt to adjusted EBITDA ratio of 4x. This is in compliance with the debt covenant requirement of a covenant ratio of less than 6x. As at 31 December the interest cover ratio was compliant at 2.67x which is above the required 1.75x;
- There has been no event of default over the past 12 months on any of the company or group's debt facilities. No facilities previously available to the company or the group have been withdrawn and remain committed by our lenders;
- As a result of the successful capital raise, and utilising the proceeds from the disposal of Sun Dreams S.A. to repay outstanding debt, the group has managed to negotiate new covenant measures and a debt repayment schedule with its South African lending group which positively impacted the group's liquidity forecast over short and longer term; and
- The group has forecast that it will achieve the required Debt to adjusted EBITDA and interest cover ranges as per the new debt covenants agreed with its lenders for the next 12 months.

The board, after considering the negotiated terms and other factors described above, has concluded that the group should be able to discharge its liabilities as they fall due in the normal course of business and is therefore of the opinion that the going concern assumption is appropriate in the preparation of the summarised consolidated financial statements.

### CHANGES TO THE BOARD OF DIRECTORS

On Wednesday, 16 June 2021, Sun International's non-executive chairman Dr Jabu Mabuza, tragically passed away following complications as a result of Covid-19. Jabu who was appointed as Sun International's chairman in May 2019, also chaired the company's nomination committee and was a member of its remuneration and investment committees. Jabu was a well-respected business leader who left an indelible mark on all who came into contact with him. Jabu will be sorely missed by all at Sun International.

Following the tragic passing of Dr Jabu Mabuza, Mr Sam Sithole was appointed as the new non-executive chairman of the company with effect from 2 July 2021. Sam, who was first appointed to the board of Sun International on 20 June 2018, is the chief executive officer and co-founder of Value Capital Partners.

### Appointments

During the period under review, Mr Nigel Payne was appointed as an independent non-executive director of Sun International with effect from 11 May 2021.

### Retirements

On 22 November 2021, Mr Peter Bacon, an independent non-executive director of the Company, announced that he will be retiring from the Sun International board effective 31 March 2022 and will not be standing for re-election as a director at the company's annual general meeting which will be held on 10 May 2022.

Ms BLM Makgabo-Fiskerstrand, has indicated that she intends retiring from the Sun International board at the 2022 annual general meeting of the company which will be taking place on Tuesday, 10 May 2022 and will not be standing for re-election as a director.

### SECONDARY LISTING ON A2X

Sun International notified shareholders that its ordinary shares commenced trading on A2X with effect from Monday, 12 April 2021. The company will retain its listing on the Johannesburg Stock Exchange and its issued share capital will be unaffected by the secondary listing on A2X.

A2X is a licensed stock exchange authorised to provide a secondary listing venue for companies and is regulated by the Financial Sector Conduct Authority and Prudential Authority, South African Reserve Bank in South Africa in terms of the Financial Markets Act 19 of 2012.



## ANNUAL GENERAL MEETING

Sun International's 38th annual general meeting will be held as a physical, in person meeting at The Maslow Hotel, corner Grayston Drive and Rivonia Road, Sandton on Tuesday, 10 May 2022 at 09h00 (South African time). For those shareholders wishing to participate in the annual general meeting by way of electronic communication, Sun International will, per the notice of annual general meeting, make available a Microsoft TEAMS call facility for these purposes. However, no provision will be made for shareholders to vote electronically at the annual general meeting as such shareholders will need to complete and submit proxy forms to the transfer secretaries and/or meeting specialist before or at the start of the meeting. Further details regarding the company's annual general meeting will be contained in Sun International's annual statutory report to be posted to shareholders on or about 31 March 2022.

## INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

### To the shareholders of Sun International Limited

#### OPINION

The summary consolidated financial statements of Sun International Limited, contained in the accompanying preliminary report, which comprise the summary consolidated statement of financial position as at 31 December 2021, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Sun International Limited for the year ended 31 December 2021.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the JSE Limited's (JSE) requirements for preliminary reports, as set out in note 2 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

#### SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

#### THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 14 March 2022. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

#### DIRECTOR'S RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, set out in note 2 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

# INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

continued

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

## OTHER MATTER

We have not audited future financial performance and expectations expressed by the directors included in the commentary in the accompanying summary consolidated financial statements and accordingly do not express an opinion thereon.

PricewaterhouseCoopers Inc.  
Director: Elenor Jensen  
Registered Auditor  
Johannesburg  
14 March 2022



## CHANGE IN EXTERNAL AUDITOR

In accordance with the Independent Regulatory Board for Auditors' (IRBA) rule regarding mandatory audit firm rotation, the Sun International Audit Committee embarked on a "Request for Proposals" process during June 2021, in respect of the provision of external audit services.

Following the conclusion of this process, the Audit Committee has recommended and the board has endorsed the proposed appointment of Deloitte & Touche as the new external auditor of Sun International for the financial year commencing on 1 January 2022, with Ms Carmen Naidoo Bester as the designated individual auditor. Deloitte & Touche will replace PricewaterhouseCoopers Inc. which remains the Company's auditors for the 2021 financial year.

This appointment of Deloitte & Touche will be put to a shareholder's vote at Sun International's annual general meeting to be held on 10 May 2022.

## REGISTERED OFFICE

6 Sandown Valley Crescent, Sandown, Sandton 2196

## SPONSOR

Investec Bank Limited

## TRANSFER SECRETARIES

JSE Investor Services (Pty) Ltd (formerly Link Market Services South Africa (Pty) Ltd)  
13th Floor, 19 Ameshoff Street, Braamfontein, 2000

## DIRECTORS

S Sithole (Chairman), GW Dempster (Lead Independent Director), AM Leeming (Chief Executive)\*, PD Bacon (British), N Basthdaw (Chief Financial Officer)\*, EAMMG Cibie (Chilean), CM Henry, SN Mabaso- Koyana, BLM Makgabo-Fiskerstrand, TR Ngara, NT Payne (British), ZP Zatu.

\* Executive

The report was prepared under the supervision of the chief financial officer, N Basthdaw; BCompt (Hons), CTA, CA(SA), MCom, HDip Company Law.

## GROUP COMPANY SECRETARY

AG Johnston  
14 March 2022

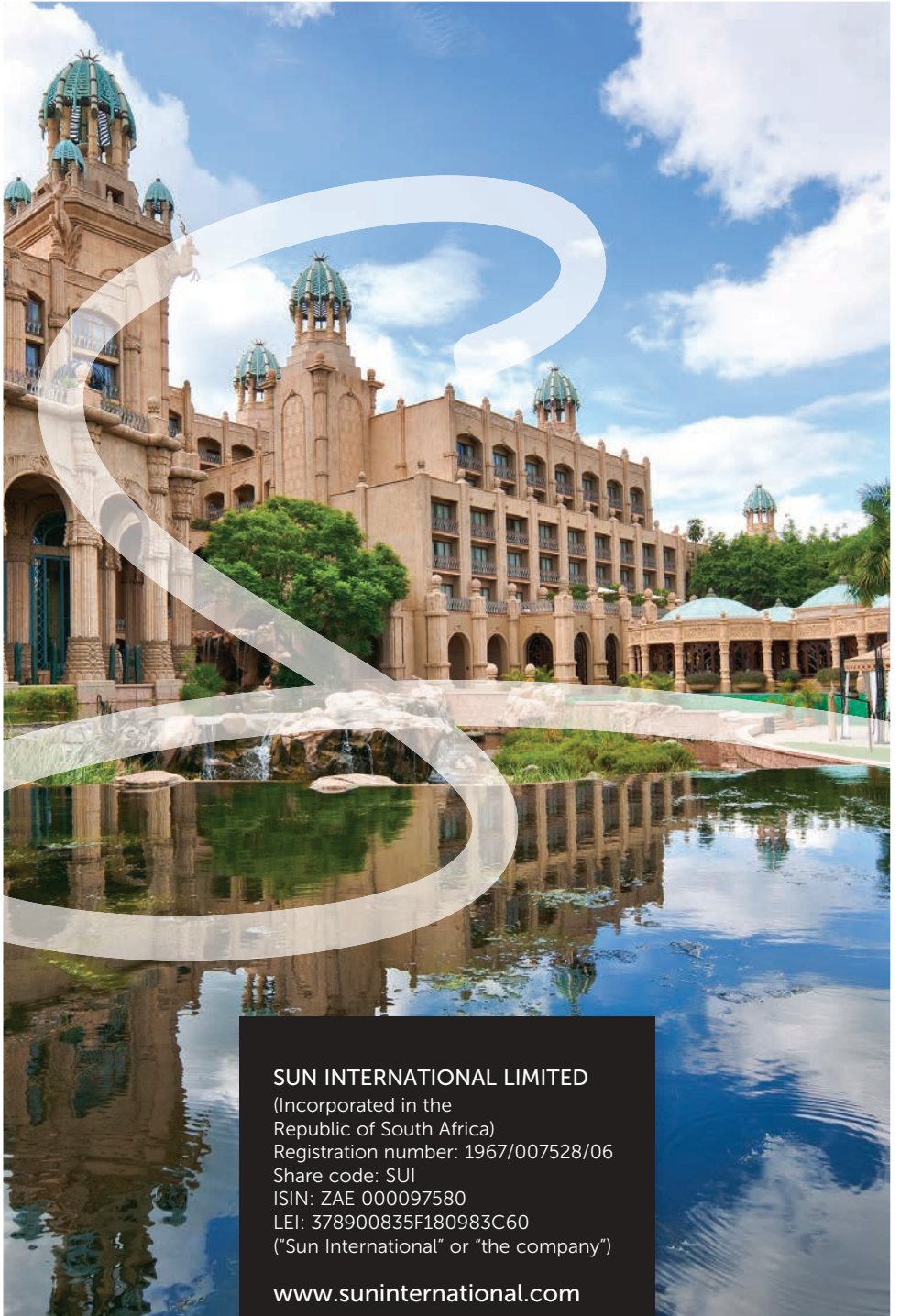




## SEGMENTAL INCOME ANALYSIS

for the year ended 31 December 2021

R million	NET GAMING WINS								REVENUE FROM CONTRACTS WITH CUSTOMERS									
	Net gaming wins		Slots		Tables		Alternate gaming		Total revenue		Rooms		Food and beverage		Other		Total income	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Continuing operations</b>																		
<b>Casino operations</b>	<b>4 449</b>	3 614	<b>3 745</b>	2 935	<b>704</b>	679	–	–	<b>622</b>	243	<b>60</b>	48	<b>143</b>	131	<b>419</b>	64	<b>5 071</b>	3 857
GrandWest	<b>1 243</b>	993	<b>1 105</b>	870	<b>138</b>	123	–	–	<b>92</b>	31	<b>1</b>	1	<b>20</b>	17	<b>71</b>	13	<b>1 335</b>	1 024
Sibaya	<b>875</b>	708	<b>704</b>	530	<b>171</b>	178	–	–	<b>79</b>	35	<b>8</b>	10	<b>16</b>	22	<b>55</b>	3	<b>954</b>	743
Time Square	<b>896</b>	744	<b>692</b>	525	<b>204</b>	219	–	–	<b>131</b>	64	<b>19</b>	15	<b>43</b>	34	<b>69</b>	15	<b>1 027</b>	808
Carnival City	<b>612</b>	502	<b>509</b>	406	<b>103</b>	96	–	–	<b>81</b>	30	<b>5</b>	4	<b>14</b>	18	<b>62</b>	8	<b>693</b>	532
Boardwalk	<b>305</b>	223	<b>260</b>	200	<b>45</b>	23	–	–	<b>93</b>	31	<b>16</b>	11	<b>24</b>	15	<b>53</b>	5	<b>398</b>	254
Meropa	<b>173</b>	142	<b>154</b>	125	<b>19</b>	17	–	–	<b>58</b>	15	<b>5</b>	3	<b>9</b>	11	<b>44</b>	1	<b>231</b>	157
Windmill	<b>151</b>	123	<b>137</b>	108	<b>14</b>	15	–	–	<b>34</b>	5	–	–	<b>4</b>	4	<b>30</b>	1	<b>185</b>	128
Flamingo	<b>93</b>	76	<b>90</b>	71	<b>3</b>	5	–	–	<b>20</b>	5	–	–	<b>5</b>	4	<b>15</b>	1	<b>113</b>	81
Golden Valley	<b>101</b>	85	<b>94</b>	82	<b>7</b>	3	–	–	<b>33</b>	11	<b>6</b>	4	<b>7</b>	6	<b>20</b>	1	<b>134</b>	96
Naledi Sun	–	3	–	3	–	–	–	–	<b>3</b>	1	–	–	<b>1</b>	–	<b>2</b>	1	<b>3</b>	4
Carousel	–	15	–	15	–	–	–	–	<b>11</b>	13	–	–	–	–	<b>11</b>	13	<b>11</b>	28
Management companies	–	–	–	–	–	–	–	–	<b>283</b>	229	–	–	–	–	<b>283</b>	229	<b>283</b>	229
Inter-company management fees	–	–	–	–	–	–	–	–	<b>(296)</b>	(227)	–	–	–	–	<b>(296)</b>	(227)	<b>(296)</b>	(227)
<b>Alternate gaming</b>	<b>1 423</b>	1 023	–	–	–	–	<b>1 423</b>	1 023	<b>51</b>	–	–	–	–	–	<b>51</b>	–	<b>1 474</b>	1 023
Sun Slots	<b>1 242</b>	886	–	–	–	–	<b>1 242</b>	886	<b>50</b>	–	–	–	–	–	<b>50</b>	–	<b>1 292</b>	886
SunBet	<b>181</b>	137	–	–	–	–	<b>181</b>	137	<b>1</b>	–	–	–	–	–	<b>1</b>	–	<b>182</b>	137
<b>Resorts and Hotels</b>	<b>703</b>	407	<b>580</b>	351	<b>123</b>	56	–	–	<b>976</b>	716	<b>344</b>	320	<b>267</b>	204	<b>365</b>	192	<b>1 679</b>	1 123
Sun City	<b>402</b>	198	<b>314</b>	166	<b>88</b>	32	–	–	<b>672</b>	501	<b>219</b>	190	<b>186</b>	140	<b>267</b>	171	<b>1 074</b>	699
Wild Coast Sun	<b>301</b>	209	<b>266</b>	185	<b>35</b>	24	–	–	<b>125</b>	62	<b>24</b>	21	<b>31</b>	22	<b>70</b>	19	<b>426</b>	271
The Table Bay Hotel	–	–	–	–	–	–	–	–	<b>126</b>	112	<b>74</b>	86	<b>29</b>	24	<b>23</b>	2	<b>126</b>	112
The Maslow Sandton	–	–	–	–	–	–	–	–	<b>53</b>	41	<b>27</b>	23	<b>21</b>	18	<b>5</b>	–	<b>53</b>	41
<b>Total South Africa</b>	<b>6 575</b>	5 044	<b>4 325</b>	3 286	<b>827</b>	735	<b>1 423</b>	1 023	<b>1 649</b>	959	<b>404</b>	368	<b>410</b>	335	<b>835</b>	256	<b>8 224</b>	6 003
<b>Nigeria</b>	<b>57</b>	21	<b>48</b>	16	<b>9</b>	5	–	–	<b>53</b>	30	<b>28</b>	16	<b>21</b>	12	<b>4</b>	2	<b>110</b>	51
<b>Total group continuing operations</b>	<b>6 632</b>	5 065	<b>4 373</b>	3 302	<b>836</b>	740	<b>1 423</b>	1 023	<b>1 702</b>	989	<b>432</b>	384	<b>431</b>	347	<b>839</b>	258	<b>8 334</b>	6 054



**SUN INTERNATIONAL LIMITED**

(Incorporated in the  
Republic of South Africa)

Registration number: 1967/007528/06

Share code: SUI

ISIN: ZAE 000097580

LEI: 378900835F180983C60

("Sun International" or "the company")

[www.suninternational.com](http://www.suninternational.com)