



Sun International

UNAUDITED INTERIM RESULTS

for the six month period ended 30 June 2020

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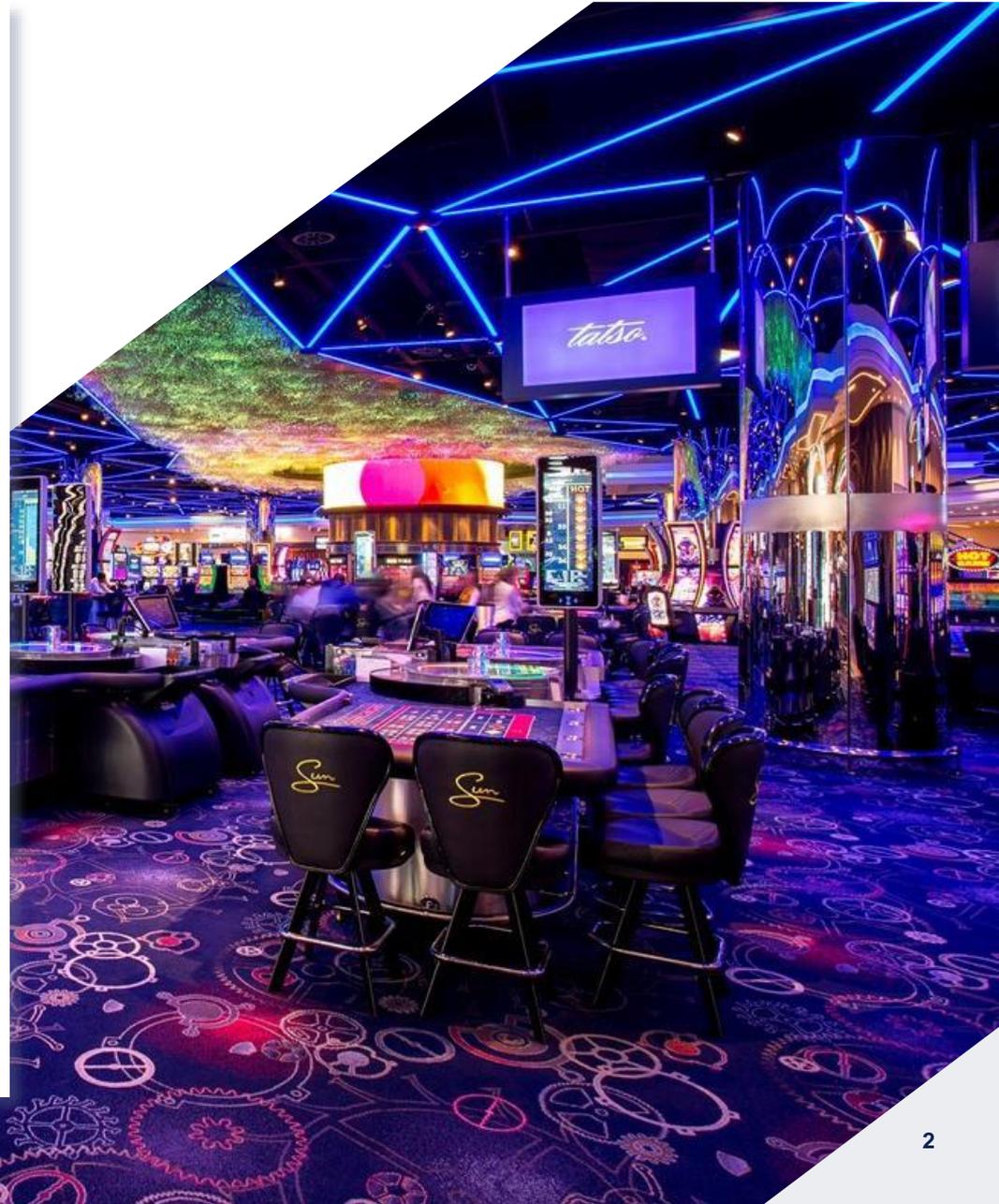
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OVERVIEW AND KEY HIGHLIGHTS



OVERVIEW AND KEY HIGHLIGHTS



GROUP INCOME
56% to
R3.7 billion



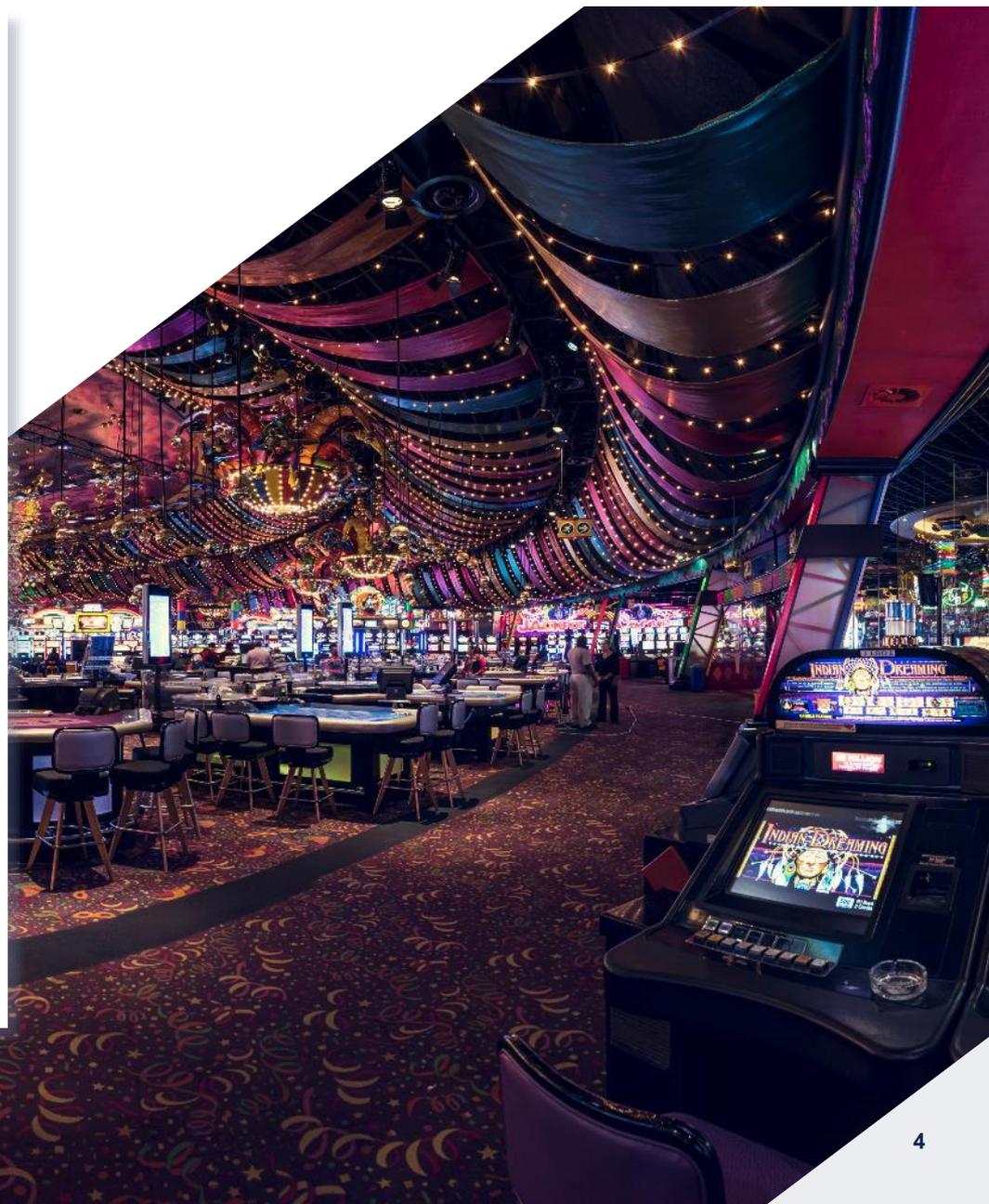
GROUP ADJUSTED EBITDA
96% to
R79 million



GROUP ADJUSTED
OPERATING LOSS OF
R706 million



GROUP ADJUSTED
HEADLINE LOSS
PER SHARE OF
702 cents





IMPACT OF COVID-19



IMPACT ON TRADING

SITUATION PRIOR TO COVID-19

- Continuous margin improvement over the past few years
- Reduced tax leakage
- Several operations restructured
- Liquidity position significantly improved with strong cash generation
- 2020 trading to mid March reflecting similar trends to 2019 with low revenue growth but margin improvement and earnings growth

SITUATION FROM MID MARCH

- Trading slowed significantly prior to lockdown
- All operations in Chile closed from 18 March 2020
- All South African operations closed from 26 March 2020
- Group's operations in Peru, Argentina, Colombia and Panama closed in late March 2020



SUN INTERNATIONAL'S RESPONSE TO THE COVID-19 PANDEMIC

- Ensured effective engagement with government, regulators, partners, customers and staff
- Applied on behalf of employees in respect of the UIF TERS benefit
- Pro-actively engaged with the company's lenders
- Focused on reducing costs, managing working capital and available facilities
- Formulated plans to achieve operational efficiencies and improvements
- Start-up operational plans including detailed safety protocols for staff and customers
- Formulated plans to restructure certain operations and parts of the business
- Gave notice to union, staff and regulators of the closure of Naledi and Sun Carousel
- Followed a similar approach in Latam

Operating Cost Profile During Lockdown

Cash and amortised costs incurred for payroll and other expenses during March, April, May, June and July 2020:

R million	March 2020	April 2020	May 2020	June 2020	July 2020
SOUTH AFRICA	439	184	131	108	215
Payroll*	190	104	53	40	109
Other	249	80	78	68	106
LATAM	193	82	66	21	92
Payroll	89	32	29	30	34
Other**	104	50	37	(9)	58

* Payroll costs in May and June 2020 were lower due to the group retaining the Temporary Employment Relief Scheme (TERS) benefit whereas in April 2020 it was paid to employees. June 2020 also includes a leave pay adjustment of R10m and an Employee Tax Credits (ETC) of R4 million.

**The reduction in June Latam expenses is due to a receipt of an insurance claim relating to Iquique.

Costs that could not be eliminated entirely include employee costs, rates and taxes, licence costs, security, certain IT software and services, insurance and water and electricity



KEY INITIATIVES TO ENSURE SUSTAINABLE RECOVERY POST COVID-19

PROTECTING BALANCE SHEET AND LIQUIDITY

- Restructured South African debt and secured liquidity facilities
- Successful completion of Sun International's R1.2 billion rights offer securing liquidity
- Available facilities of R1.7 billion as of 28 August post the rights offer capital raise, with covenant waivers in place until 2021
- Proposed settlement of Pacifico dispute and disposal of the remaining 50% equity interest in Sun Dreams SA. The proceeds will settle offshore debt of approximately R637 million with the balance of the funds repatriated back to South Africa

DRIVING EFFICIENCY AND OPTIMISATION

- Cost rationalisation programme extended
- Employee hours reduced for scheduled workers and non scheduled employees salaries reduced by between 20-30%
- Operating model restructured

DEALING WITH CHALLENGING UNITS

- Full review of all operating properties
- Section 189A process launched

ACCELERATING ONLINE GAMING

- Enhancing SunBet offerings and integration with MVG programme
- Proactively assessing online gaming opportunity



INSURANCE CLAIM RELATING TO COVID-19

- Sun International has had in place an Assets All Risks insurance policy covering its South African operations, which contains an extension providing cover for Business Interruption (BI) following a Contagious and Infectious Diseases incident
- As a result of the impact of the Covid-19 pandemic, the company took legal advice to ascertain whether it would have a BI claim, with the advice focused around the contagious and infectious disease policy wording and the causative trigger of the policy
- Based on legal advice obtained, a comprehensive claim for all properties was prepared and submitted during mid-July and a Loss Adjustor (LA) was appointed to the matter
- The LA has finalised his evaluation report of our claim and this report together with our claim has been submitted to the insurers
- Although there is no timeline stipulated in the policy by when insurers need to respond, the LA is actively engaging with our insurers for an urgent response to our claim



TRADING IN SOUTH AFRICA SINCE EASING OF LOCKDOWN RESTRICTIONS

TRADING ENVIRONMENT

- South African casino operations resumed trading on 1 July 2020 subject to strict operational protocols
- Limitations on the number of guests permitted in the casinos of up to 50% of normal capacity
- Regulations were amended a number of times:
 - Accommodation for leisure allowed up to curfew on 12 July 2020
 - 12 July 2020 imposition of the 9pm until 4am curfew
 - 31 July 2020 curfew amended to 10pm until 4am
 - 17 August 2020 leisure accommodation allowed together with the National Alert Status reduced to Level 2
- The initial impact of the curfew was an immediate drop off in gaming revenue which improved towards the end of the month
- Most bars and restaurants in the casinos remained closed due to the various restrictions on the sale and distribution of alcohol
- Given the restrictions on inter-provincial travel the Sun City Resort remained closed, although it is scheduled to reopen on 2 September 2020
- The Table Bay and Maslow Sandton remain closed until there is sufficient demand to justify their reopening



SOUTH AFRICAN INCOME AND EBITDA SINCE RESUMPTION OF TRADING

South African income	2019	2020	2020 as a % of 2019	
R million				
JULY				
Gaming				Results reflect trading of Gaming operations under various Level 3 lockdown restrictions from 1 July 2020
Casino income	601	234	39%	
Alternate Gaming				
LPM income	112	55	49%	Trading eased under Level 2 regulations - commenced from 18 August 2020
SunBet income	11	12	109%	
FIRST 27 DAYS IN AUGUST				
Gaming				Hospitality properties remained closed due to restrictions on interprovincial and international travel in South Africa
Casino income	517	290	56%	
Alternate Gaming				
LPM income	98	72	74%	
SunBet income	12	13	108%	

Sun Slots had approximately 73% and 90% of its slot machine network open as at the end of July and August, respectively.

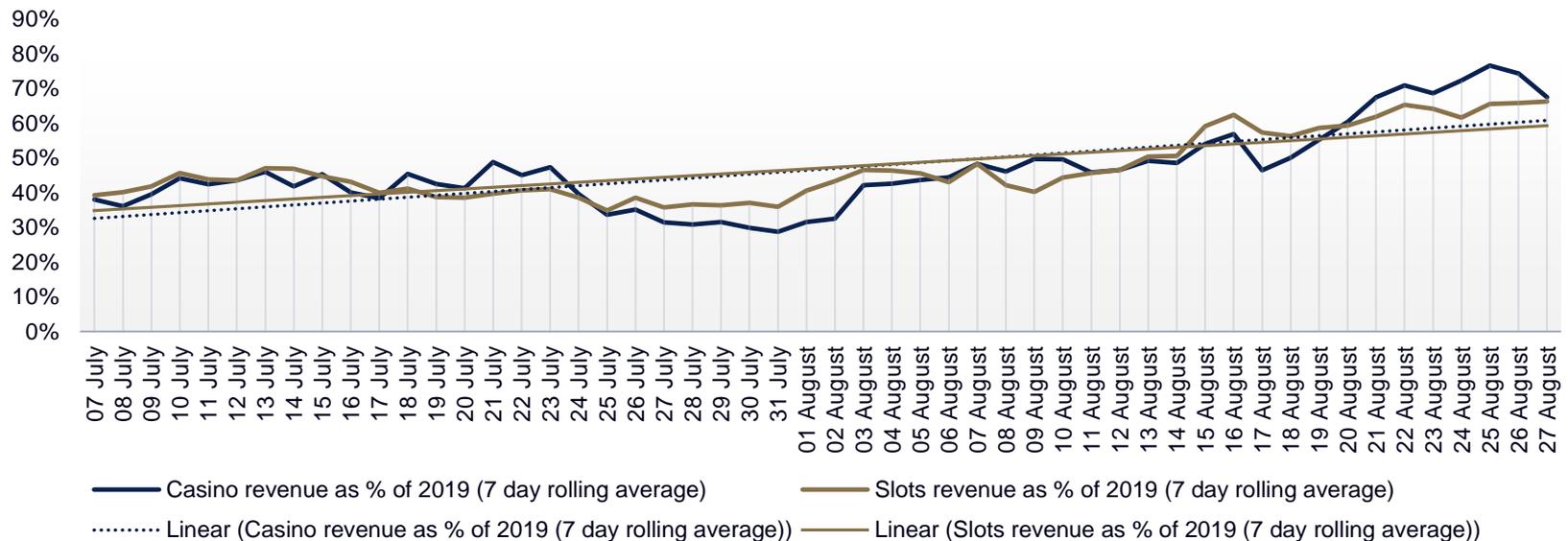
South African EBITDA for the month of July	2019	%	2020	
R million				
Trading units	262	(82%)	48	Operational cash breakeven achieved under restricted trading conditions despite several key operations remaining closed
Closed units	1	<(100%)	(41)	
Total	263	(97%)	7	

Capex discipline and suspension of debt repayments will further support cash generation during the ramp up period



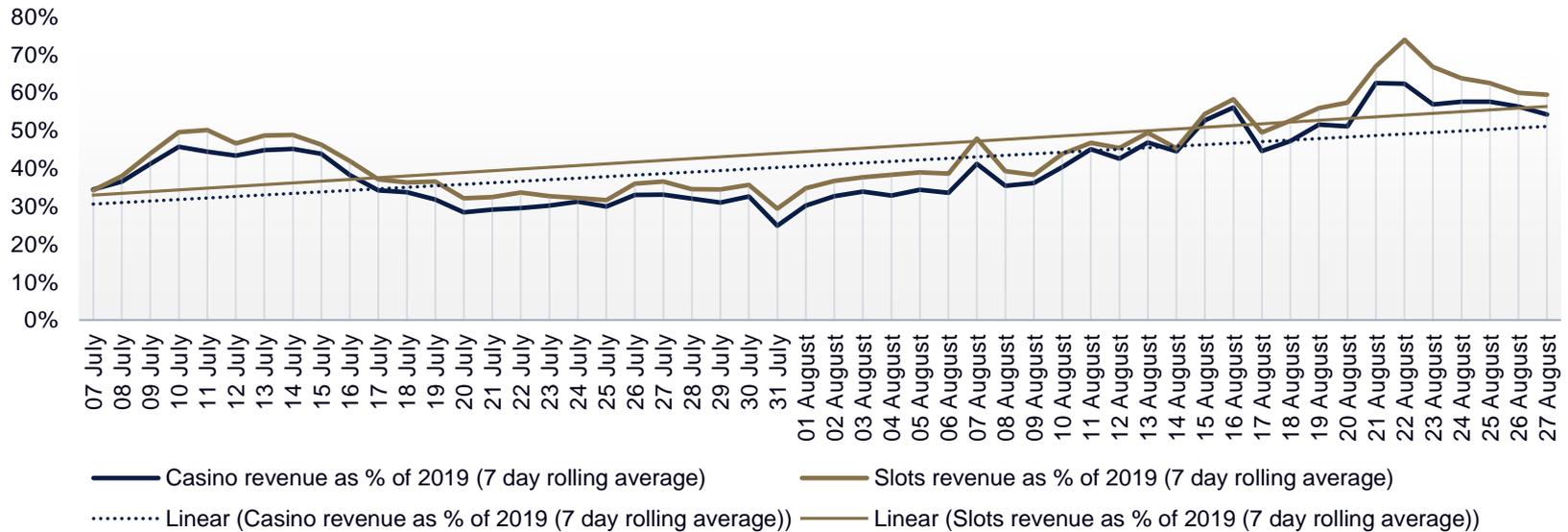
TOTAL CASINO INCOME FOR A SELECTION AS % OF PRIOR COMPARATIVE PERIOD JULY AND AUGUST TO DATE

4 MOST MATERIAL UNITS CURRENTLY TRADING – (GRANDWEST, SIBAYA, TIME SQUARE AND CARNIVAL CITY)



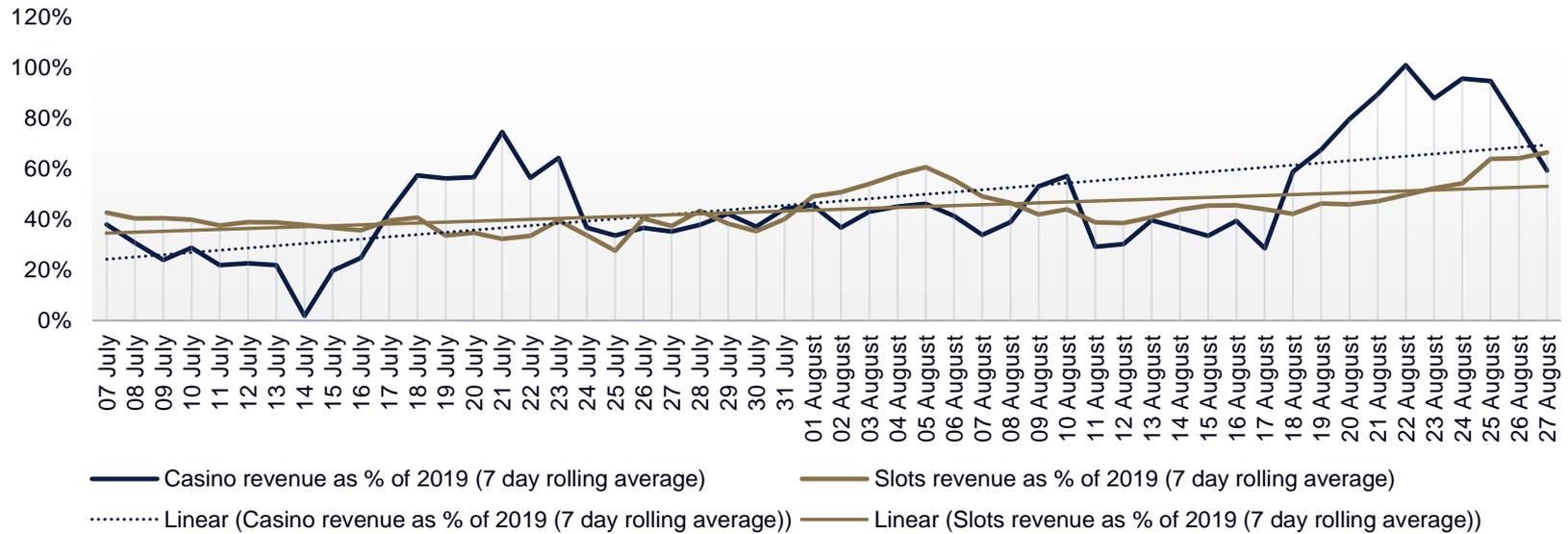


GRANDWEST CASINO INCOME AS % OF PRIOR COMPARATIVE PERIOD JULY AND AUGUST TO DATE



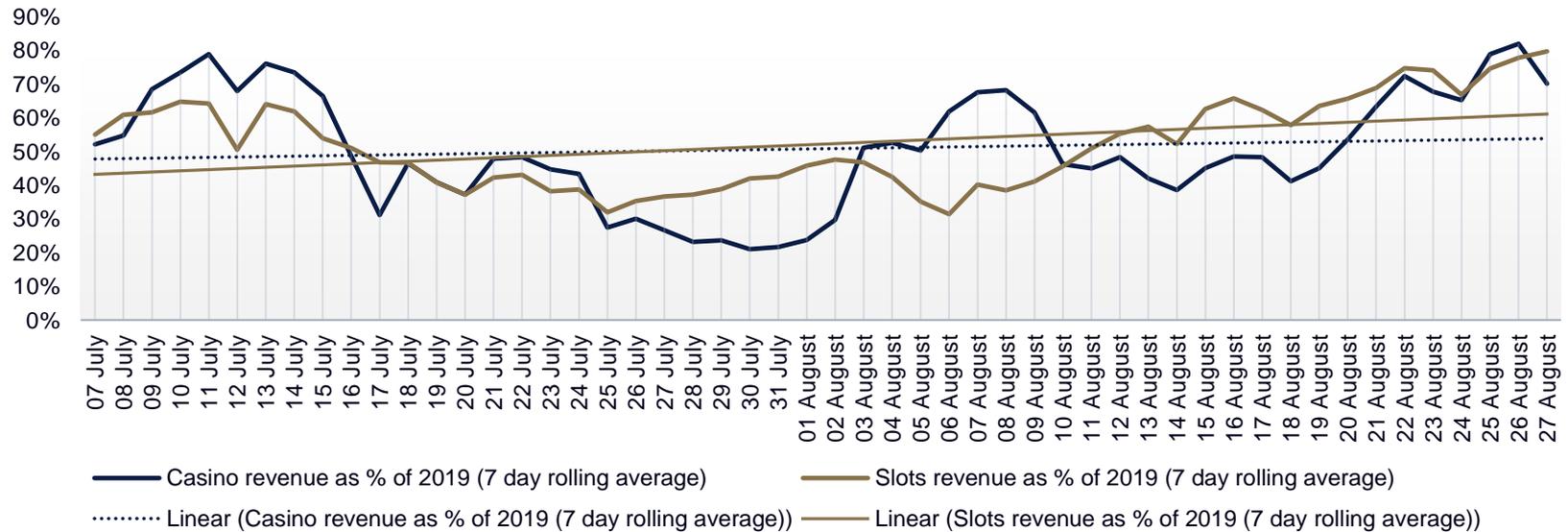


SIBAYA CASINO INCOME AS % OF PRIOR COMPARATIVE PERIOD JULY AND AUGUST TO DATE



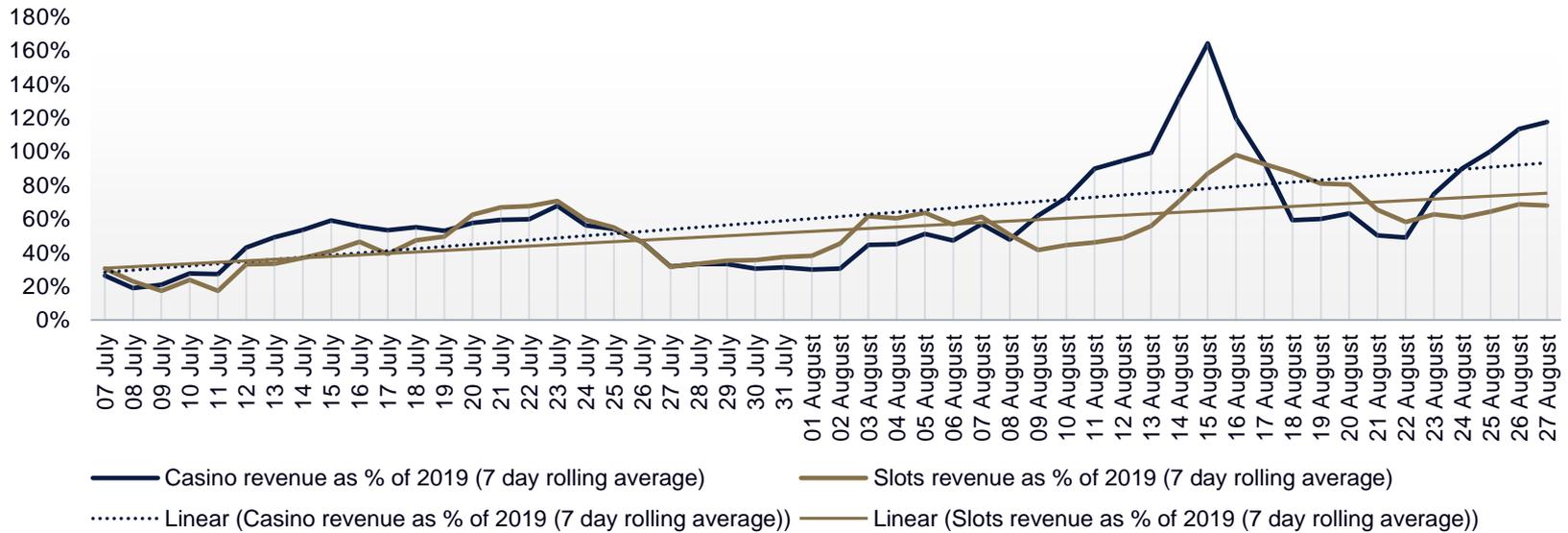


TIME SQUARE CASINO INCOME AS % OF PRIOR COMPARATIVE PERIOD JULY AND AUGUST TO DATE



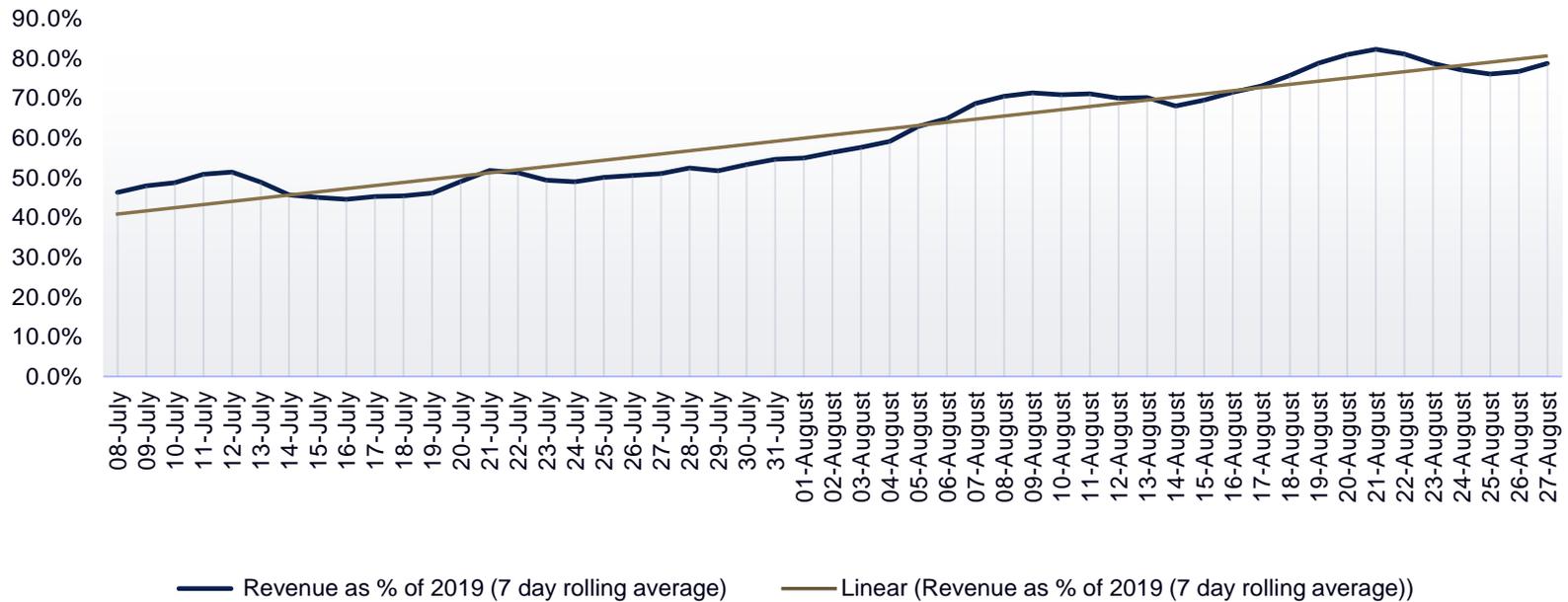


CARNIVAL CITY CASINO INCOME AS % OF PRIOR COMPARATIVE PERIOD JULY AND AUGUST TO DATE



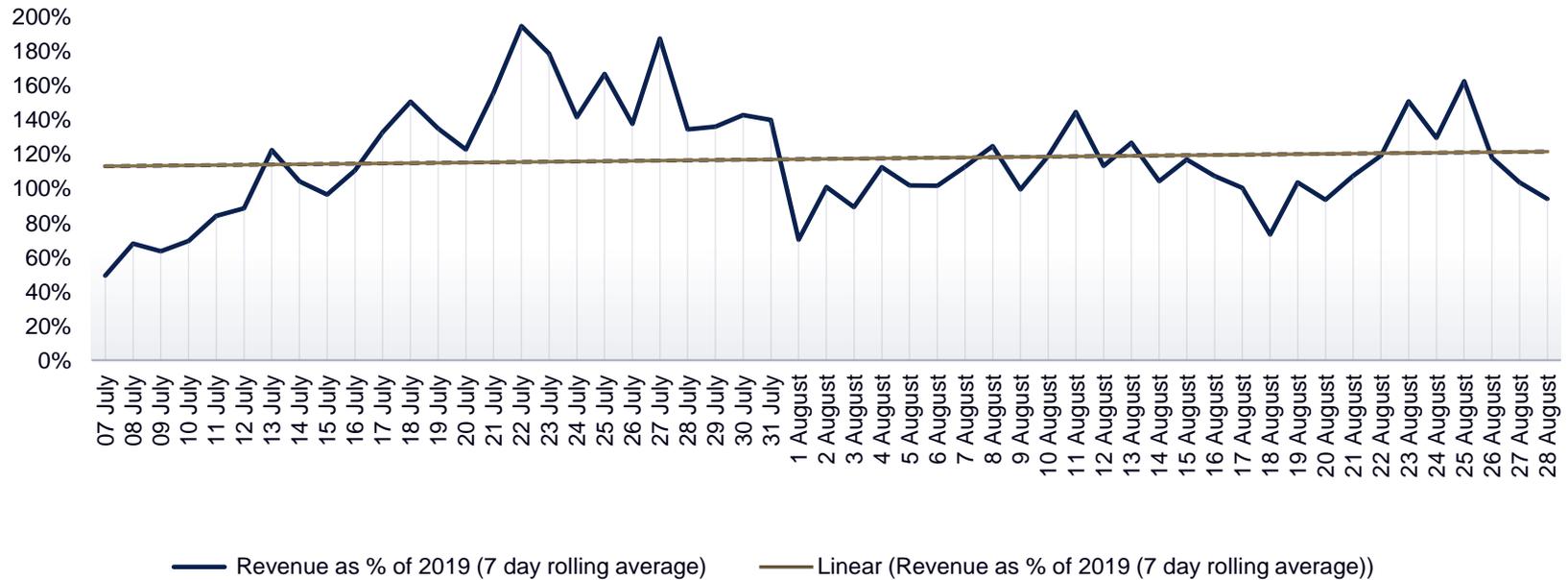


TOTAL SUNSLOTS INCOME AS % OF PRIOR COMPARATIVE PERIOD JULY AND AUGUST TO DATE





TOTAL SUNBET INCOME AS % OF PRIOR COMPARATIVE PERIOD JULY AND AUGUST TO DATE





TRADING IN OTHER JURISDICTIONS

Latin America	<ul style="list-style-type: none">• In Chile, the casino regulator (SCJ) has recently announced that casinos can re-open when active cases are less than 25 per 100 000 of the population of each city<ul style="list-style-type: none">- While there is no certainty when this will occur, we anticipate that most of the group's operations will be re-opened by October 2020• However, it remains unclear as to when our operations in Peru and Argentina will be allowed to re-open• Commenced a voluntary retrenchment process involving approximately 1 000 people• Approximately 451 employees accepted to date. Reduction will enable the business to control costs during the recovery period• Additional loans raised to fund the debt repayments and to provide sufficient liquidity to trade through the Covid-19 pandemic
Nigeria	<ul style="list-style-type: none">• The Federal Palace in Nigeria went into lockdown in April 2020 as a result of the Covid-19 pandemic• Although it may resume trading, it has chosen not to do so due to the limited demand for accommodation
eSwatini	<ul style="list-style-type: none">• It remains unclear as to when our operations in eSwatini will be re-opened



KEY FOCUS AREAS



PROTECTING BALANCE SHEET AND LIQUIDITY

Restructured South African debt facilities

- Agreed with the South African lending group to:
 - capital payments deferred until 30 June 2021
 - interest and preference dividend payments deferred
 - waive measurement of debt covenants until 30 June 2021
 - converted the on demand General Banking Facilities to a committed facility up to 30 June 2021

Successfully concluded R1.2 billion capital raise

- Successfully concluded R1.2 billion capital raise
- Approximately 95% subscribed with all major shareholders supportive
- Value Capital Partners and Steyn Capital Management partially underwrote rights offer
- Total costs of less than R19 million with most going to shareholders for irrevocable undertakings and underwrites



DRIVING EFFICIENCY AND OPTIMISATION

Cost rationalisation	<ul style="list-style-type: none">• Central office restructure concluded in February 2020• Head count reduction of 63 at Central Office with TCOE saving of R50 million• Costs savings throughout the group in excess of R250 million on 2019 costs achieved. Savings achieved in service provider contracts, marketing, IT systems and general expenses• The proposed retrenchment would potentially impact approximately 2 300 employees across the group, involving an estimated TCOE saving of R280 million
Review of the operating model	<ul style="list-style-type: none">• Reviewed small unit operating model• Certain casino operating structures will be changed to improve the customer experience, efficiencies and cost reduction including:<ul style="list-style-type: none">- Count and cash desk operations- Guest Service Attendants and Gaming Technical Assistants to Gaming Floor Technician Assistants and MVG Hosts• A comprehensive review of our IT systems



ACTIONS TAKEN AT NON PROFITABLE OPERATIONS

Property review

- Carousel and Naledi closed.
- Looking to dispose of Carousel property
- Sun City Resort – addressing the high cost base and overstaffing
- Wild Coast Sun – revisiting cost base to ensure an improvement in EBITDA
- Table Bay Hotel – addressing cost base due to anticipated lower demand
- Maslow Sandton – revisiting cost base due to lower anticipated demand
- Boardwalk – implementing restructure approved prior to Covid-19 with a further planned restructure subject to gaming board approval

Section 189A

- On 10 June 2020 we issued a Section 189A notice
- Proposed retrenchment potentially impacting approximately 2 300 employees
- Estimated annual TCOE saving of approximately R280 million
- Voluntary retrenchment and early retirement process initiated
- Discussions with union due to conclude in early September



ACCELERATING ALTERNATIVE GAMING

Sports Betting	<ul style="list-style-type: none">• Following the resumption of several key global sporting competitions, SunBet delivered an exceptionally strong performance under the circumstances
Online gambling	<ul style="list-style-type: none">• SunBet commenced offering Lucky Numbers in July 2020 and will shortly introduce Bet Games and Live Games• Well positioned to capitalise on online casino gambling when regulated• Submissions made to DTI to permit land based casinos the right to offer online casino games



STRATEGIC MATTERS



DISPOSAL OF INTEREST IN SUN DREAMS

Background

- Agreement concluded on 20 August 2020:
 - Dispute to be settled in respect of the disposal by Sun Latam of its 14.94% equity interest in Sun Dreams to Pacifico on 30 April 2019; and
 - Disposal of remaining 50% in Sun Dreams subject to Sun International shareholder and SCJ approval

Purchase consideration

- Net effect after fulfilment of suspensive conditions is that Pacifico will have acquired Sun Latam's 64.94% equity interest in Sun Dreams for \$160 million and possible certain future earnouts;
- Transaction value calculated as follows:

Sun Dreams EBITDA for the year ended 31 December 2019

Clp million	2019
2019 EBITDA	65 139
5.5 Times multiple	358 265
Sun Dreams Debt	(167 189)
Equity value	191 076
Exchange rate(Cl p777:\$1) x 64.94%	USD 160 million

- May increase to a 6.5x multiple if the earnouts are achieved;
- Earnouts relate to:
 - Renewal of four of Sun Dreams SCJ licences by 31 December 2024 (Cl p10.5 billion earnout (\$14 million))
 - These licences achieving at least their 2019 EBITDAR for the 2025 calendar year (Cl p31.8 billion earnout (\$42 million))



DISPOSAL OF INTEREST IN SUN DREAMS continued

Rationale	<p>Given the uncertainty that exists in Chile, including the:</p> <ul style="list-style-type: none">• Impact of the Covid-19 pandemic;• Renewal of SCJ licences and cost thereof;• Need for further capital for Iquique;• Loss of Puerto Varas licence;• Additional tax payable for Iquique following licence renewal; and• Additional debt due to lockdown <p>Realise Sun Dreams investment at attractive valuation given the circumstances</p> <p>Will allow for a further reduction in the group's borrowings and a resultant saving on interest charges</p>
Use of proceeds	<p>The proceeds from the disposal will be:</p> <ul style="list-style-type: none">• Used to settle Sun International's offshore debt in Sun Chile of R637 million (Clp30.1 billion);• An amount of \$15 million will be retained in escrow in Chile as security for a potential tax claim; and• Remaining proceeds will be repatriated to South Africa



UPDATE ON STRATEGIC MATTERS

Sun Slots	<ul style="list-style-type: none">• Acquisition of 30% interest in Sun Slots was not concluded due to the non-fulfilment of a condition precedent to the proposed transaction by 30 June 2020
Nigeria and eSwatini	<ul style="list-style-type: none">• Steady progress with the proposed disposals of:<ul style="list-style-type: none">- The Tourist Company of Nigeria- eSwatini - Ingwanyama has indicated that he wishes to exercise his pre-emptive right to acquire our interest for R50 million
GrandWest Exclusivity	<ul style="list-style-type: none">• The Western Cape Twentieth Gambling and Racing Amendment Bill and the Western Cape Twenty-First Gambling and Racing Amendment Bill ('Bills'), were both published on 8 May 2020 which provides for the relocation of the outlying casino licence to the new Helderberg zone• If the Bills are enacted, GrandWest's exclusivity zone will be reduced from 75kms to 25kms• The Bills also introduce a new exclusivity fee and casino operator fees• Sun International submitted comments on the Bills on 11 August 2020
Smoking ban	<ul style="list-style-type: none">• No further feedback has been received subsequent to the last submissions made in August 2018



UPDATE ON STRATEGIC MATTERS continued

Gaming taxes

North West Province

- 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 revenue. Impact of approximately R9 million per year
- The matter is being opposed by the Casino Association of South Africa (CASA)

Peru gaming taxes

- In terms of a decree published in September 2018, from 1 January 2019, casinos will have to pay a monthly consumption tax
- The tax represents an estimated additional amount of 4.8% to the current 12% tax on casino income
- The gaming industry in Peru is challenging the imposition of this tax

Gaming licences in Chile

SCJ licence renewals

- The due date for bids to be submitted is 18 January 2021
- The Chilean Casino Association alleges that the renewal process does not comply with the regulatory framework currently in force and the SCJ is seeking to unilaterally change the terms which had previously been agreed
- Sun Dreams is challenging the process

Municipal licence

- Sun Dreams has launched a court challenge with regards to the award of the Puerto Varas and Pucon licences to Enjoy
- It is the view of Sun Dreams and its legal team that the bids awarded did not comply with all of the prescribed legal and technical requirements



UPDATE ON STRATEGIC MATTERS continued

Online gambling	<ul style="list-style-type: none">• SunBet commenced offering Lucky Numbers in July 2020 and will shortly introduce Bet Games and Live Games• Well positioned to capitalise on online casino gambling when regulated• Submissions made to DTI to permit land based casinos the right to offer online casino games
Wildcoast licence renewal	<ul style="list-style-type: none">• Extension of licence granted to 30 September 2020• Technical Services Agreement was agreed to by the shareholders and submitted to the ECGB• Awaiting feedback from the ECGB
Table Bay lease renewal	<ul style="list-style-type: none">• The V&A Waterfront decided to place the RFP process on hold• V&A offered rental relief and rental deferrals which are still being finalised• Ongoing discussions regarding a short-term extension of our existing lease which expires on 31 May 2022
Boardwalk Mall	<ul style="list-style-type: none">• The project has been placed on hold• Parties are in discussions regarding the viability of the project.



FINANCIAL REVIEW



FINANCIAL OVERVIEW

R million	2020	%	2019
Income	2 539	(55)	5 596
Adjusted EBITDA	31	(98)	1 472
Adjusted operating (loss)/profit	(484)	<(100)	878
Foreign exchange profit/(loss)	9	>100	(11)
Net interest	(555)	(13)	(493)
Net external interest	(372)	17	(448)
Hedge interest	(145)	<(100)	(8)
IFRS 16 interest	(38)	(3)	(37)
(Loss)/profit before tax	(1 030)	<(100)	374
Tax	179	>100	(181)
(Loss)/profit after tax	(851)	<(100)	193
Minorities	134	>100	(134)
Attributable (loss)/profit	(717)	<(100)	59
Share of associates	2	100	1
Continued adjusted headline (loss)/earnings	(715)	<(100)	60
Discontinued operations*	(170)	<(100)	112
Adjusted headline (loss)/earnings	(885)	<(100)	172

* Sun Dreams is reflected as discontinued operations as required by IFRS 5: Non-Current Assets and Liabilities Held for Sale from Discontinued Operations for the current and prior period.



SEGMENTAL REVIEW

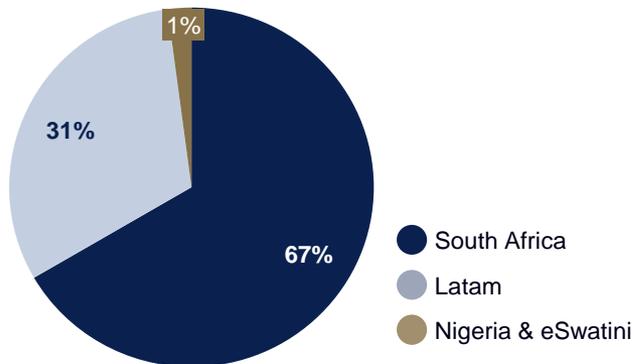


SEGMENTAL HIGHLIGHTS

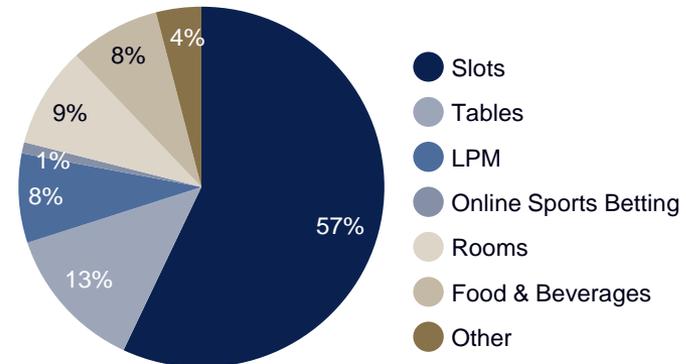
R million	South Africa			Latam*			Nigeria & eSwatini			Total		
	2020	%	2019	2020	%	2019	2020	%	2019	2020	%	2019
Income	2 473	(55)	5 526	1 166	(58)	2 783	66	(58)	156	3 705	(56)	8 465
Adjusted EBITDA	80	(95)	1 480	43	(94)	668	(44)	<(100)	(8)	79	(96)	2 140
Adjusted operating (loss)/profit	(419)	<(100)	900	(227)	<(100)	370	(60)	<(100)	(24)	(706)	<(100)	1 246

*Latam includes Sun Dreams (disclosed as discontinued operations), Sun Latam and Sun Chile.

Income per Geography (2020)



Income per Category (2020)





SOUTH AFRICAN SEGMENTAL REVIEW

R million	Income			Adjusted EBITDAR			Depreciation & amortisation			Adjusted operating (loss)/profit		
	2020	%	2019	2020	%	2019	2020	%	2019	2020	%	2019
GrandWest	434	(58)	1 045	80	(80)	396	(61)	16	(73)	19	(94)	323
Sibaya	295	(56)	667	63	(73)	232	(31)	23	(40)	32	(83)	192
Time Square	303	(55)	671	41	(80)	201	(107)	18	(131)	(66)	<(100)	70
Carnival City	195	(59)	473	1	(99)	117	(33)	3	(34)	(32)	<(100)	83
Other SA casino operations*	321	(57)	754	(22)	<(100)	136	(68)	18	(83)	(90)	<(100)	53
South African Casinos	1 548	(57)	3 610	163	(85)	1 082	(300)	17	(361)	(137)	<(100)	721
Sun Slots	303	(52)	637	56	(64)	156	(43)	(13)	(38)	13	(89)	118
SunBet	51	(26)	69	16	(16)	19	(1)	–	(1)	15	(17)	18
Alternate Gaming	354	(50)	706	72	(59)	175	(44)	(13)	(39)	28	(79)	136
Sun City	336	(55)	740	(100)	<(100)	52	(107)	2	(109)	(207)	<(100)	(57)
Table Bay	96	(43)	167	11	(72)	39	(8)	–	(8)	3	(90)	31
Maslow Sandton	29	(53)	62	(11)	<(100)	(5)	(4)	76	(17)	(15)	32	(22)
Wild Coast Sun	110	(51)	225	(12)	<(100)	33	(20)	13	(23)	(32)	<(100)	10
SA Hotels & Resorts	571	(52)	1 194	(112)	<(100)	119	(139)	11	(157)	(251)	<(100)	(38)
Total South African operations	2 473	(55)	5 510	123	(91)	1 376	(483)	13	(557)	(360)	<(100)	819
Management companies	79	(71)	272	(43)	<(100)	104	(16)	30	(23)	(59)	<(100)	81
Inter-company management fees	(79)	69	(256)	–	–	–	–	–	–	–	–	–
	2 473	(55)	5 526	80	(95)	1 480	(499)	14	(580)	(419)	<(100)	900

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



LATAM SEGMENTAL REVIEW

R million	Income			Adjusted EBITDA			Adjusted operating (loss)/profit		
	2020	%	2019	2020	%	2019	2020	%	2019
Monticello	411	(57)	956	62	(76)	254	(17)	<(100)	168
Dreams SCJ licences	330	(59)	808	90	(70)	303	69	(76)	283
Dreams Municipal licences	179	(56)	411	29	(79)	139	11	(91)	121
Central Office	–	–	–	(101)	9	(111)	(161)	5	(169)
Chile operations	920	(58)	2 175	80	(86)	585	(98)	<(100)	403
Sun Latam	–	–	–	(5)	–	(5)	(5)	–	(5)
Ocean Sun	25	(53)	53	(15)	<(100)	(2)	(38)	4	(40)
Sun Nao	–	(100)	9	–	–	–	–	100	(6)
Peru excluding Thunderbird	71	(46)	131	(2)	<(100)	14	(46)	(30)	(35)
Thunderbird	56	(62)	146	(7)	<(100)	30	(18)	<(100)	21
Mendoza	94	(55)	209	(8)	<(100)	31	(22)	<(100)	25
Total Latam operations	1 166	(58)	2 723	43	(94)	653	(227)	<(100)	363
Constant currency adjustment	–	(100)	60	–	(100)	15	–	(100)	7
Group operations	1 166	(58)	2 783	43	(94)	668	(227)	<(100)	370
Sun Dream Colombia S.A.S***	6	100	–	(1)	(100)	–	(2)	(100)	–
Total share of (loss)/profit from associate	6	100	–	(1)	(100)	–	(2)	(100)	–
Average Rand:CLP exchange rate	48.69		47.66						

* PPA adjustment included in central office



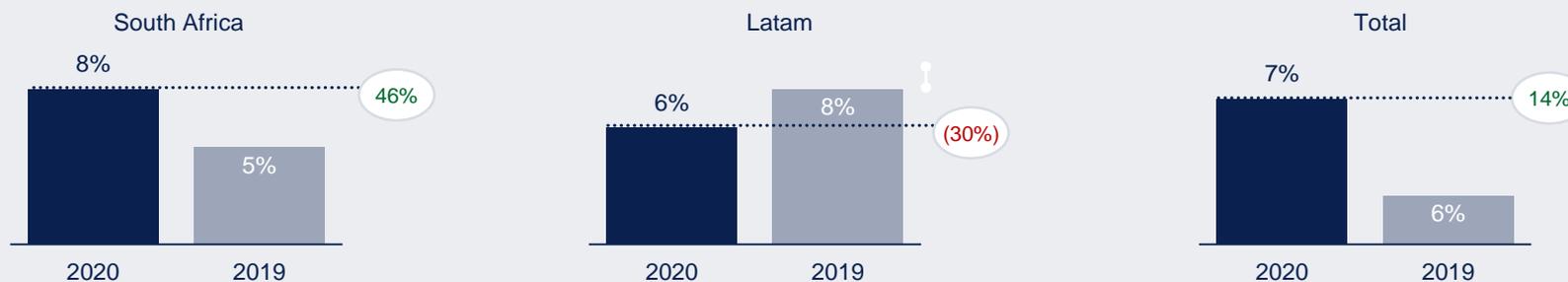
CAPITAL ALLOCATION



CAPITAL EXPENDITURE

R million	Forecast	Actuals	
	31 December 2020	30 June 2020	30 June 2019
South African operations			
Refurbishment and ongoing			
Sun City	106	37	55
GrandWest	34	28	77
Sibaya	46	8	24
Sun Slots	54	30	48
Other	134	88	88
Total South African capital expenditure	374	191	292
Latam operations			
Expansionary	44	44	39
Refurbishment and ongoing	27	24	194
Total Latam capital expenditure	71	68	233
Nigerian operations			
Refurbishment and ongoing	4	4	2
Total Nigeria capital expenditure	4	4	2
Total group capital expenditure	449	263	527

Capex as a percentage of revenue by geography





BORROWINGS AND CASH FLOW



BORROWINGS AND CASH FLOW

The South African lending group agreed to the suspension of debt repayments, waiver of covenant measures and debt rescheduling

Certain of the key terms negotiated include:

- Capital payments deferred until 30 June 2021
- Interest and preference dividend payments deferred until:
 - 31 December 2020 provided the group has sufficient levels of liquidity or 31 March 2021
 - Deferred interest will be capitalised to the respective loan and repaid over the repayment profile of the loan
- Converted the on demand General Banking Facilities to a committed facility up to 30 June 2021
- Covenants will be reset by 31 March 2021 with the measurement of covenants waived until 30 June 2021
- An increase in pricing which resulted in the average blended interest rate increasing by 1.2% from 31 December 2019

Available South African facilities of R1.7 billion as at 28 August 2020 post the rights offer capital raise



BORROWINGS

R million	Debt	IFRS 16 Lease liability	Total debt	Minority share	Sun share
South Africa	9 656	765	10 421	1 344	9 077
Operating subsidiaries	7 688	588	8 276	1 344	6 933
Central office	1 968	177	2 145	–	2 145
Nigeria	761	–	761	385	304
Shareholder loans	1 173	–	1 173	544	469
Sun International inter-company debt	(412)	–	(412)	(209)	(165)
Swaziland	25	–	25	11	10
Shareholder loans	25	–	25	11	10
Latam	4 705	318	5 023	1 448	2 451
Sun Dreams	4 068	318	4 386	1 448	2 451
Sun Chile	637	–	637	–	–
Total debt as at 30 June 2020	15 147	1 083	16 230	3 188	13 043
Total debt as at 31 December 2019	13 327	1 079	14 406	2 728	11 678

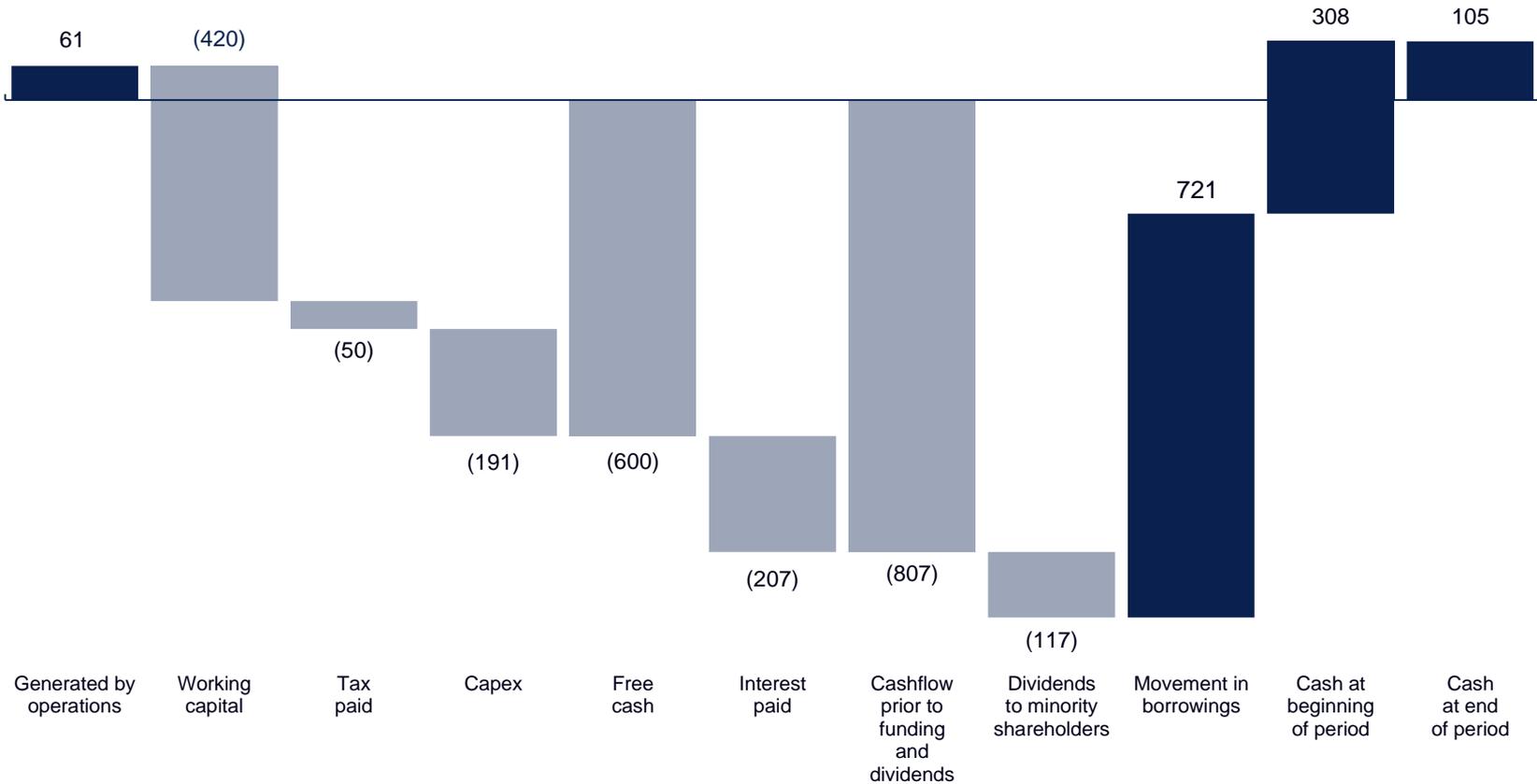
Key ratios





SOUTH AFRICAN CASH FLOW

R million

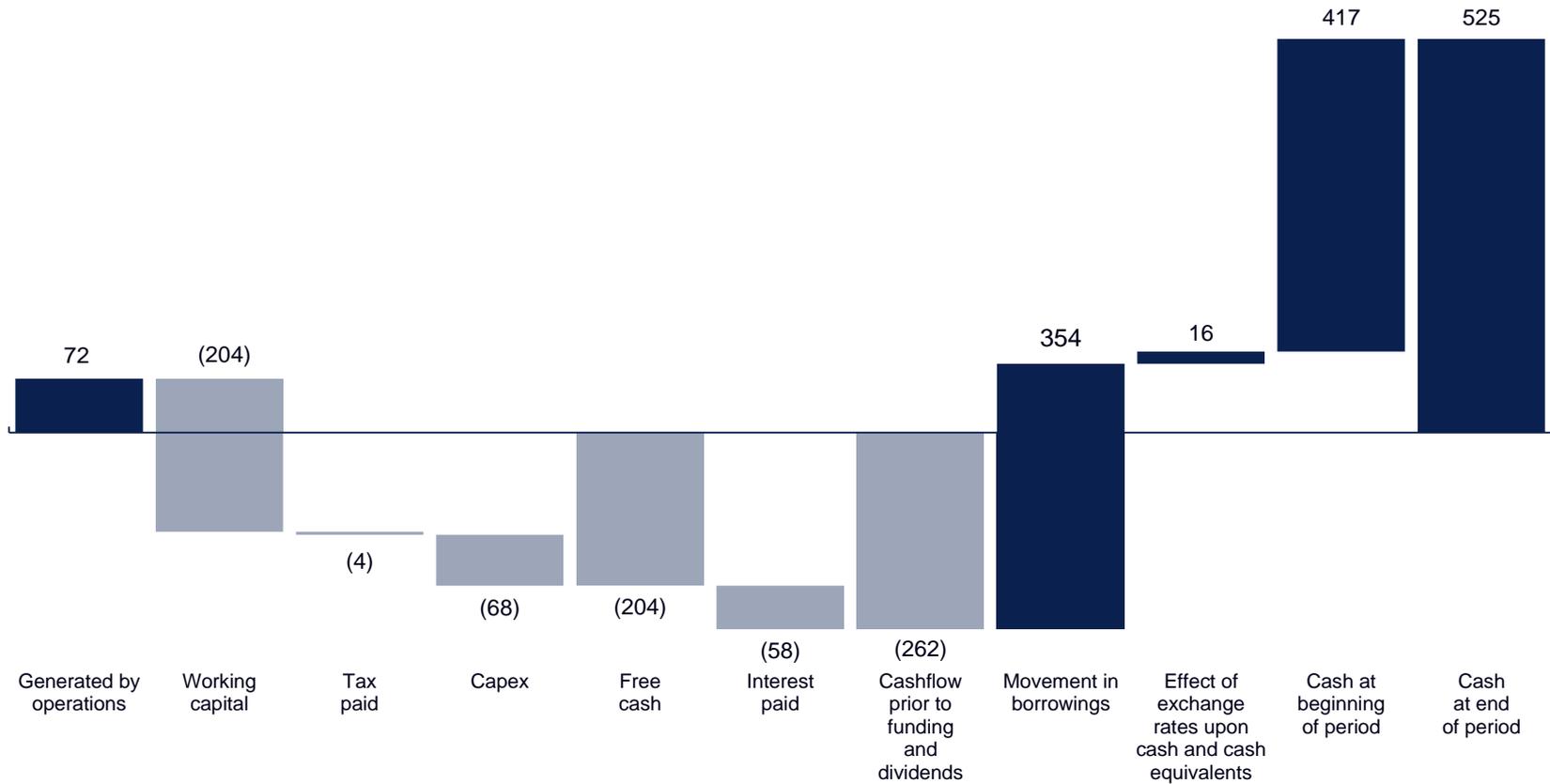


● Cash inflow ● Cash outflow

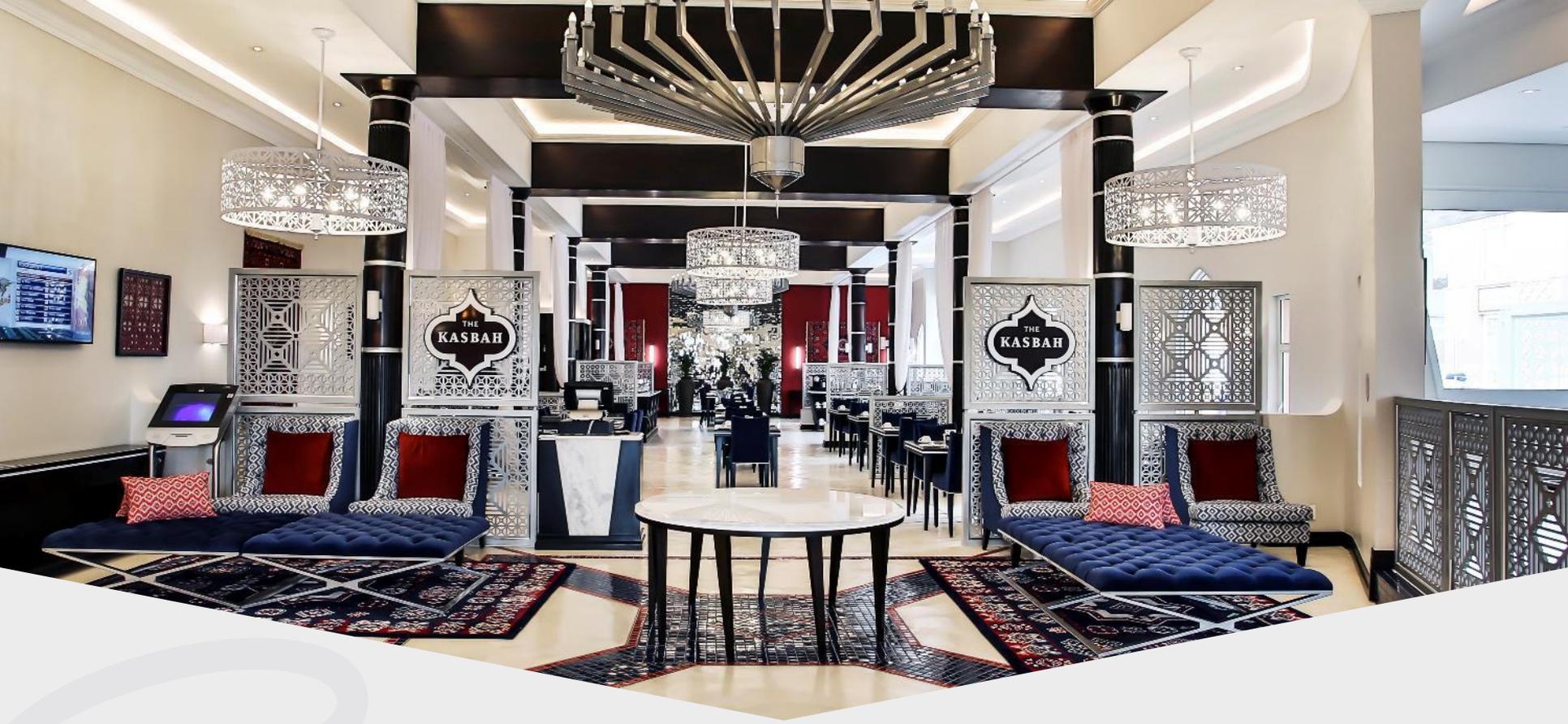


LATAM CASH FLOW

R million



● Cash inflow ● Cash outflow



CONCLUSION



ROBUST BUSINESS FUNDAMENTALS TO DEAL WITH CHALLENGES AHEAD

CHALLENGES AHEAD

- The Covid-19 pandemic will have a significant impact on the South African and Chilean economies
- We do not expect that there will be a quick recovery to previous trading levels
- Potential impact of regulatory changes from smoking ban, gaming taxes and licence relocations
- SCJ licence renewals

OUTLOOK

- With the recent resumption of trading in South Africa and the further lifting of restrictions we expect trading levels to continue to improve
- With the various costs saving and efficiency initiatives implemented and a dedicated focus on improving the customer experience the group will recover and resume delivering strong returns to shareholders
- Capex to be kept to essential and committed capex
- Alternative gaming is expected to continue delivering growth
- The proceeds from the disposal of Sun Dreams will significantly strengthen the group's balance sheet and reduce the interest charge





SUPPLEMENTARY INFORMATION



EARNINGS RECONCILIATION

R million	Unaudited 6 months ended	
	30 June 2020	30 June 2019
Loss/(profit) attributable to ordinary shareholders	(1 128)	167
Profit on sale of management contract (Lesotho, Botswana and Colombia)	–	(7)
Impairment of assets	1 191	–
Sun City	900	–
Boardwalk	180	–
Maslow Sandton	99	–
Sun Dreams	12	–
Tax relief on above items	(330)	1
Minorities' interests on the above items	(24)	–
Headline (loss)/earnings	(291)	161
IFRS 16 liability reduction of lease (Peru)	(23)	–
Insurance claim (Iquique)	(26)	–
Restructure and related costs	–	12
Amortisation of Sun Dreams intangibles assets raised as part of PPA	50	54
Foreign exchange loss on inter-company loan	96	5
Fair value of foreign exchange contract	–	(16)
Fair value adjustment on put option liabilities	(590)	(24)
Other	(3)	13
Tax relief on above items	(41)	(12)
Minorities' interests in the above items	(57)	(21)
Adjusted headline (loss)/earnings	(885)	172
Discontinued adjusted headline (loss)/earnings	(170)	112
Continuing adjusted headline (loss)/earnings	(715)	60



LATAM SEGMENTAL (CLP)

CLP million	Income			Adjusted EBITDA			Depreciation & amortisation			Adjusted operating (loss)/profit		
	2020	%	2019	2020	%	2019	2020	%	2019	2020	%	2019
Iquique	4 344	(56)	9 908	848	(71)	2 928	(283)	(16)	(245)	565	(79)	2 684
Puerto Varas	4 376	(57)	10 094	599	(84)	3 844	(669)	(3)	(651)	(69)	<(100)	3 193
Temuco	5 368	(62)	14 067	1 381	(73)	5 160	(385)	(1)	(381)	997	(79)	4 780
Valdivia	3 819	(59)	9 340	949	(71)	3 268	(249)	(17)	(214)	700	(77)	3 054
Coyhaique	1 427	(60)	3 604	92	(90)	956	(102)	23	(133)	(10)	<(100)	823
Punta Arenas	5 485	(56)	12 336	1 985	(63)	5 382	(287)	(8)	(266)	1 698	(67)	5 116
Monticello	19 981	(57)	46 546	3 007	(76)	12 374	(3 831)	9	(4 204)	(824)	<(100)	8 170
Sun Latam office	–	–	–	(223)	16	(267)	–	–	–	(223)	16	(267)
Central office	–	–	–	(4 983)	8	(5 397)	(2 765)	6	(2 939)	(7 749)	7	(8 336)
Total Chile operations	44 800	(58)	105 895	(3 656)	(87)	28 248	(8 571)	5	(9 032)	(4 915)	<(100)	19 217
Ocean Sun	1 232	(52)	2 571	(747)	<(100)	(100)	(1 127)	38	(1 830)	(1 874)	3	(1 930)
Sun Nao	–	(100)	456	–	(100)	7	–	100	(309)	–	100	(302)
Perú excluding Thunderbird	3 400	(47)	6 377	(98)	>100	705	(2 147)	11	(2 425)	(2 245)	(31)	(1 720)
Thunderbird	2 759	(62)	7 118	(334)	<(100)	1 482	(563)	(24)	(454)	(897)	<(100)	1 029
Mendoza	4 553	(55)	10 172	(384)	<(100)	1 501	(762)	<(100)	(261)	(1 146)	<(100)	1 240
Group operations	56 744	(57)	132 589	2 093	(93)	31 843	(13 170)	8	(14 311)	(11 077)	<(100)	17 532
Sun Dream Colombia S.A.S.	309	100	–	(28)	(100)	–	(61)	(100)	–	(89)	(100)	–
Total share of (loss)/profit from associate	309	100	–	(28)	(100)	–	(61)	(100)	–	(89)	(100)	–



GROUP EFFECTIVE TAX RATE (ETR)

	South Africa	Nigeria	Sun Chile, Sun Latam	Swaziland	Total	Sun Dreams	Panama	Colombia
Loss before tax continuing operations	(1 440)	(215)	(23)	(25)	(1 703)	–	–	–
Profit before tax discontinued operations	–	–	–	–	–	(340)	(7)	(2)
Depreciation on non-qualifying buildings	25	–	–	–	25	–	–	–
Impairment of assets and fair value adjustments	1	–	–	–	1	–	–	–
Other non-deductible expenditure*	38	–	–	–	38	65	–	–
Movement in put options	(590)	–	–	–	(590)	–	–	–
Exempt income- other (lessor contribution, associated income and disposal of income earning structure)	(26)	–	–	–	(26)	–	–	–
Tax incentives	(15)	–	–	–	(15)	–	–	–
Hyperinflationary adjustments	–	–	–	–	–	10	–	–
Chilean capital indexed to inflation adjustment	–	–	–	–	–	(74)	–	–
Tax losses not meeting recognition criteria	107	214	23	–	344	23	–	–
Write off of unused tax losses	–	–	–	–	–	12	–	–
Discontinued operation–tax losses not meeting recognition criteria	–	–	–	–	–	–	7	2
Taxable losses	(1 900)	(1)	–	(25)	(1 926)	(304)	–	–
Corporate tax rate	28.0%	30.0%	27.0%	27.5%	28.0%	27.0%	25.0%	34.0%
Tax at standard rate	(532)	–	–	(7)	(539)	(88)	–	–
Current tax charge	(532)	–	–	(7)	(539)	(88)	–	–
Withholding and other taxes	2	–	(3)	(7)	(1)	–	–	–
Effects of tax rates in various jurisdictions	–	–	–	–	–	–	–	–
	(530)	–	(3)	(7)	(540)	(88)	–	–
Effective Tax Rate					32%	29%		

* Refer to note one on the next slide



GROUP EFFECTIVE TAX RATE continued

Note 1: Other non-deductible expenses	Amount
Amortisation of bid expenditure	2
CSI expenditure not qualifying under s18A	1
Non-deductible legal or professional costs	35
Securities Transfer Tax	1
Employee dividend distributions (SIEST only)	(1)
Capital gains tax	–
Total	38



BORROWINGS BY SUBSIDIARY

R million	2020					2019				
	Borrowings	IFRS 16 Lease liability	Total borrowings	Minority share	Attributable to Sun International	Borrowings	IFRS 16 Lease liability	Total borrowings	Minority share	Attributable to Sun International
South Africa	9 656	765	10 421	1 344	9 077	8 790	779	9 569	1 218	8 351
SunWest	803	8	811	285	526	649	9	658	231	427
Afrisun Gauteng	598	4	602	32	570	532	6	538	29	509
Afrisun KZN	339	1	340	32	308	213	2	215	20	195
Emfuleni	525	3	528	79	449	492	3	495	74	421
Wild Coast	219	43	262	131	131	185	45	230	115	115
Maslow Sandton	–	473	473	–	473	–	474	474	–	474
Meropa	57	–	57	17	40	35	1	36	10	26
Teemane	70	7	77	19	58	65	7	72	18	54
Windmill	97	1	98	26	72	75	1	76	20	56
Worcester	7	2	9	3	6	(21)	2	(19)	(7)	(12)
Sun Slots	50	41	91	27	64	(48)	42	(6)	(2)	(4)
Time Square	4 859	5	4 864	693	4 171	4 972	5	4 977	710	4 267
Management and corporate	2 032	177	2 209	–	2 209	1 641	182	1 823	–	1 823
Nigeria	761	–	761	385	376	617	–	617	313	304
Shareholder loans	1 173	–	1 173	594	579	951	–	951	482	469
Sun International inter-company debt	(412)	–	(412)	(209)	(203)	(334)	–	(334)	(169)	(165)
eSwatini	25	–	25	11	14	19	–	19	9	10
Latam	4 705	318	5 023	1 448	3 575	3 901	300	4 201	1 188	3 013
Sun Dreams	4 068	318	4 386	1 448	2 938	3 339	300	3 639	1 188	2 451
Sun Chile	637	–	637	–	637	582	–	562	–	562
Total debt as at 30 June 2020	15 147	1 083	16 230	3 188	13 042	13 327	1 079	14 406	2 728	11 678

	South Africa		Chile	
	Covenant	Actual	Covenant	Actual
Debt (excluding IFRS 16) to EBITDA	*	5.59x	4.5x	5.64x
Interest cover (excluding IFRS 16)	*	1.88x		

* South African lenders have waived the covenant for 2020 due to the impact of Covid-19 on the economy.



GROUP STRUCTURE

		Economic interest %*	Slots	Tables	Rooms
South Africa					
Gauteng	Carnival City	91.2	1 399	48	105
	Maslow Sandton	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	1 286	48	154
Limpopo	Meropa	67.6	400	17	60
North West	Sun City	100.0	700	51	1 299
	Carousel	100.0	–	–	–
	Sun Carousel	60.0	400	–	–
Northern Cape	Flamingo	71.4	300	–	–
Eastern Cape	Boardwalk	81.6	798	27	140
	Wild Coast Sun	50.1	550	18	396
Free State	Windmill	70.0	401	4	–
	Naledi	100.0	100	–	30
Management activities	Sun International Management	100.0	–	–	–
Other Africa					
Nigeria		49.3	52	5	146
eSwatini		50.6	158	14	351
Latam					
Chile		64.4	4 879	230	533
Panama		64.4	384	20	–
Colombia		38.6	246	12	–
Peru		64.4	1 896	88	–
Argentina		64.4	788	25	186
		Economic interest %*	LPMs	Sites	
South Africa					
Sun Slots		70.0	4 380	894	

* Excluding employee share scheme shareholding percentage



ANALYSIS OF MINORITY SHAREHOLDERS

R million	Profit after tax		% Shareholding		Minority portion including SIEST	
	2020	2019	2020	2019	2020	2019
South Africa	(716)	400			78	(153)
SunWest	(10)	222	61.60%	61.60%	4	(86)
Sibaya	14	128	87.20%	87.20%	(2)	(47)
Carnival City	(40)	28	91.20%	91.20%	3	(2)
Boardwalk	(46)	(13)	81.60%	81.60%	8	2
Wild Coast Sun	(30)	(1)	50.10%	70.00%	15	1
Meropa	(4)	23	67.60%	67.60%	1	(7)
Windmill	(6)	18	70.00%	70.00%	2	(6)
Flamingo	(9)	3	71.40%	71.40%	3	(1)
Golden Valley	(11)	3	61.40%	61.40%	4	(1)
Time Square	(208)	(134)	82.30%	82.30%	37	24
Sun Carousel	(8)	–	60.00%	100.00%	3	–
South African operations with minorities/SIEST	(358)	275			79	(123)
Sun Slots	8	83	70.00%	70.00%	(2)	(25)
Management companies with minorities	(366)	42	–	–	–	(5)
Management and corporate						
Manco - NCR	–	–	90.80%	90.80%	–	(1)
Manco - GauCR	–	–	77.90%	77.90%	–	–
Manco - AfrisunKZN	–	10	52.30%	52.30%	–	(4)
Manco - Flamingo	–	–	50.00%	50.00%	–	–
Manco - Meropa	–	2	50.00%	50.00%	–	(1)
Manco - Windmill	–	–	50.00%	50.00%	–	–
Dinokana	(5)	(5)	93.20%	93.20%	–	–
Royale	–	–	73.30%	73.30%	–	–
SIEST	(30)	(4)	–	–	–	–
Center and wholly owned subsidiaries	(331)	40	100.00%	100.00%	–	–
Nigeria	(91)	(37)	49.30%	49.30%	46	19
eSwatini	(18)	(7)	50.60%	50.60%	9	3
Latam	(246)	196	64.40%	64.40%	80	(79)
Total group	(1 071)	554			213	(210)



Sun International

