DISCLAIMER

Certain statements in this document may constitute ‘forward looking statements’. Such forward looking statements reflect the company’s beliefs and expectations and involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Tsogo Sun Hotels Limited and its subsidiaries to be materially different from the future results, performance or achievements expressed or implied by such forward looking statements. The company undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of this document, or to reflect the occurrence of anticipated events. Past performance of the company cannot be relied on as a guide to future performance. Forward-looking statements speak only as at the date of this document. You are cautioned not to place any undue reliance on such forward looking statements. No statement in this document is intended to be a profit forecast.

This document is being supplied to you for informational purposes only. This document is not a prospectus or an offer or invitation or inducement to subscribe for or purchase any securities, and nothing contained herein shall form the basis of any contract or commitment whatsoever. This document does not constitute a recommendation regarding the securities of the company. No representation or warranty, express or implied, is given by the company, its subsidiaries or any of their respective directors, officers, employees and affiliates or any other person as to the fairness, accuracy or completeness of the information (including data obtained from external sources) or opinions contained in this document, nor have they independently verified such information, and any reliance you place thereon will be at your sole risk. Without prejudice to the foregoing, no liability whatsoever for any loss howsoever arising, directly or indirectly, from any use of information contained in this document, or otherwise arising in connection therewith is accepted by any such person in relation to such information. None of the data in this document has been reviewed or reported on by the group’s auditors and no guarantee or warranty as to the data’s accuracy, expressed or implied, is given.
Group Structure

- **Hosken Consolidated Investments Limited**
  - 49%

- **TSOGO SUN HOTELS**
  - 100%

  - **Offshore**
    - Owned, managed and leased hotels
    - UK Investments
  
  - **South Africa**
    - Owned and leased hotels
    - Manco

- **Public**
  - 51%

  - **SA REIT**
  - 59%
Board of Directors

Executive Directors
• Marcel von Aulock – CEO
• Laurelle McDonald – CFO

Non-Executive Directors
• Johnny Copelyn – Chairman
• Rob Nicolella

Independent Non-Executive Directors
• Mohamed Ahmed – Lead Independent
• Chris Gina
• Moretlo Molefi
• Jabulani Ngcobo
• Cornelia September
Operated Portfolio

- **LUXURY**
  - MAIA
  - BEVERLY HILLS
  - PALAZZO
  - InterContinental Hotels & Resorts
  - Sandton Sun

- **FULL SERVICE**
  - Southern Sun Hotels
  - SunSquare
  - Garden Court
  - Holiday Inn
  - Crowne Plaza
  - Stayeasy

- **ECONOMY**
  - Hi Hotels
  - Sun1 Hotels

TSOGO SUN HOTELS
## Portfolio by rooms
Portfolio by number of rooms, brand and region (excluding RBH and IHL in the UK)

<table>
<thead>
<tr>
<th>Land / building</th>
<th>Freehold</th>
<th>Leases</th>
<th>HPF</th>
<th>Owned Total</th>
<th>Tsogo Sun Gaming</th>
<th>Third party Owner</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Internally managed</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luxury Portfolio</td>
<td>164</td>
<td>-</td>
<td>-</td>
<td>164</td>
<td>246</td>
<td>695</td>
<td>1 105</td>
</tr>
<tr>
<td>Southern Sun</td>
<td>301</td>
<td>1 468</td>
<td>2 221</td>
<td>3 990</td>
<td>714</td>
<td>-</td>
<td>4 704</td>
</tr>
<tr>
<td>Sun Square</td>
<td>-</td>
<td>202</td>
<td>136</td>
<td>338</td>
<td>344</td>
<td>-</td>
<td>682</td>
</tr>
<tr>
<td>Garden Court</td>
<td>-</td>
<td>934</td>
<td>2 181</td>
<td>3 115</td>
<td>198</td>
<td>516</td>
<td>3 829</td>
</tr>
<tr>
<td>StayEasy</td>
<td>136</td>
<td>302</td>
<td>562</td>
<td>1 000</td>
<td>250</td>
<td>-</td>
<td>1 250</td>
</tr>
<tr>
<td>Resorts</td>
<td>138</td>
<td>-</td>
<td>-</td>
<td>138</td>
<td>-</td>
<td>854</td>
<td>992</td>
</tr>
<tr>
<td>Sun 1</td>
<td>-</td>
<td>233</td>
<td>1 508</td>
<td>1 741</td>
<td>-</td>
<td>-</td>
<td>1 741</td>
</tr>
<tr>
<td><strong>Total internally managed rooms – South Africa</strong></td>
<td>739</td>
<td>3 139</td>
<td>6 608</td>
<td>10 486</td>
<td>1 752</td>
<td>2 065</td>
<td>14 303</td>
</tr>
<tr>
<td>Mozambique</td>
<td>-</td>
<td>394</td>
<td>-</td>
<td>394</td>
<td>-</td>
<td>133</td>
<td>527</td>
</tr>
<tr>
<td>Zambia</td>
<td>154</td>
<td>-</td>
<td>-</td>
<td>154</td>
<td>-</td>
<td>260</td>
<td>414</td>
</tr>
<tr>
<td>Tanzania</td>
<td>-</td>
<td>152</td>
<td>-</td>
<td>152</td>
<td>-</td>
<td>-</td>
<td>152</td>
</tr>
<tr>
<td>Nigeria</td>
<td>181</td>
<td>-</td>
<td>-</td>
<td>181</td>
<td>-</td>
<td>-</td>
<td>181</td>
</tr>
<tr>
<td>Kenya</td>
<td>-</td>
<td>171</td>
<td>-</td>
<td>171</td>
<td>-</td>
<td>-</td>
<td>171</td>
</tr>
<tr>
<td>Seychelles</td>
<td>80</td>
<td>30</td>
<td>-</td>
<td>110</td>
<td>-</td>
<td>-</td>
<td>110</td>
</tr>
<tr>
<td>UAE</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>353</td>
<td>-</td>
<td>353</td>
</tr>
<tr>
<td><strong>Total internally managed rooms – Offshore</strong></td>
<td>415</td>
<td>747</td>
<td>-</td>
<td>1 162</td>
<td>-</td>
<td>746</td>
<td>1 908</td>
</tr>
<tr>
<td><strong>Third Party managed</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marriott</td>
<td>-</td>
<td>-</td>
<td>1 253</td>
<td>1 253</td>
<td>-</td>
<td>-</td>
<td>1 253</td>
</tr>
<tr>
<td>Radisson</td>
<td>-</td>
<td>-</td>
<td>397</td>
<td>397</td>
<td>-</td>
<td>-</td>
<td>397</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>986</td>
<td>986</td>
<td>-</td>
<td>-</td>
<td>986</td>
</tr>
<tr>
<td><strong>Total rooms</strong></td>
<td>1 154</td>
<td>3 886</td>
<td>9 244</td>
<td>14 284</td>
<td>1 752</td>
<td>2 811</td>
<td>18 847</td>
</tr>
<tr>
<td><strong>Excluding Third party managed</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11 648</td>
</tr>
</tbody>
</table>

---

**TSOGO SUN HOTELS**

6
Group Financial Structure

Hotel Ownership

- **Freehold title or Land/building lease:**
  - 27 hotels are run for the group’s account
  - The 27 individual hotel income statements contribute to group revenues and expenses
  - Internal management fees are paid to Manco which eliminate on consolidation
  - Rent is paid to an external land or hotel building owner
  - 3 Liberty Consortium hotels will move into this section from 1 November 2019. This will be disclosed as a separate segment going forward

- **Hospitality Property Fund**
  - **Managed by Tsogo Sun Hotels**
    - The 42 hotels managed by Tsogo Sun Hotels (TGO) are run for the group’s own account
    - The 42 individual hotel income statements contribute to group revenue and expenses with minorities entitled to 40.8% of net profits
    - Internal management fees are paid to Manco which eliminate on consolidation
Group Financial Structure

Hotel Ownership

• Hospitality Property Fund
  • Managed by third-party owners
    • The 12 hotels managed by external parties remain investment properties on the group balance sheet
    • The rental income earned by HPF from these 12 hotels are reflected as rental income in the group consolidated income statement
    • Minorities are entitled to 40.8% of the net profit from these 12 hotels
    • No management fees earned by Manco on these 12 hotels
Group Financial Structure

Hotel Ownership

• **Tsogo Sun Gaming**
  - 16 hotels owned by Tsogo Sun Gaming and run for their account
  - Managed by Tsogo Sun Hotels with the management fee income recognised in Manco

• **Third-party owned**
  - 13 hotels owned by third parties and run for their account
  - Managed by Tsogo Sun Hotels with management fee income recognised in Manco
  - 3 Liberty Consortium hotels will move out of this section from 1 November 2019
Financial Overview
# Income Statement - H1 F’20 vs H1 F’19 Pro forma (Rm)

## Income

<table>
<thead>
<tr>
<th></th>
<th>H1 F’20</th>
<th>H1 F’19</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rooms revenue</td>
<td>2 080</td>
<td>2 030</td>
<td>2</td>
</tr>
<tr>
<td>Food &amp; beverage revenue</td>
<td>501</td>
<td>480</td>
<td>4</td>
</tr>
<tr>
<td>Property rental income</td>
<td>137</td>
<td>137</td>
<td>-</td>
</tr>
<tr>
<td>Other income</td>
<td>139</td>
<td>142</td>
<td>(2)</td>
</tr>
</tbody>
</table>

## Ebitdar

<table>
<thead>
<tr>
<th></th>
<th>H1 F’20</th>
<th>H1 F’19</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTI expense</td>
<td>(7)</td>
<td>(7)</td>
<td>-</td>
</tr>
<tr>
<td>Property &amp; equipment rentals</td>
<td>(35)</td>
<td>(104)</td>
<td>66</td>
</tr>
<tr>
<td>Property &amp; equipment rentals – IFRS16</td>
<td>(106)</td>
<td>(104)</td>
<td>(2)</td>
</tr>
<tr>
<td>Amortisation &amp; depreciation</td>
<td>(173)</td>
<td>(147)</td>
<td>(18)</td>
</tr>
<tr>
<td>Amortisation &amp; depreciation – IFRS16</td>
<td>(151)</td>
<td>(147)</td>
<td>(3)</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(24)</td>
<td>(120)</td>
<td>80</td>
</tr>
</tbody>
</table>

## Profit before interest and taxation (c/f)

<table>
<thead>
<tr>
<th></th>
<th>H1 F’20</th>
<th>H1 F’19</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>320</td>
<td>199</td>
<td>61</td>
</tr>
</tbody>
</table>
## Income Statement - H1 F’20 vs H1 F’19 *Pro forma* cont. (Rm)

<table>
<thead>
<tr>
<th></th>
<th>H1 F’20</th>
<th>H1 F’19 Pro forma</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit before interest and taxation (b/f)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before interest and taxation (b/f)</td>
<td>320</td>
<td>199</td>
<td>61</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(179)</td>
<td>(112)</td>
<td>(60)</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(130)</td>
<td>(112)</td>
<td>(16)</td>
</tr>
<tr>
<td>Net finance costs – IFRS16</td>
<td>(49)</td>
<td>-</td>
<td>*</td>
</tr>
<tr>
<td>Associates and JVs</td>
<td>21</td>
<td>21</td>
<td>-</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(38)</td>
<td>(37)</td>
<td>(3)</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the period</td>
<td>124</td>
<td>71</td>
<td>75</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(70)</td>
<td>(31)</td>
<td>*</td>
</tr>
<tr>
<td><strong>Attributable earnings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attributable earnings</td>
<td>54</td>
<td>40</td>
<td>35</td>
</tr>
</tbody>
</table>
Reconciliation to Adjusted Headline Earnings (Rm)

<table>
<thead>
<tr>
<th></th>
<th>H1 F’20 Gross</th>
<th>H1 F’20 Net</th>
<th>H1 F’19 Pro forma Gross</th>
<th>H1 F’19 Pro forma Net</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attributable earnings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on disposal of PP&amp;E</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>35</td>
</tr>
<tr>
<td>Fair value adjustment of investment property</td>
<td>-</td>
<td>-</td>
<td>119</td>
<td>119</td>
<td></td>
</tr>
<tr>
<td>NCI effect of fair value adjustment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(49)</td>
<td></td>
</tr>
<tr>
<td>Headline earnings</td>
<td>55</td>
<td></td>
<td>110</td>
<td>(50)</td>
<td></td>
</tr>
<tr>
<td>Restructure costs</td>
<td>21</td>
<td>15</td>
<td>6</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Transaction costs</td>
<td>2</td>
<td>2</td>
<td>17</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>Pre-opening costs</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Fair value adjustment on interest rate swaps(^{(1)})</td>
<td>-</td>
<td>-</td>
<td>(23)</td>
<td>(23)</td>
<td></td>
</tr>
<tr>
<td>NCI effects of other exceptional items</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Share of associates’ exceptional items (net)</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Adjusted headline earnings</td>
<td>73</td>
<td></td>
<td>111</td>
<td>(34)</td>
<td></td>
</tr>
</tbody>
</table>

\(^{(1)}\) Tsogo Sun Hotels applies hedge accounting to group interest rate swaps while HPF does not. The R15m FV adjustment on interest rate swaps for H1F’20 in HPF was effective from a group perspective and reflected in reserves. In H1 F’19 the FV adjustment on interest rate swaps in HPF was determined to be ineffective from a group perspective.

---

13
## Divisional Contribution (Rm)

<table>
<thead>
<tr>
<th></th>
<th>H1 F’20</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hotels</td>
<td>Hotels</td>
<td>Tsogo Sun</td>
</tr>
<tr>
<td></td>
<td>SA</td>
<td>Offshore</td>
<td>Hotels</td>
</tr>
<tr>
<td>Ebitdar</td>
<td>182</td>
<td>70</td>
<td>307</td>
</tr>
<tr>
<td></td>
<td>(99)</td>
<td>(7)</td>
<td>(106)</td>
</tr>
<tr>
<td>Property rental</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(7)</td>
<td></td>
<td>(7)</td>
</tr>
<tr>
<td>LTI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>76</td>
<td>63</td>
<td>307</td>
</tr>
<tr>
<td></td>
<td>76</td>
<td>63</td>
<td>446</td>
</tr>
<tr>
<td>Ebitda</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortisation and</td>
<td>(81)</td>
<td>(22)</td>
<td>(48)</td>
</tr>
<tr>
<td>depreciation</td>
<td></td>
<td></td>
<td>(151)</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>6</td>
<td>(44)</td>
<td>(92)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(130)</td>
</tr>
<tr>
<td>Associates and</td>
<td>-</td>
<td>22</td>
<td>-</td>
</tr>
<tr>
<td>JV’s</td>
<td></td>
<td></td>
<td>22</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>1</td>
<td>19</td>
<td>167</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>(9)</td>
<td>(36)</td>
</tr>
<tr>
<td>Taxation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>10</td>
<td>131</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>(2)</td>
<td>(68)</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>2</td>
<td>10</td>
<td>131</td>
</tr>
<tr>
<td>Minorities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>(2)</td>
<td>(68)</td>
</tr>
<tr>
<td>Adjusted headline</td>
<td>2</td>
<td>8</td>
<td>63</td>
</tr>
<tr>
<td>earnings</td>
<td></td>
<td></td>
<td>73</td>
</tr>
</tbody>
</table>

### H1 F’19 Pro forma

<table>
<thead>
<tr>
<th></th>
<th>H1 F’19 Pro forma</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hotels</td>
<td>Hotels</td>
<td>Tsogo Sun</td>
</tr>
<tr>
<td></td>
<td>SA</td>
<td>Offshore</td>
<td>Hotels</td>
</tr>
<tr>
<td>Ebitdar</td>
<td>186</td>
<td>74</td>
<td>317</td>
</tr>
<tr>
<td></td>
<td>(92)</td>
<td>(12)</td>
<td>(104)</td>
</tr>
<tr>
<td>Property rental</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(7)</td>
<td></td>
<td>(7)</td>
</tr>
<tr>
<td>LTI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>87</td>
<td>62</td>
<td>317</td>
</tr>
<tr>
<td></td>
<td>87</td>
<td>62</td>
<td>466</td>
</tr>
<tr>
<td>Ebitda</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortisation and</td>
<td>(78)</td>
<td>(24)</td>
<td>(45)</td>
</tr>
<tr>
<td>depreciation</td>
<td></td>
<td></td>
<td>(147)</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>5</td>
<td>(37)</td>
<td>(80)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(112)</td>
</tr>
<tr>
<td>Associates and</td>
<td>-</td>
<td>21</td>
<td>-</td>
</tr>
<tr>
<td>JV’s</td>
<td></td>
<td></td>
<td>21</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>14</td>
<td>22</td>
<td>192</td>
</tr>
<tr>
<td></td>
<td>14</td>
<td>(5)</td>
<td>(39)</td>
</tr>
<tr>
<td>Taxation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>19</td>
<td>17</td>
<td>153</td>
</tr>
<tr>
<td></td>
<td>19</td>
<td>-</td>
<td>(79)</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>1</td>
<td></td>
<td>189</td>
</tr>
<tr>
<td>Minorities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1</td>
<td></td>
<td>(78)</td>
</tr>
<tr>
<td>Adjusted headline</td>
<td>20</td>
<td>17</td>
<td>74</td>
</tr>
<tr>
<td>earnings</td>
<td></td>
<td></td>
<td>111</td>
</tr>
</tbody>
</table>

**Note:** Pre exceptional items and IFRS16 adjustments
### Indicative Consolidation of HPF into TGO (Rm)

<table>
<thead>
<tr>
<th></th>
<th>H1 F’20 HPF Statutory</th>
<th>H1 F’20 Tsogo Sun Hotels</th>
<th>H1 F’19(1) HPF Statutory</th>
<th>H1 F’19(1) Tsogo Sun Hotels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rooms revenue</td>
<td></td>
<td>612</td>
<td>-</td>
<td>596</td>
</tr>
<tr>
<td>Food &amp; beverage revenue</td>
<td></td>
<td>153</td>
<td>-</td>
<td>142</td>
</tr>
<tr>
<td>Other revenue</td>
<td></td>
<td>26</td>
<td>-</td>
<td>27</td>
</tr>
<tr>
<td>Rental income</td>
<td>330</td>
<td>128</td>
<td>339</td>
<td>128</td>
</tr>
<tr>
<td>3rd party</td>
<td>123</td>
<td>123</td>
<td>123</td>
<td>123</td>
</tr>
<tr>
<td>Tsogo Sun</td>
<td>207</td>
<td>5</td>
<td>216</td>
<td>5</td>
</tr>
<tr>
<td>Overheads</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotel trading related</td>
<td></td>
<td>-</td>
<td>(572)</td>
<td></td>
</tr>
<tr>
<td>HPF central</td>
<td>(23)</td>
<td>(23)</td>
<td>(22)</td>
<td>(22)</td>
</tr>
<tr>
<td><strong>Ebitdar</strong></td>
<td><strong>307</strong></td>
<td><strong>324</strong></td>
<td><strong>317</strong></td>
<td><strong>318</strong></td>
</tr>
<tr>
<td>Depreciation on owner occupied properties</td>
<td>-</td>
<td>(48)</td>
<td>-</td>
<td>(45)</td>
</tr>
<tr>
<td>Finance costs on HPF debt</td>
<td>(92)</td>
<td>(92)</td>
<td>(80)</td>
<td>(80)</td>
</tr>
<tr>
<td>Taxation</td>
<td>-</td>
<td>(36)</td>
<td>-</td>
<td>(39)</td>
</tr>
<tr>
<td>Minorities</td>
<td>-</td>
<td>(68)</td>
<td>-</td>
<td>(79)</td>
</tr>
<tr>
<td><strong>Adjusted headline earnings</strong></td>
<td><strong>215</strong></td>
<td><strong>80</strong></td>
<td><strong>237</strong></td>
<td><strong>75</strong></td>
</tr>
</tbody>
</table>

Note: Ebitdar difference = Tsogo Sun Hotels management fees + 1% of Ebitdar

Pre exceptional items and IFRS16 adjustments

HPF rental income and central costs extracted from segmental analysis after off-setting property-related costs

(1) Amended to correct error in prior year’s presentation
## Income Statement - Reconciliation to F’19 H1 Pro forma (Rm)

<table>
<thead>
<tr>
<th></th>
<th>H1 F’19 Pro forma</th>
<th>H1 F’19 Actual</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>2 030</td>
<td>2 030</td>
<td>-</td>
</tr>
<tr>
<td>Ebitdar</td>
<td>577</td>
<td>577</td>
<td>-</td>
</tr>
<tr>
<td>LTI expense/(credit)</td>
<td>(7)</td>
<td>9</td>
<td>(16)(^{(1)})</td>
</tr>
<tr>
<td>Property &amp; equipment rentals</td>
<td>(104)</td>
<td>(104)</td>
<td>-</td>
</tr>
<tr>
<td>Amortisation &amp; depreciation</td>
<td>(147)</td>
<td>(147)</td>
<td>-</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(120)</td>
<td>(120)</td>
<td>-</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(112)</td>
<td>(236)</td>
<td>124(^{(2)})</td>
</tr>
<tr>
<td>Associates and JVs</td>
<td>21</td>
<td>21</td>
<td>-</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(37)</td>
<td>(7)</td>
<td>(30)(^{(3)})</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td><strong>71</strong></td>
<td><strong>(7)</strong></td>
<td><strong>78</strong></td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
</tr>
<tr>
<td><strong>Attributable earnings</strong></td>
<td><strong>40</strong></td>
<td><strong>(38)</strong></td>
<td><strong>78</strong></td>
</tr>
<tr>
<td>Adjustments</td>
<td>71</td>
<td>71</td>
<td>-</td>
</tr>
<tr>
<td><strong>Adjusted earnings</strong></td>
<td><strong>111</strong></td>
<td><strong>33</strong></td>
<td><strong>78</strong></td>
</tr>
</tbody>
</table>

---

\(^{(1)}\) IFRS 2 share-based payment charge on equity-settled SAR Plan  
\(^{(2)}\) Finance cost saving on the settlement of the group treasury loan with Tsogo Sun Gaming  
\(^{(3)}\) Tax on the above adjustments
## Segmental Analysis (Rm)

<table>
<thead>
<tr>
<th></th>
<th>Revenue H1 F'20 Actual</th>
<th>Ebitdar H1 F'20 Actual</th>
<th>Ebitdar margin % H1 F'20 Actual</th>
<th>Revenue H1 F'19 Actual</th>
<th>Ebitdar H1 F'19 Actual</th>
<th>Ebitdar margin % H1 F'19 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Manco</strong></td>
<td>127</td>
<td>64</td>
<td>50.4</td>
<td>129</td>
<td>71</td>
<td>55.0</td>
</tr>
<tr>
<td><strong>Rental income</strong></td>
<td>123</td>
<td>123</td>
<td>100.0</td>
<td>123</td>
<td>123</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Internally managed</strong></td>
<td>1 600</td>
<td>302</td>
<td>18.9</td>
<td>1 544</td>
<td>309</td>
<td>20.0</td>
</tr>
<tr>
<td>Coastal</td>
<td>875</td>
<td>157</td>
<td>17.9</td>
<td>825</td>
<td>141</td>
<td>17.1</td>
</tr>
<tr>
<td>Inland</td>
<td>593</td>
<td>115</td>
<td>19.4</td>
<td>587</td>
<td>130</td>
<td>22.1</td>
</tr>
<tr>
<td>Other</td>
<td>132</td>
<td>30</td>
<td>22.7</td>
<td>132</td>
<td>38</td>
<td>28.8</td>
</tr>
<tr>
<td><strong>Offshore</strong></td>
<td>305</td>
<td>70</td>
<td>23.0</td>
<td>306</td>
<td>74</td>
<td>24.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2 074</td>
<td>559</td>
<td>27.0</td>
<td>2 024</td>
<td>577</td>
<td>28.5</td>
</tr>
</tbody>
</table>

Elimination of internal management fees included in Manco:

- (81)

Analysed as:

- Hotels SA:
  - Revenue: 182
  - Ebitdar: 70
  - Ebitdar margin %: 22.7

- Hotels Offshore:
  - Revenue: 70
  - Ebitdar: 74
  - Ebitdar margin %: 22.1

- HPF:
  - Revenue: 307
  - Ebitdar: 317
### Cash flow (Rm)

<table>
<thead>
<tr>
<th></th>
<th>H1 F’20</th>
<th>H1 F’19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ebitdar per income statement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property &amp; equipment rentals (excluding IFRS16)</td>
<td>559</td>
<td>577</td>
</tr>
<tr>
<td>Move in working capital adjusted for non-cash and exceptional items</td>
<td>(87)</td>
<td>(84)</td>
</tr>
<tr>
<td>Dividend income from associates</td>
<td>30</td>
<td>48</td>
</tr>
<tr>
<td><strong>Cash generated from operations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net finance costs paid (excluding IFRS16)</td>
<td>(119)</td>
<td>(229)</td>
</tr>
<tr>
<td>Taxation paid</td>
<td>(44)</td>
<td>(39)</td>
</tr>
<tr>
<td>Operating equipment purchased</td>
<td>(23)</td>
<td>(20)</td>
</tr>
<tr>
<td>Maintenance capex</td>
<td>(202)</td>
<td>(162)</td>
</tr>
<tr>
<td><strong>Free cash flow (c/f)</strong></td>
<td>127</td>
<td>96</td>
</tr>
</tbody>
</table>
## Cash flow cont. (Rm)

<table>
<thead>
<tr>
<th></th>
<th>H1 F’20</th>
<th>H1 F’19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Free cash flow (b/f)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends paid to NCI</td>
<td>127</td>
<td>96</td>
</tr>
<tr>
<td>Disposal proceeds</td>
<td>(159)</td>
<td>(195)</td>
</tr>
<tr>
<td>Investment activities – expansion capex</td>
<td>(211)</td>
<td>(62)</td>
</tr>
<tr>
<td>Loans and investments</td>
<td>(41)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash surplus</strong></td>
<td>(284)</td>
<td>(160)</td>
</tr>
<tr>
<td>Currency</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td><strong>Move in net IBD</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening net IBD (including group treasury loan)</td>
<td>(2 967)</td>
<td>(5 125)</td>
</tr>
<tr>
<td>Prepaid borrowing costs and accrued interest</td>
<td>(4)</td>
<td>(1)</td>
</tr>
<tr>
<td>Currency</td>
<td>(25)</td>
<td>(166)</td>
</tr>
<tr>
<td><strong>Closing net IBD</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Settlement of group treasury loan</td>
<td>-</td>
<td>2 492</td>
</tr>
<tr>
<td><strong>Pro forma closing net IBD</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(3 275)</td>
<td>(2 947)</td>
</tr>
</tbody>
</table>
## Investment Activities (Rm)

<table>
<thead>
<tr>
<th>Investment activities</th>
<th>H1 F’20</th>
<th>H1 F’19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern Sun Pretoria</td>
<td>211</td>
<td>62</td>
</tr>
<tr>
<td>Riverside Conference Centre</td>
<td>HPF 200</td>
<td>-</td>
</tr>
<tr>
<td>StayEasy Maputo</td>
<td>TGO 11</td>
<td>-</td>
</tr>
<tr>
<td>Hi Hotels brand</td>
<td>TGO -</td>
<td>52</td>
</tr>
<tr>
<td>Maintenance capex</td>
<td>202</td>
<td>162</td>
</tr>
<tr>
<td>Hotel major refurbishments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southern Sun Ridgeway Lusaka</td>
<td>TGO 59</td>
<td>-</td>
</tr>
<tr>
<td>Southern Sun Cape Sun</td>
<td>TGO 7</td>
<td>17</td>
</tr>
<tr>
<td>Westin Cape Town</td>
<td>HPF 46</td>
<td>51</td>
</tr>
<tr>
<td>Other maintenance capex</td>
<td>TGO 19</td>
<td>45</td>
</tr>
<tr>
<td>Other maintenance capex</td>
<td>HPF 71</td>
<td>49</td>
</tr>
<tr>
<td>Total investment spend</td>
<td>413</td>
<td>224</td>
</tr>
</tbody>
</table>
## Interest Bearing Debt (Rm)

<table>
<thead>
<tr>
<th>Description</th>
<th>TGO H1 F’20</th>
<th>TGO H1 F’19</th>
<th>HPF H1 F’20</th>
<th>HPF H1 F’19</th>
</tr>
</thead>
<tbody>
<tr>
<td>External debt – Offshore (US$ based)</td>
<td>1 279</td>
<td>1 216</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal debt – Group treasury</td>
<td>-</td>
<td>2 492</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>-</td>
<td>161</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid borrowing costs</td>
<td>(3)</td>
<td>(7)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>External debt (Rand based)</td>
<td>2 334</td>
<td>1 957</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid borrowing costs</td>
<td>(2)</td>
<td>(3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gross IBD</strong></td>
<td>3 608</td>
<td>5 816</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on hand</td>
<td>(306)</td>
<td>(261)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on hand</td>
<td>(27)</td>
<td>(116)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net IBD</strong></td>
<td>3 275</td>
<td>5 439</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Settlement of group treasury loan</td>
<td>-</td>
<td>(2 492)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Pro forma net IBD</strong></td>
<td>3 275</td>
<td>2 947</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Analysed as:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TGO</td>
<td>970</td>
<td>1 109</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HPF (1)</td>
<td>2 305</td>
<td>1 838</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cost of net debt</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>— pre tax</td>
<td>8.7%</td>
<td>8.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>— post tax</td>
<td>6.4%</td>
<td>6.5%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) H1 F’19 includes accrued finance costs of R17m
## Operated Hotels Portfolio and Statistics

<table>
<thead>
<tr>
<th></th>
<th>Hotels</th>
<th>Rooms</th>
<th>Owned</th>
<th>Managed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Luxury</strong></td>
<td>6</td>
<td>1 105</td>
<td>164</td>
<td>941</td>
</tr>
<tr>
<td><strong>Full Service</strong></td>
<td>44</td>
<td>9 215</td>
<td>7 443</td>
<td>1 772</td>
</tr>
<tr>
<td><strong>Economy</strong></td>
<td>30</td>
<td>2 991</td>
<td>2 741</td>
<td>250</td>
</tr>
<tr>
<td><strong>Timeshare &amp; Resorts</strong></td>
<td>6</td>
<td>992</td>
<td>138</td>
<td>854</td>
</tr>
<tr>
<td><strong>South Africa</strong></td>
<td>86</td>
<td>14 303</td>
<td>10 486</td>
<td>3 817</td>
</tr>
<tr>
<td><strong>Offshore</strong></td>
<td>12</td>
<td>1 908</td>
<td>1 162</td>
<td>746</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>98</td>
<td>16 211</td>
<td>11 648</td>
<td>4 563</td>
</tr>
</tbody>
</table>

- Portfolio as at 30 September 2019
- Portfolio has been aligned to brand architecture
- Owned includes leased hotels and associates
- Excludes hotels managed by 3rd parties:
  - HPF 3rd party managed hotels
  - International Hotel Properties and RBH Hotels UK

### Owned Stats – (SA and Offshore)

<table>
<thead>
<tr>
<th></th>
<th>F’20 H1</th>
<th>F’19 H1</th>
<th>% Change</th>
<th>F’19 Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupancy (%)</td>
<td>59.1</td>
<td>59.1</td>
<td>-</td>
<td>60.6</td>
</tr>
<tr>
<td>Average room rate (R)</td>
<td>1 036</td>
<td>1 013</td>
<td>2</td>
<td>1 064</td>
</tr>
<tr>
<td>RevPar (R)</td>
<td>613</td>
<td>599</td>
<td>2</td>
<td>645</td>
</tr>
<tr>
<td>Rooms available ('000)</td>
<td>2 126</td>
<td>2 124</td>
<td>*</td>
<td>4 239</td>
</tr>
<tr>
<td>Rooms sold ('000)</td>
<td>1 257</td>
<td>1 255</td>
<td>*</td>
<td>2 568</td>
</tr>
<tr>
<td>Rooms revenue (Rm)</td>
<td>1 303</td>
<td>1 271</td>
<td>3</td>
<td>2 732</td>
</tr>
</tbody>
</table>
UK Investments

RBH Hotels UK

• Tsogo Sun Hotels owns 26.4% plus board and committee representation

• Manages over 45 hotels in the UK under multi brands including Crowne Plaza, Holiday Inn, Holiday Inn Express, Best Western, Westin, Hilton, Marriott, Aloft

International Hotel Properties

• Tsogo Sun Hotels owns 25.9% plus board representation

• Owns 9 hotel properties valued at GBP117m

The group carries its aggregate interest in both companies at R520m (GBP27m)
Future Opportunities

Organic growth is the biggest opportunity

- 10% occupancy = R450m revenue per annum
- R100 ARR = R260m revenue per annum
- Occupancy and rate tend to move in tandem through yielding

SA System-wide

<table>
<thead>
<tr>
<th>Rooms Sold ('000)</th>
<th>Occupancy (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2867</td>
<td>64.1</td>
</tr>
<tr>
<td>2879</td>
<td>63.9</td>
</tr>
<tr>
<td>2795</td>
<td>62.8</td>
</tr>
<tr>
<td>2825</td>
<td>63.5</td>
</tr>
<tr>
<td>3027</td>
<td>64.3</td>
</tr>
<tr>
<td>3126</td>
<td>64.7</td>
</tr>
<tr>
<td>3116</td>
<td>63.5</td>
</tr>
</tbody>
</table>

F'13 F'14 F'15 F'16 F'17 F'18 F'19
Future Opportunities

New brand in Hi Hotels

• Modular build process
• First hotel with 123 keys scheduled to open at Montecasino during February 2020
• Aim to build more than 10 hotels if suitable sites obtained
Future Opportunities

Internal operational and cost focus remains

• Information Technology
  • Streamline operations and improve purchasing

• Web & Channels
  • Important transaction and information resource for the market
  • New booking engine implemented during June 2019

• Marketing
  • Tsogo Sun Hotels brand halo
  • Focused campaigns with call to action

• Sales
  • Strong local servicing of the corporate & public sector
  • Strong international relationships and representation
  • Strong sports relationships

• Head Office Support Services
  • Cost focus
Medium Term Strategy

- Manage and optimise the portfolio
- Address tenure issues
  - 3 Sandton hotels extended for another 20 years on HPF-style leases
- Work on accessing new nodes and segments
  - Including unlocking banked land
- Manage portfolio disposals where required
Risks

- Economic environment is the primary growth opportunity and main risk to the group’s performance

- Other key risks include:
  - Security of tenure of leases and management agreements
  - Sustained increase in administered costs above inflation and revenue growth
  - Low barriers to entry resulting in continued new supply
Sum of Parts Valuation

- TGO owns 342m HPF shares
  - 14.6% yield
  - R2.6bn market value @ R7.60 per HPF share

Offshore
- Valuable African assets
- UK Investments – R520m book value
- Maia

South Africa
- Valuable core assets plus land
- Manco

- TGO owns 342m HPF shares
  - 14.6% yield
  - R2.6bn market value @ R7.60 per HPF share

R4.0bn market value @ R3.75 per TGO share
SHAREHOLDING STRUCTURE

<table>
<thead>
<tr>
<th>Distribution of shareholder</th>
<th>% Shareholding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collective investment schemes</td>
<td>21%</td>
</tr>
<tr>
<td>Foundations &amp; charities</td>
<td>8%</td>
</tr>
<tr>
<td>Retirement benefits</td>
<td>5%</td>
</tr>
<tr>
<td>Retail shareholders</td>
<td>1%</td>
</tr>
<tr>
<td>Assurance companies</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
</tr>
</tbody>
</table>
MANAGEMENT AND BOARD as at 30 September 2019

Board of Directors

• Executive Directors
  • Mara de Lima - CEO
  • Riaan Erasmus - CFO

• Non-Executive Directors
  • Marcel von Aulock - Chairman
  • Mohamed Ahmed *
  • Chris Gina
  • Laurelle McDonald
  • Moretlo Molefi
  • Jabulani Ngcobo
  • Rob Nicolella
  • Cornelia September

* Lead Independent / Audit and Risk / RemCo Chairman
## HOTEL BRAND PORTFOLIO

<table>
<thead>
<tr>
<th>Luxury</th>
<th>Full Service</th>
<th>Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Westin Hotels &amp; Resorts</td>
<td>Southern Sun</td>
<td>StayEasy</td>
</tr>
<tr>
<td>Autograph Collection Hotels</td>
<td>Garden Court</td>
<td>SunSquare</td>
</tr>
<tr>
<td>African Pride Hotels</td>
<td>Holiday Inn</td>
<td></td>
</tr>
<tr>
<td>Radisson Blu</td>
<td>Protea Hotels</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radisson Blu</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crowne Plaza</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 September 2019</td>
<td>Hotels</td>
<td>Keys</td>
</tr>
<tr>
<td>------------------</td>
<td>--------</td>
<td>------</td>
</tr>
<tr>
<td>Luxury</td>
<td>4</td>
<td>926</td>
</tr>
<tr>
<td>Full Service</td>
<td>27</td>
<td>6,248</td>
</tr>
<tr>
<td>Economy</td>
<td>23</td>
<td>2,070</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>9,244</strong></td>
</tr>
</tbody>
</table>
## PORTFOLIO AND COMPARATIVE TRADING

<table>
<thead>
<tr>
<th>Region</th>
<th>Rooms</th>
<th>Occ. %</th>
<th>ARR</th>
<th>Rev PAR</th>
<th>F2020 H1 Rent (Rm)</th>
<th>F2019 H1 Rent (Rm)</th>
<th>F2019 Full year Rent (Rm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Cape Region</td>
<td>2,381</td>
<td>55.7%</td>
<td>1,498</td>
<td>835</td>
<td>109</td>
<td>84</td>
<td>312</td>
</tr>
<tr>
<td>Gauteng Region</td>
<td>3,259</td>
<td>59.1%</td>
<td>1,010</td>
<td>597</td>
<td>109</td>
<td>138</td>
<td>267</td>
</tr>
<tr>
<td>Rest of South Africa</td>
<td>2,096</td>
<td>67.8%</td>
<td>988</td>
<td>670</td>
<td>89</td>
<td>91</td>
<td>186</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>7,736</td>
<td><strong>60.4%</strong></td>
<td><strong>1,142</strong></td>
<td><strong>690</strong></td>
<td><strong>307</strong></td>
<td><strong>313</strong></td>
<td><strong>765</strong></td>
</tr>
<tr>
<td>Sun 1</td>
<td>1,508</td>
<td>51.2%</td>
<td>506</td>
<td>259</td>
<td>28</td>
<td>32</td>
<td>62</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9,244</td>
<td><strong>58.9%</strong></td>
<td><strong>1,052</strong></td>
<td><strong>620</strong></td>
<td><strong>335</strong></td>
<td><strong>345</strong></td>
<td><strong>827</strong></td>
</tr>
</tbody>
</table>
## WESTERN CAPE REGION | TRADING AND RENT

<table>
<thead>
<tr>
<th>Western Cape Region</th>
<th>Rooms</th>
<th>Occ. %</th>
<th>ARR</th>
<th>RevPAR</th>
<th>F20 H1 Rent</th>
<th>F19 H1 Rent</th>
<th>F19 Full Year Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Cape Region</td>
<td>2,381</td>
<td>55.7%</td>
<td>1,498</td>
<td>835</td>
<td>109</td>
<td>84</td>
<td>312</td>
</tr>
<tr>
<td>Westin Cape Town</td>
<td>483</td>
<td></td>
<td></td>
<td></td>
<td>39</td>
<td>24</td>
<td>105</td>
</tr>
<tr>
<td>Southern Sun - Waterfront</td>
<td>537</td>
<td></td>
<td></td>
<td></td>
<td>23</td>
<td>22</td>
<td>67</td>
</tr>
<tr>
<td>Southern Sun - The Cullinan</td>
<td>394</td>
<td></td>
<td></td>
<td></td>
<td>22</td>
<td>21</td>
<td>58</td>
</tr>
<tr>
<td>Radisson Blu Waterfront</td>
<td>177</td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>4</td>
<td>29</td>
</tr>
<tr>
<td>StayEasy Century City</td>
<td>175</td>
<td></td>
<td></td>
<td></td>
<td>7</td>
<td>6</td>
<td>17</td>
</tr>
<tr>
<td>Protea Hotel Victoria Junction</td>
<td>172</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td>Southern Sun Newlands</td>
<td>162</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>SunSquare Cape Town Gardens</td>
<td>136</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Arabella Hotel &amp; Spa</td>
<td>145</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>*</td>
<td>6</td>
</tr>
</tbody>
</table>

* Arabella Hotel & Spa: In the prior year, Arabella had reflected a negative variable rent due to the misalignment of the year ends.
## Gauteng Region | Trading and Rent

<table>
<thead>
<tr>
<th>Hotel and Conference Centre</th>
<th>Rooms</th>
<th>Occ. %</th>
<th>ARR</th>
<th>RevPAR</th>
<th>F20 H1 Rent</th>
<th>F19 H1 Rent</th>
<th>F19 Full Year Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gauteng Region</td>
<td>3,259</td>
<td>59.1%</td>
<td>1,010</td>
<td>597</td>
<td>109</td>
<td>138</td>
<td>267</td>
</tr>
<tr>
<td>Birchwood Hotel &amp; Conference Centre</td>
<td>665</td>
<td></td>
<td></td>
<td></td>
<td>24</td>
<td>38</td>
<td>71</td>
</tr>
<tr>
<td>Holiday Inn Sandton</td>
<td>301</td>
<td></td>
<td></td>
<td></td>
<td>12</td>
<td>8</td>
<td>19</td>
</tr>
<tr>
<td>Crowne Plaza Rosebank</td>
<td>318</td>
<td></td>
<td></td>
<td></td>
<td>11</td>
<td>12</td>
<td>21</td>
</tr>
<tr>
<td>Radisson Blu Gautrain</td>
<td>220</td>
<td></td>
<td></td>
<td></td>
<td>13</td>
<td>15</td>
<td>30</td>
</tr>
<tr>
<td>Garden Court OR Tambo</td>
<td>253</td>
<td></td>
<td></td>
<td></td>
<td>11</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td>Garden Court Milpark</td>
<td>251</td>
<td></td>
<td></td>
<td></td>
<td>9</td>
<td>12</td>
<td>21</td>
</tr>
<tr>
<td>Sandton Eye BC - Retail</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td>9</td>
<td>9</td>
<td>16</td>
</tr>
<tr>
<td>Garden Court - Morningside</td>
<td>150</td>
<td></td>
<td></td>
<td></td>
<td>5</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Garden Court - Hatfield</td>
<td>157</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>7</td>
<td>12</td>
</tr>
<tr>
<td>Kopanong Hotel &amp; Conference Centre</td>
<td>169</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Mount Grace Country Hotel &amp; Spa</td>
<td>121</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td>4</td>
<td>12</td>
</tr>
<tr>
<td>Southern Sun - Katherine Street</td>
<td>122</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Garden Court - Eastgate</td>
<td>157</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>StayEasy - Eastgate</td>
<td>135</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Southern Sun Pretoria</td>
<td>240</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>N1</td>
<td>N1</td>
</tr>
</tbody>
</table>

N1 Southern Sun Pretoria was acquired on 19 September 2019
## REST OF SA | TRADING AND RENT

<table>
<thead>
<tr>
<th></th>
<th>Rooms</th>
<th>Occ. %</th>
<th>ARR</th>
<th>RevPAR</th>
<th>F20 H1 Rent</th>
<th>F19 H1 Rent</th>
<th>F19 Full Year Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rest of South Africa</strong></td>
<td>2,096</td>
<td>67.8%</td>
<td>988</td>
<td>670</td>
<td>89</td>
<td>91</td>
<td>186</td>
</tr>
<tr>
<td>Garden Court South Beach</td>
<td>414</td>
<td></td>
<td></td>
<td></td>
<td>16</td>
<td>16</td>
<td>38</td>
</tr>
<tr>
<td>Garden Court - PE King's Beach</td>
<td>280</td>
<td></td>
<td></td>
<td></td>
<td>10</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>Garden Court - Umhlanga</td>
<td>204</td>
<td></td>
<td></td>
<td></td>
<td>7</td>
<td>9</td>
<td>19</td>
</tr>
<tr>
<td>Garden Court Polokwane</td>
<td>180</td>
<td></td>
<td></td>
<td></td>
<td>11</td>
<td>10</td>
<td>19</td>
</tr>
<tr>
<td>Champagne Sports</td>
<td>152</td>
<td></td>
<td></td>
<td></td>
<td>12</td>
<td>12</td>
<td>24</td>
</tr>
<tr>
<td>Southern Sun Bloemfontein</td>
<td>147</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Garden Court Kimberley</td>
<td>135</td>
<td></td>
<td></td>
<td></td>
<td>5</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Protea Hotel Edward</td>
<td>131</td>
<td></td>
<td></td>
<td></td>
<td>7</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>StayEasy - Pietermaritzburg</td>
<td>127</td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>7</td>
<td>12</td>
</tr>
<tr>
<td>StayEasy Rustenburg</td>
<td>125</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Protea Hotel Marine</td>
<td>114</td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Protea Hazyview</td>
<td>87</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td>3</td>
<td>6</td>
</tr>
</tbody>
</table>
## HOTELS PORTFOLIO AND STATISTICS

### HPF : Trading Information (excluding SUN1)

<table>
<thead>
<tr>
<th></th>
<th>Occupancy</th>
<th></th>
<th></th>
<th></th>
<th>Average Room Rate</th>
<th></th>
<th></th>
<th></th>
<th>Revpar</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F20 Act</td>
<td>F19 Act</td>
<td>%Δ on PY</td>
<td>Relative GI</td>
<td>F20 Act</td>
<td>F19 Act</td>
<td>%Δ on PY</td>
<td>Relative GI</td>
<td>F20 Act</td>
<td>F19 Act</td>
<td>%Δ on PY</td>
</tr>
<tr>
<td>Western Cape</td>
<td>55.7%</td>
<td>51.8%</td>
<td>7.7%</td>
<td>103.0</td>
<td>1,498</td>
<td>1,333</td>
<td>12.4%</td>
<td>103.6</td>
<td>835</td>
<td>690</td>
<td>21.0%</td>
</tr>
<tr>
<td>Gauteng</td>
<td>59.1%</td>
<td>61.7%</td>
<td>(4.2%)</td>
<td>99.2</td>
<td>1,010</td>
<td>1,017</td>
<td>(0.7%)</td>
<td>98.7</td>
<td>597</td>
<td>627</td>
<td>(4.9%)</td>
</tr>
<tr>
<td>Rest of South Africa</td>
<td>67.8%</td>
<td>67.9%</td>
<td>(0.1%)</td>
<td>99.1</td>
<td>988</td>
<td>955</td>
<td>3.5%</td>
<td>100.4</td>
<td>670</td>
<td>648</td>
<td>3.4%</td>
</tr>
<tr>
<td><strong>Total (excluding SUN1)</strong></td>
<td><strong>60.4%</strong></td>
<td><strong>60.3%</strong></td>
<td><strong>0.2%</strong></td>
<td><strong>99.6</strong></td>
<td><strong>1,142</strong></td>
<td><strong>1,082</strong></td>
<td><strong>5.6%</strong></td>
<td><strong>101.9</strong></td>
<td><strong>690</strong></td>
<td><strong>652</strong></td>
<td><strong>5.8%</strong></td>
</tr>
</tbody>
</table>

### STR : Trading Information

<table>
<thead>
<tr>
<th></th>
<th>Occupancy</th>
<th></th>
<th></th>
<th></th>
<th>Average Room Rate</th>
<th></th>
<th></th>
<th></th>
<th>Revpar</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F20 Act</td>
<td>F19 Act</td>
<td>%Δ on PY</td>
<td>Relative GI</td>
<td>F20 Act</td>
<td>F19 Act</td>
<td>%Δ on PY</td>
<td>Relative GI</td>
<td>F20 Act</td>
<td>F19 Act</td>
<td>%Δ on PY</td>
</tr>
<tr>
<td>Western Cape</td>
<td>56.3%</td>
<td>53.9%</td>
<td>4.5%</td>
<td></td>
<td>1,387</td>
<td>1,279</td>
<td>8.4%</td>
<td></td>
<td>782</td>
<td>690</td>
<td>13.3%</td>
</tr>
<tr>
<td>Gauteng</td>
<td>60.2%</td>
<td>62.3%</td>
<td>(3.4%)</td>
<td></td>
<td>1,128</td>
<td>1,121</td>
<td>0.7%</td>
<td></td>
<td>679</td>
<td>698</td>
<td>(2.8%)</td>
</tr>
<tr>
<td>Rest of South Africa</td>
<td>61.4%</td>
<td>60.9%</td>
<td>0.9%</td>
<td></td>
<td>1,167</td>
<td>1,132</td>
<td>3.1%</td>
<td></td>
<td>717</td>
<td>690</td>
<td>4.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60.1%</strong></td>
<td><strong>59.8%</strong></td>
<td><strong>0.5%</strong></td>
<td><strong>3.6%</strong></td>
<td><strong>1,173</strong></td>
<td><strong>1,132</strong></td>
<td><strong>3.6%</strong></td>
<td><strong>4.1%</strong></td>
<td><strong>705</strong></td>
<td><strong>677</strong></td>
<td><strong>4.1%</strong></td>
</tr>
</tbody>
</table>

SUN1 hotels are excluded from STR stats. Southern Sun Pretoria has been included on a like-for-like basis for six months.
## INCOME STATEMENT

(Rm)

<table>
<thead>
<tr>
<th></th>
<th>6 months to Sept 2019</th>
<th>6 months to Sept 2018</th>
<th>Change on prior year %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rental Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Income</td>
<td>335</td>
<td>345</td>
<td>(2.9)</td>
</tr>
<tr>
<td>Other income</td>
<td>2</td>
<td>0</td>
<td>100.0</td>
</tr>
<tr>
<td>Net operating costs</td>
<td>(30)</td>
<td>(28)</td>
<td>(7.1)</td>
</tr>
<tr>
<td><strong>EBITDAR</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDAR</td>
<td>307</td>
<td>317</td>
<td>(3.2)</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(92)</td>
<td>(80)</td>
<td>(15.0)</td>
</tr>
<tr>
<td><strong>Profit before tax &amp; adjustments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax &amp; adjustments</td>
<td>215</td>
<td>237</td>
<td>(9.3)</td>
</tr>
<tr>
<td>Fair value on interest rate swaps</td>
<td>(15)</td>
<td>23</td>
<td>*</td>
</tr>
<tr>
<td>Fair value (decrease) / increase on investment property</td>
<td>-</td>
<td>(431)</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Attributable Earnings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attributable Earnings</td>
<td>200</td>
<td>(171)</td>
<td>217.0</td>
</tr>
<tr>
<td>Fair Value adjustments noted above</td>
<td>15</td>
<td>408</td>
<td>*</td>
</tr>
<tr>
<td>Appraisal Rights Settlement</td>
<td>(11)</td>
<td>-</td>
<td>(100.0)</td>
</tr>
<tr>
<td><strong>Distributable Earnings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distributable Earnings</td>
<td>204</td>
<td>237</td>
<td>(13.9)</td>
</tr>
<tr>
<td>No. of shares</td>
<td>578</td>
<td>576</td>
<td>0.3</td>
</tr>
<tr>
<td>Dividend per share (cents)</td>
<td>35.40</td>
<td>41.22</td>
<td>(14.1)</td>
</tr>
</tbody>
</table>
## CASH FLOW STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>6 months to Sept 2019</th>
<th>6 months to Sept 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ebitdar per the income statement</strong></td>
<td>307</td>
<td>317</td>
</tr>
<tr>
<td><strong>Working capital adjusted for non-cash and exceptional items</strong></td>
<td>18</td>
<td>38</td>
</tr>
<tr>
<td><strong>Cash generated from operations</strong></td>
<td>325</td>
<td>355</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(92)</td>
<td>(80)</td>
</tr>
<tr>
<td>Maintenance capex</td>
<td>(117)</td>
<td>(100)</td>
</tr>
<tr>
<td>Acquisition of SS Pretoria</td>
<td>(200)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>(84)</td>
<td>175</td>
</tr>
<tr>
<td>Distributions to shareholders</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Final dividend in the prior year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(380)</td>
<td>(451)</td>
<td></td>
</tr>
<tr>
<td><strong>Move in net IBD</strong></td>
<td>(464)</td>
<td>(276)</td>
</tr>
<tr>
<td>Opening net IBD</td>
<td>(1,841)</td>
<td>(1,545)</td>
</tr>
<tr>
<td><strong>Closing net IBD</strong></td>
<td>(2,305)</td>
<td>(1,821)</td>
</tr>
</tbody>
</table>
## INTEREST BEARING DEBT

(Rm)

<table>
<thead>
<tr>
<th></th>
<th>as at Sept 2019</th>
<th>as at Sept 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bank Facilities</strong></td>
<td>1,372</td>
<td>1,047</td>
</tr>
<tr>
<td><strong>Corporate Bonds (notes)</strong></td>
<td>960</td>
<td>890</td>
</tr>
<tr>
<td><strong>Gross Interest bearing debt</strong></td>
<td>2,332</td>
<td>1,937</td>
</tr>
<tr>
<td><strong>Cash on hand</strong></td>
<td>(27)</td>
<td>(116)</td>
</tr>
<tr>
<td><strong>Net Interest bearing debt</strong></td>
<td>2,305</td>
<td>1,821</td>
</tr>
<tr>
<td><strong>Loan to Value</strong></td>
<td>18.9%</td>
<td>15.8%</td>
</tr>
<tr>
<td><strong>Weighted average cost of debt</strong></td>
<td>9.2%</td>
<td>9.5%</td>
</tr>
</tbody>
</table>
PROPERTY VALUATIONS

• HPF’s policy is to value its investment properties annually.

• In the prior six months, HPF revalued its investment property for the purpose of the potential casino acquisition, as is required by the JSE’s Listing Requirements.

• HPF’s Board believe there are currently no indicators of material impairment of its investment properties and as such, have not revalued investment properties in September 2019.
Thank you