

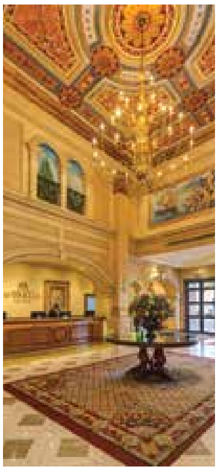

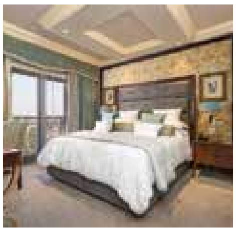

CONDENSED RESULTS AND HIGHLIGHTS

for the six months ended 30 June 2016

PEERMONT GLOBAL PROPRIETARY LIMITED

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RELAXING STAYS. EXCITING TIMES.

PEERMONT

HOTELS CASINOS RESORTS

This document contains a high-level summary of the consolidated half-yearly results of Peermont Global Proprietary Limited ("Peermont") and its subsidiaries ("the Peermont group" or "the group") which is made available for information purposes only and should not be utilised to make any investment or other decisions relating to the group. The complete results report has been made available to those persons entitled to it. The Peermont group includes all of the operational entities of Peermont Holdings Proprietary Limited and its subsidiaries ("the Peermont Holdings group").

We define EBITDA as earnings before interest, taxation, depreciation, amortisation, charges relating to the management long-term incentive programme, pre-opening expenses, non-recurring transaction costs and other non-cash items. EBITDAR is EBITDA before rental payments. Proceeds from the Sun International settlement are excluded from EBITDA/R. We believe that EBITDA/R serves as a useful supplementary financial indicator to investors, since it is commonly reported and widely accepted by analysts and investors in measuring a company's/group's ability to service its long-term debt and other fixed obligations and to fund its continued growth. Further, EBITDA/R is a widely accepted indicator in comparing a company's/group's underlying operating profitability with that of other companies/groups in the same industry. EBITDA/R is not an IFRS measure and you should not consider EBITDA/R as an alternative to measures of net profit/(loss) or indicators of operating performance, as measures of cash flow from operations or as indicators of liquidity under IFRS. Funds depicted by this measure may not be available for our discretionary use (due to covenant restrictions, debt service payments and other commitments). You should note that EBITDA/R is not a uniform or standardised measure and the calculation of EBITDA/R, accordingly, may vary significantly from entity to entity, and by itself our presentation and calculation of EBITDA/R may not be comparable to that of other companies/groups.

CONDENSED RESULTS AND HIGHLIGHTS

For the six months ended 30 June

	(Unaudited) 2016 R'm	% change	(Unaudited) 2015 R'm
Revenue	**1 785,2**	11,6	1 599,9
Cash costs	**1 118,8**	(9,0)	1 026,4
Adjusted operating profit*	**514,4**	19,8	429,3
EBITDA	**669,0**	16,3	575,1
EBITDAR	**681,1**	16,2	585,9
EBITDA margin	**37,5%**		35,9%
EBITDAR margin	**38,2%**		36,6%

** Adjusted for the same factors affecting EBITDA*

Overview

The group continued its positive revenue and EBITDA performance into the second quarter of 2016. Overall group revenue for the six months increased by 11,6% from R1 599,9 million to R1 785,2 million. This translated into exceptional EBITDA growth of 16,3% or R93,9 million for the group.

Emperors Palace was positively affected by growth in the Gauteng gaming market and high levels of top end tables play in the second quarter of 2016 and reported GGR growth of 12,0%. Its overall revenue and EBITDA growth for the period was exceptional at 11,3% and 17,2% respectively.

Revenue for the other group operations increased by 11,6% to R639,3 million and EBITDA increased by 12,8% to R163,2 million. Thaba Moshate revenue and EBITDA for the period increased by R25,4 million and R5,9 million respectively as it continues to establish itself, early in its second year of operation. Excluding Thaba Moshate, these operations increased revenues by 7,4% and EBITDA by 8,7% with our Rio and Graceland properties delivering particularly good performances.

Head office revenue increased by 14,7% from R105,0 million to R120,4 million and EBITDA increased by 19,2% from R70,4 million to R83,9 million. This includes fees earned for the management of the Umodzi Park property in Malawi which increased from R0,2 million to R3,5 million, as well as the increased fees from the Thaba Moshate resort of R2,8 million (2015: R0,9 million). On a comparable basis head office revenue increased by 9,8% and EBITDA increased by 12,0%, with EBITDA boosted by savings in employee costs for the period.

Segment analysis

	Six months ended 30 June (unaudited)			
	Revenue 2016 R'm	Revenue 2015 R'm	**EBITDA 2016 R'm**	EBITDA 2015 R'm
Emperors Palace	**1 142,4**	1 026,5	**421,9**	360,0
Other group operations	**639,3**	572,6	**163,2**	144,7
Head office	**120,4**	105,0	**83,9**	70,4
Inter-company	**(116,9)**	(104,2)	**—**	—
Peermont group total	**1 785,2**	1 599,9	**669,0**	575,1

Highlights for the six months to June 2016

REVENUE
R1 785,2 million
+11,6%

EBITDA
R669,0 million
+16,3%

EBITDA MARGIN
37,5%
+1,6%

New and ongoing developments

Sun International transaction

As previously reported, Sun International received approval from the Gauteng Gambling Board in July 2014 to amend its Morula casino licence to, among other things, provide for the relocation of the licensed premises from the current site located in Mabopane to a site located at Menlyn Maine. In terms of an agreed settlement, Peermont withdrew its objection to the relocation and on 17 March 2015 Fincred Factoring Proprietary Limited (Fincred), a subsidiary of Sun International, issued and executed a note (First Note) in settlement of the objection, in favour of Peermont.

Subsequent negotiations resulted in an amended arrangement (Sun International settlement agreement) in terms of which Fincred was obliged to pay an amount of R675,0 million to Peermont in full and final settlement of all Fincred's obligations under the First Note. This amount was paid on 25 May 2016. The proceeds of the Fincred settlement were transferred to Peermont Global Holdings III (PGH III) and utilised to repurchase PIK Notes effective 30 June 2016.

Pursuant to the settlement payment and in terms of the Sun International settlement agreement, in the event that the relocation of the Morula casino to Menlyn Maine (or to a site within five kilometres thereof) has not been completed and the Menlyn Maine casino has not opened to the public for trade on or before 31 December 2017, Fincred is entitled to demand repayment of the principal amount of R675,0 million from PGH III. The principal amount will accrue interest at the prime interest rate plus 2,0%, and will be payable over a period of five years (PGH III Refund Note).

The holders of the repurchased PIK Notes that received the proceeds of the repurchase have undertaken to support PGH III with a subscription for new PIK Notes, on the same terms and conditions as the existing PIK Notes, to the value of the amount called by Fincred, should PGH III be called upon to refund Fincred in terms of the PGH III Refund Note.

Furthermore, Fincred has issued Peermont a new Fincred Note that becomes effective if Fincred calls the PGH III Refund Note. If the casino at Menlyn Maine opens during the 10-year period starting 1 January 2018, Fincred again becomes liable to settle a principal amount of R675,0 million, reduced by R65,0 million per year that has passed from 1 January 2018 to the date that the Menlyn Maine casino opens, to the extent that such amount has actually been settled in terms of the PGH III Refund Note. The principal amount will accrue interest at 12,5% NACA and will be payable over a period of five years. Fincred's obligation in terms of the New Fincred Note is guaranteed by Sun International.

Khoroni hotel expansion

The Khoroni resort is in the process of extending its Peermont Metcourt hotel. The programme will add another 18 standard rooms and two suites at an estimated cost of approximately R22,0 million to the existing 87 rooms. The new extension is expected to open in December 2016.

New Metcourt annex at Emperors Palace

The expansion of the popular three-star Peermont Metcourt hotel at Emperors Palace is well underway. The 100 key extension will cater for families, sports and other large groups and brings a new dimension to the established hotel offerings at Emperors Palace. The 5 166m^2 expansion also includes an addition to the existing F.L.A.G. Café and a gymnasium. The R112,8 million cost, of which R26,5 million has been spent up to the reporting date, includes the upgrade of the façade and porte cochere of the Metcourt Suites hotel. The opening of the new facilities is currently planned for December 2016.

Group statement of financial position

at 30 June

	(Unaudited) 2016 R'm	(Unaudited) 2015 R'm
Assets		
Total non-current assets	**8 950,4**	8 923,4
Property, plant and equipment	**4 274,5**	4 255,0
Intangible assets	**4 614,1**	4 614,4
Investments	**53,2**	40,5
Derivative instruments	**1,0**	1,3
Deferred taxation assets	**4,1**	12,2
Loans and receivables	**3,5**	—
Total current assets	**466,8**	358,7
Inventories	**80,5**	66,8
Trade and other receivables	**90,2**	79,1
Amounts due by related parties	**3,5**	4,1
Loans and receivables	**1,1**	0,2
Taxation receivable	**8,9**	7,9
Cash and cash equivalents	**282,6**	200,6
Total assets	**9 417,2**	9 282,1
Equity and liabilities		
Equity		
Capital and reserves	**3 423,7**	2 774,7
Non-controlling interests	**126,6**	123,8
Total equity	**3 550,3**	2 898,5
Total non-current liabilities	**5 196,3**	5 693,4
Interest-bearing long-term borrowings	**4 045,3**	4 936,0
Deferred taxation liabilities	**1 106,1**	734,1
Amounts due to related parties	**44,9**	23,3
Total current liabilities	**670,6**	690,2
Trade and other payables	**442,1**	395,4
Current portion of interest-bearing long-term borrowings	**202,1**	182,5
Amounts due to related parties	**23,8**	90,9
Current portion of derivative instruments	**2,6**	21,1
Taxation payable	**—**	0,3
Total equity and liabilities	**9 417,2**	9 282,1

Group statement of cash flows

for the six months ended 30 June

	2016 R'm	2015 R'm
Cash inflows from operating activities	**1 335,4**	493,8
Finance income received	**15,8**	9,3
Finance expense paid	**(234,7)**	(228,6)
Taxation paid	**(25,0)**	(23,3)
Net cash inflows from operating activities	**1 091,5**	251,2
Cash outflows from investing activities	**(177,8)**	(162,7)
Replacement of property, plant and equipment to maintain operations	**(118,9)**	(133,3)
Acquisition of property, plant and equipment to expand operations	**(28,8)**	(47,8)
Replacement of intangible assets to maintain operations	**(9,5)**	(3,3)
Acquisition of intangible assets to expand operations	**(1,0)**	—
Acquisition of investments	**(20,9)**	—
Proceeds on disposal of property, plant and equipment	**0,7**	0,3
Proceeds on disposal of asset held for sale	**—**	21,3
Enterprise development loans receivable repaid	**0,6**	0,1
Cash outflows from financing activities	**(899,9)**	(184,5)
Capital repayments on Senior debt	**(240,3)**	(175,0)
Capital repayment on PIK Notes Loan	**(649,0)**	—
Other interest-bearing long-term borrowings repaid	**—**	(3,6)
Increase in non-current amounts due to related parties	**1,7**	1,8
Dividends paid to non-controlling interests	**(12,3)**	(7,7)
Net increase/(decrease) in cash and cash equivalents	**13,8**	(96,0)
Cash and cash equivalents at beginning of the period	**269,0**	296,4
Effect of exchange rate fluctuations on cash held	**(0,2)**	0,2
Cash and cash equivalents at the end of the period	**282,6**	200,6

Cash inflows from operating activities

Cash inflows from operating activities for the period were R1 335,4 million compared to R493,8 million for the period ended 30 June 2015. The increase in net cash inflows from operating activities includes proceeds from the Sun International settlement amounting to R675,0 million. In addition, EBITDA grew by R93,9 million and working capital outflows were R62,2 million lower, resulting in a further increase in net cash inflows from operating activities. Prior year working capital outflows included approximately R52,0 million in payment of accrued costs relating to the construction of the Thaba Moshate Resort.

Finance expense paid

Payments made relating to the Senior debt were R200,7 million (2015: R211,5 million) and payments relating to the interest rate swaps amounted to R7,0 million (2015: R15,2 million). In addition, in the current period the group made a repayment of the PIK Notes Loan which included interest of R26,0 million.

Cash outflows from investing activities

Net cash outflows from investing activities for the six months were R177,8 million. This included capital expenditure of R77,9 million spent on slots replacement throughout the group; R5,8 million spent on the casino floor refurbishment at Rio; P1,1 million (R1,6 million) on rooms refurbishment at the Mondior Gaborone; R26,5 million on the hotel expansion at Emperors Palace; R2,8 million relating to additional construction at the Thaba Moshate resort in Burgersfort; R0,5 million on the hotel expansion at Khoroni; and, the balance on normal replacement capital expenditure and other investing activities of the group.

Cash outflows from financing activities

Net cash outflows from financing activities for the period amounted to R899,9 million. This included capital repayments on the Senior debt of R240,3 million and dividends paid to non-controlling shareholders of R12,3 million. The Senior debt repayments of R240,3 million consisted of scheduled repayments of R90,3 million and an additional voluntary repayment of R150,0 million to effectively utilise increased available cash balances. In addition, in the current period the group made a repayment of the capital of the PIK Notes Loan of R649,0 million.