CONDENSED RESULTS AND HIGHLIGHTS

for the year ended 31 December 2015

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DATE: 12 APRIL 2016

PEERMONT GLOBAL PROPRIETARY LIMITED
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This document contains a high-level summary of the consolidated quarterly and annual 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.

We define EBITDA as earnings before interest, taxation, depreciation, amortisation, charges relating to the management long-term incentive programme, pre-opening expenses and other non-cash items. Non-recurring transaction costs are excluded from EBITDA. EBITDAR is EBITDA before rental payments. Non-recurring transaction costs 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.

The three months and half year ended 31 December

	Three months ended 31 December			Six months ended 31 December		
	2015 R'm	% change	2014 R'm	**2015 R'm**	% change	2014 R'm
Revenue	**971,7**	9,5	887,7	**1 826,7**	4,8	1 742,4
EBITDA	**393,4**	13,0	348,1	**704,7**	4,2	675,6
EBITDAR	**400,1**	12,9	354,5	**716,8**	4,0	689,3
EBITDA margin	**40,5%**		39,2%	**38,6%**		38,8%
EBITDAR margin	**41,2%**		39,9%	**39,2%**		39,6%

Overview

The group delivered strong revenue growth for the quarter off the already high base achieved in the same period last year. The strong performance in the prior year was driven by certain local and foreign top end players at Emperors Palace which repeated in the current period.

Emperors Palace had an outstanding quarter, even when compared to the high base in the prior year. The private gaming upgrade was completed in October, encouraging increased levels of play from our top end market. This upgrade included the relaunch of Aurelia's and the conversion of 20 rooms into 10 suites in the D'oreale Grande hotel. The Queen of the Nile restaurant was also relaunched in November, renamed as Rosetta's Bistro, and has been well received by the public. Gaming revenue for the quarter increased by 9,3% to R532,5 million, supplemented in both periods by top end players. This is an exceptional result in the current subdued Gauteng gaming market. Total revenue at the resort increased by 8,9% to R633,5 million for the quarter and EBITDA increased by 12,3% to R253,2 million.

Since its opening in April 2015, the Thaba Moshate Resort in Burgersfort continues to gain momentum and contributed revenue of R21,7 million and EBITDA of R1,6 million for the quarter.

Revenue for the other group operations, excluding Thaba Moshate and Emperors Palace, increased by 3,4% to R314,3 million and EBITDA increased by 2,4% to R87,1 million with Umfolozi reporting strong revenue and EBITDA growth of 9,2% and 10,8%, respectively for the quarter.

Operating costs for the three months ended 31 December 2015 were R611,8 million, a decrease of R45,4 million or 6,9%, from R657,2 million for the prior year quarter. The decrease in operating costs was mainly driven by a decrease in employee costs. The current period costs include a Management Incentive Plan accrual reversal of R53,7 million compared to a prior period accrual of R34,6 million, as well as non-recurring transaction costs relating to the Sun International transaction amounting to R1,9 million, all of which are excluded from EBITDA. The Management Incentive Plan accrual reversal relates mainly to the reversal of costs of the expected acceleration of the scheme due to the Sun International transaction as well as the reversal of the potential Management Incentive Plan EBITDA incentive, which based on long-term forecasts, is unlikely to be achieved.

Group EBITDA increased by 13,0% to R393,4 million from the high base of R348,1 million reported in the three months to December 2014. The group EBITDA margin increased to 40,5% from 39,2%, even after the low margin achieved at Thaba Moshate as the operations settle.

Highlights for the three months ended 31 December 2015

REVENUE	EBITDA	EBITDAR
R971,7 million	**R393,4 million**	**R400,1 million**
+9,5%	**+13,0%**	**+12,9%**

The group delivered strong revenue growth for the half year end ending 31 December 2015. Total revenue for the group increased from an already high base of R1 742,4 million in 2014 to R1 826,7 in 2015. This is mainly driven by an outstanding fourth quarter by Emperors Palace.

Group EBITDA increased by 4,2% to R704,7 million from R675,6 million reported in the half year to December 2014. The group EBITDA margin decreased from 38,8% to 38,6% in the current period.

Highlights for the half year ended 31 December 2015

REVENUE	EBITDA	EBITDAR
R1 826,7 million	**R704,7 million**	**R716,8 million**
+4,8%	**+4,2%**	**+4,0%**

The year ended 31 December	2015 R'm	% change	2014 R'm
Revenue	**3 426,7**	5,3	3 252,9
Cash costs	**2 156,0**	(4,6)	2 060,4
Adjusted operating profit	**981,3**	6,3	922,8
EBITDA	**1 279,8**	6,2	1 205,3
EBITDAR	**1 302,7**	5,5	1 234,3
EBITDA margin	**37,3%**		37,1%
EBITDAR margin	**38,0%**		37,9%

Overview

Group revenue increased by R173,8 million or 5,3% for the year. Overall cash costs were well managed and increased by 4,6% resulting in EBITDA growth of 6,2% for the group.

Since the opening of the newly constructed Thaba Moshate Resort in Burgersfort in April 2015, the unit has contributed revenue of R62,3 million and EBITDA of R5,0 million, with revenues continuing to grow as the operation gains momentum. In addition, the Umodzi Park complex in Malawi (under management of Peermont) opened for business in May 2015 and contributed management fee revenue of R4 million for the year. As can be expected, both these properties are in their start-up stages and are yet to reach their full revenue potential, while we continue to establish their presence in their respective markets.

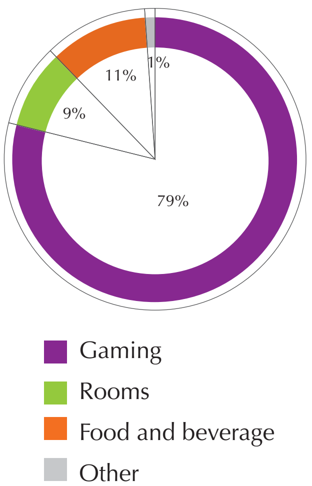
After a successful first half of the year, Emperors Palace experienced a challenging second half of the year with revenues impacted by the temporary closure of certain facilities being upgraded at the resort and the base effect of an exceptional fourth quarter in the prior year. Emperors' revenues for the year increased by 3,0% and EBITDA by 4,8%. Collectively, all other operating units grew revenue by 10,0% and EBITDA by 9,3%.

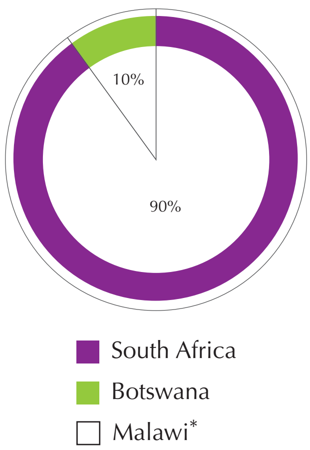
GGR at Emperors Palace increased by 2,4%, including the effect of a high base in the prior year resulting from significant tables win generated from certain visiting top end players. On a comparable basis, excluding the exceptional revenue generated from these players in the prior year, gross gaming revenue increased by 2,8%, in excess of flat revenues in the overall Gauteng casino market. Hotel and resort revenue at Emperors increased by 6,3% for the year in spite of the closure of the fourth floor of the D'oreale Grande Hotel, Rosetta's Bistro and Aurelia's restaurant during expansion and refurbishment work for almost a full three months each.

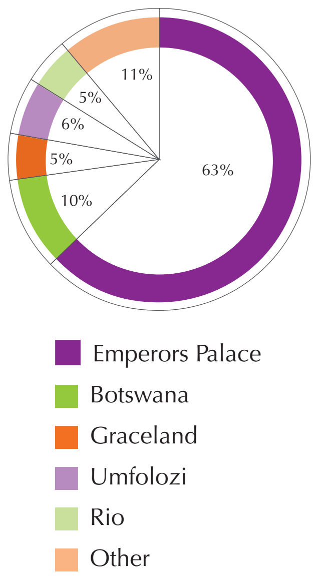
As regards the balance of the group's operations, our Umfolozi and Frontier properties performed exceptionally well during the year with revenue growth of 15,1% and 28,8% respectively. In contrast, Graceland and Rio reported revenue decreases of 5,0% and 0,6% respectively, with poor economic conditions in their local catchment areas affecting spending by government and key corporate customers as well as customer disposable income. Our Botswana properties reported revenue growth of 0,4% for the year. These operations continue to be negatively affected by the current oversupply of rooms in the Gaborone market and well as recent water shortages.

Head office revenue, consisting mainly of management, administration and incentive fees received from the operating units, increased by 5,1% from R219,3 million to R230,4 million. Head office EBITDA at R160,2 million increased by 7,4% in the year.

Revenue by source	Revenue by country	Revenue by property



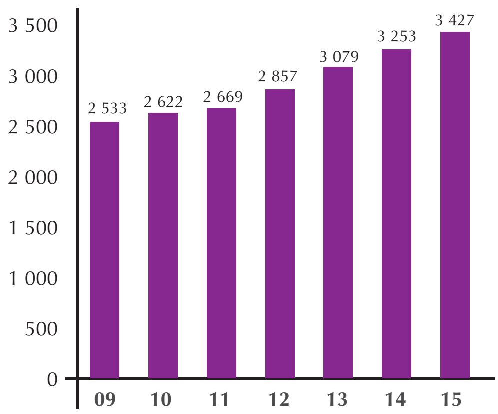




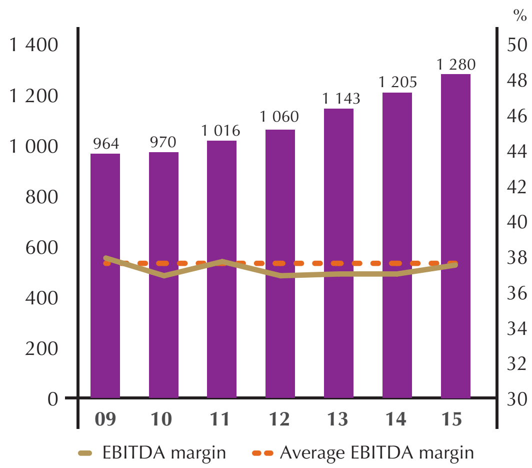
** Less than 1%.*

Summary of revenue and EBITDA performance history

Revenue (R'm)



EBITDA (R'm) and EBITDA margin (%)



CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December

	Group	
	2015 **R'm**	2014 R'm
Cash inflows from operating activities	**1 213,7**	1 260,0
Finance income received	**16,9**	29,7
Finance expense paid	**(448,7)**	(550,8)
Taxation paid	**(51,4)**	(72,0)
Net cash inflows from operating activities	**730,5**	666,9
Cash outflows from investing activities	**(319,2)**	(373,8)
Replacement of property, plant and equipment to maintain operations	**(208,2)**	(172,9)
Acquisition of property, plant and equipment to expand operations	**(121,5)**	(252,8)
Enterprise development loans receivable (granted)/repaid	**(5,0)**	0,4
Replacement of intangible assets to maintain operations	**(7,3)**	(7,9)
Proceeds on disposal of property, plant and equipment	**1,9**	2,0
Proceeds on disposal of asset held for sale	**20,9**	54,9
Redemption of investment in preference shares	**—**	2,5
Cash outflows from financing activities	**(440,5)**	(86,5)
Capital repayments on senior debt	**(410,0)**	(97,5)
Other interest-bearing long-term borrowings repaid	**(3,6)**	(28,8)
Decrease in non-current amounts due to related parties	**(3,6)**	(4,1)
Dividends paid to non-controlling interests	**(23,3)**	(18,9)
Interest-bearing long-term borrowings raised	**—**	5 225,0
SSNs and rehedging loan repaid	**—**	(4 972,1)
Transaction costs paid	**—**	(190,1)
Net (decrease)/increase in cash and cash equivalents	**(29,2)**	206,6
Cash and cash equivalents at beginning of the year	**296,4**	89,6
Effect of exchange rate fluctuations on cash held	**1,8**	0,2
Cash and cash equivalents at end of the year	**269,0**	296,4

Cash inflows from operating activities

Cash inflows from operating activities for the year were R1 213,7 million compared to R1 260,0 million for prior year. The increase in EBITDA of R75,1 million was more than offset by an increase in working capital requirements of R45,5 million, transaction costs of R12,6 million incurred in relation to the Sun International transaction and pre-opening expenses amounting to R6,6 million incurred at the Thaba Moshate Resort. The working capital outflows for the current year include the payment of costs amounting to approximately R52,0 million relating to the construction of Thaba Moshate which were accrued in the prior year.

Finance income received

This consists mainly of interest received on cash deposits at financial institutions which has decreased in comparison to the prior year. The decrease is attributable to decreased bank and cash balances on hand throughout the year largely due to the additional voluntary capital repayments of R250,0 million made on the Senior facility B loan.

Finance expense paid

Interest payments made relating to the Senior debt amounted to R416,8 million (2014: R295,2 million) and payments relating to the interest rate hedges amounted to R29,4 million (2014: R23,8 million). The prior year amount included hedged interest paid on the SSNs of R177,2 million and interest paid on the deferred hedging loan of R31,7 million prior to the restructure.

Cash outflows from investing activities

The net cash outflow from investing activities for the year was R319,1 million. This consists of net replacement capital expenditure of R208,2 million and expansion capital expenditure of R121,5 million. The expansion capital expenditure was largely made up of R46,7 million relating to construction of the Thaba Moshate Resort and R72,3 million on expansion activities at Emperors Palace. In addition, the group received R20,9 million in proceeds on the disposal of the Mondazur property in the current year and granted enterprise development loans amounting to R5,0 million.

Cash outflows from financing activities

Net cash outflows from financing activities for the year amounted to R440,5 million. This included capital repayments on the Senior debt of R410,0 million, other scheduled redemption of debt by group companies of R3,6 million, dividends paid to non-controlling shareholders of R23,3 million and other cash outflows of R3,6 million. The Senior debt repayments of R410,0 million consisted of scheduled repayments of R160,0 million and an additional voluntary repayment of R250,0 million.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December

	Group	
	2015 **R'm**	2014 R'm
Assets		
Total non-current assets	**8 972,0**	8 888,9
Property, plant and equipment	**4 274,5**	4 213,2
Intangible assets	**4 613,1**	4 616,3
Investments	**43,6**	51,5
Loans and receivables	**4,1**	—
Derivative instruments	**31,5**	—
Deferred taxation assets	**5,2**	7,9
Total current assets	**447,2**	480,2
Non-current asset held for sale	**—**	20,6
Inventories	**78,0**	66,7
Trade and other receivables	**86,9**	88,1
Amounts due by related parties	**4,1**	2,7
Loans and receivables	**1,2**	0,3
Taxation receivable	**8,0**	5,4
Cash and cash equivalents	**269,0**	296,4
Total assets	**9 419,2**	9 369,1
Equity and liabilities		
Equity		
Capital and reserves	**2 983,5**	2 744,8
Non-controlling interests	**128,9**	123,3
Total equity	**3 112,4**	2 868,1
Total non-current liabilities	**5 638,8**	5 831,4
Interest-bearing long-term borrowings	**4 799,5**	5 019,3
Derivative instruments	**—**	21,9
Amounts due to related parties	**50,0**	53,9
Deferred taxation liabilities	**789,3**	736,3
Total current liabilities	**668,0**	669,6
Trade and other payables	**430,1**	460,8
Current portion of interest-bearing long-term borrowings	**207,5**	163,6
Current portion of derivative instruments	**2,9**	8,8
Amounts due to related parties	**27,5**	35,3
Taxation payable	**—**	1,1
Total equity and liabilities	**9 419,2**	9 369,1

Sun International Transaction

A transaction was entered into by the Peermont Holdings shareholders on 17 March 2015 to sell 100% of the Peermont Holdings group to Sun International (South Africa) Limited. The required submissions were made to the various legal authorities and in December 2015 the South African Competition Commission recommended that the transaction be prohibited. As a result, the matter was referred to the Competition Tribunal of South Africa for consideration in June 2016. However, the agreement contained a contractual long stop date of 31 March 2016. The parties would have had to agree to extend this date before 31 March 2016, but did not. As the contractual long stop date was not extended, Sun International announced that it believed that the agreement lapsed on 31 March 2016.

In terms of a settlement agreement between the parties as described below, the objection raised by Peermont against the proposed relocation of Sun International's Morula licence from the current site in Mabopane to Menlyn, Tshwane was withdrawn.

In terms of the settlement agreement, if Menlyn Maine opens to the public (or the licenced premises are relocated to a site which is within a 5 km radius of Menlyn Maine, and the relocated casino opens to the public), a financial instrument (the "Note") issued by the operating company of Menlyn Maine, obliges it to pay Peermont a capital amount of between R700 million and R900 million dependent on certain circumstances. The Note is guaranteed by Sun International.

Further discussions between the parties are taking place to early settle the Note for an amount of R675 million.


FRONTIER


Rio
CASINO


UMFOLOZI