



22 May 2024

**Southern Sun reports record results and declares its first dividend since listing
Announcing full year results for the year ended 31 March 2024**

Highlights

- Revenue up 19% to R6.0 billion
- Ebitdar up 32% to R1.9 billion
- Adjusted HEPS up 88% to 56.4 cents
- Net debt reduced to R1.0 billion
- Share buybacks of R617 million
- Dividend per share of 12.5 cents per share

Commenting on the results, Southern Sun CEO, Marcel von Aulock said: “Our significant exposure to the Western Cape and Cape Town specifically, which enjoyed a strong tourism, business travel and event-related year contributed to revenue growth of 19%. Internal discipline on maintaining the cost efficiencies achieved from the complete restructuring of the group in response to the Covid pandemic, has translated to record profitability with the group achieving Ebitdar growth of 32% to R1.9 billion and Adjusted HEPS of 56.4 cents, up 88% from the prior year. In addition to buying back just under 10% of the shares in issue, we are pleased to announce our first dividend declaration of 12.5 cents per share.”

Luxury hotel guests have proven more resilient to prevailing economic pressures such as inflation and rising interest rates, being influenced more by location and personal preference rather than price.

Aided by more normalised demand from local and international travellers and strong demand for conferencing and events, group occupancy at 58.6% for the year ended 31 March 2024, has increased by 7.1 percentage points (pp) compared to 51.5% in the prior year but is still 0.7pp below the 59.3% achieved for 31 March 2020, being pre-Covid-19.

This shortfall in occupancy largely relates to hotels in individual nodes, in South Africa and offshore, which have not yet fully recovered but are showing signs of improvement and present a focus area for management.

On the outlook for the group von Aulock said: “Tourism internationally is booming, and South Africa continues to benefit from strong international demand, and this could be even stronger with the removal of visa restrictions to some markets and further activation of inbound air capacity to the country. The middle-income international traveller has not recovered to pre-Covid-19 levels and

represents an opportunity with the high levels of operational gearing in the business resulting in a substantial flow through to Ebitdar, even at reasonable revenue growth.”

The group will continue to pursue its strategy of getting more out of its irreplaceable hotel portfolio by allocating capital to key properties so that they remain best-in-class and our customers’ preferred accommodation provider. Refurbishment programmes are currently underway at the Sandton Towers, the Southern Sun Sandton, the Southern Sun Rosebank and Southern Sun Cullinan. In addition, refurbishment plans are progressing for a number of other hotels with various mock-up rooms in progress.

.../Ends

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investors@southernsun.com

Southern Sun is Southern Africa’s leading hospitality group comprising over 90 strategically located hotels and resorts, a wide collection of restaurants and more than 300 conference venues and banqueting facilities in South Africa, Africa, Seychelles and the Middle East. With a rich heritage of excellence and dedication to delivering service with flair, Southern Sun provides guests with unforgettable experiences at destinations that offer unparalleled variety and scale. The group’s portfolio of brands comprises award-winning luxury hotels such as 54 on Bath, Arabella Hotel, Golf & Spa, the Beverly Hills, Mount Grace Hotel & Spa, the Sandton Sun & Towers and Paradise Sun, as well as renowned brand collections, including Southern Sun Hotels, SunSquare, Garden Court, StayEasy and SUN1 hotels, and a selection of Southern Sun Resorts in idyllic settings.

The group is committed to transformation and is proud to be a Level 1 Contributor to B-BBEE in South Africa – a certification that demonstrates the spirit in which Southern Sun actively contributes to broad-based black economic empowerment through maintaining the diversity of its workforce, developing skills, supporting emerging enterprises and contributing to the upliftment of local communities. Southern Sun is consciously committed to integrating best environmental practices into the group’s core business strategy, thereby balancing its economic, social and environmental outcomes. As such, the group endeavours to ensure that its conduct meets the needs of the present while minimising the cost to future generations.

Escape to the world of Southern Sun, where exceptional experiences are created with passion and every day is a celebration. Visit southernsun.com. Follow Southern Sun on X (@SouthernSunGrp), Instagram (@SouthernSunHotels), Facebook (Facebook/SouthernSunHotels) and LinkedIn (@Southern-Sun).



Luxury		Full Service	Economy	Convention Centre