

Results presentation

FOR THE YEAR ENDED 30 JUNE 2024



CITY LODGE
HOTELS

2024



Year-end results
for the year ended
30 June 2024

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YEAR END RESULTS

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Financial highlights


REVENUE

R1.9bn

2023: R1.7bn  13%


RETURN ON EQUITY

16.5%

2023: 15.6%  0.9% points


ADJUSTED EBITDAR

R586.2m

2023: R515.8m  14%


PROFIT FOR THE YEAR

R189m

2023: R164m  15%


GROUP OCCUPANCY

58%

2023: 56%  2% points

EARNINGS PER SHARE (DILUTED)

33.2c

2023: 28.6c  16%

HEADLINE EARNINGS PER SHARE (DILUTED)

33.2c

2023: 30.3c  10%

ADJUSTED HEADLINE EARNINGS PER SHARE (DILUTED)

31.8c

2023: 23.2c  37%

DIVIDENDS  15%

Final: 9c | Interim: 6c

2023: 8c 2023: 5c



YEAR END RESULTS

Operational review

- Group occupancy – 58% up two percentage points from 2023
- Average room rates – up by 8%
- Revenue – up by 13% to R1.9 billion (2023: R1.7 billion)
- Revenue growth by segment
 - Courtyard Hotels – 27%
 - City Lodge Hotels – 9%
 - Town Lodge – 12%
 - Road Lodge – 15%
 - Rest of Africa – 24%
- Rooms revenue – up 11% to R1.6 billion (2023: R1.4 billion)
- Food & beverage revenue – up 22% to R363.3 million (2023: R298.9 million) and contributes 19% of total revenue (2023: 17%)
- Total operating expenses have increased by 10% for the year.
- Adjusted EBITDAR (excluding unrealized foreign exchange gains and losses) – R586.2 million, margin 30.4% (2023: R515.8 million, margin 30.1%)
- Profit for the year – up 15% to R188.7 million (2023: R163.7 million)
- Earnings per share – up 16% to 33.2 cents (2023: 28.6 cents)
- Adjusted headline earnings per share – up 37% to 31.8 cents (2023: 23.2 cents)



YEAR END RESULTS

Capital allocation

- Cash generated by operations R576.7 million (2023: 539.5 million)
- Full settlement of interest-bearing borrowings of R300 million. No outstanding debt as at 30 June 2024
- Total of 11.7 million shares were re-purchased and cancelled during the year for a total consideration of R51.6 million
- Maintenance capital expenditure of R164.9 million has been spent on –
 - Completion of the rooms refurbishment at City Lodge Hotel at OR Tambo International Airport & City Lodge Hotel V&A Waterfront.
 - Completion of phase 2 of solar installations to 16 hotels, bringing the total number of hotels with access to renewable solar energy to 41
 - Completed the installation of battery storage at two hotels as part of a pilot
 - Investment in sustainable water programme which included the installation of 3 new borehole & filtration plants, 5 new filtration plants to existing boreholes and 3 additional water storage tank installations
 - Refurbishments in progress: City Lodge Hotel Lynnwood, Town Lodge Bellville, Road Lodge Durban, Road Lodge N1 City, City Lodge Hotel Umhlanga Ridge and Town Lodge George
- Enhanced investment and efforts in transformation and diversity have delivered an improved B-BBEE rating of level 2 (previously level 3)
- Dividends: Final 9c (2023: 8c) per share and interim 6c (2023: 5c). Total dividend up 15%



Courtyard Hotel Sandton – completed restaurant | reception refurbishment

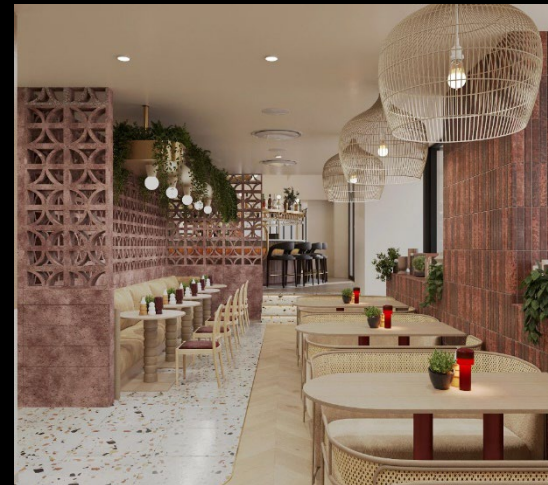


YEAR END RESULTS

Capital allocation continued



City Lodge Hotel V&A Waterfront refurbishment – artist's impressions



YEAR END RESULTS

Capital allocation continued



Town Lodge Bellville refurbishment



Road Lodge Durban refurbishment



YEAR END RESULTS

Capital allocation continued



City Lodge Hotel Umhlanga Ridge
refurbishment –
artist's impressions

YEAR END RESULTS

Group hotel portfolio



**COURTYARD
HOTEL**

474 rooms
5 hotels

The soft life made easy



Our upscale **Courtyard Hotel** brand appeals to business, leisure and long-stay travellers looking for upmarket accommodation.

It lives up to its slogan of the “*soft life made easy.*”



**CITY LODGE
HOTEL**

3 281 rooms
19 hotels

Easy living



This upper mid-scale style **City Lodge Hotel** brand delights in giving guests “*easy living*”, as its slogan promises, which includes the group’s environmentally-friendly bathroom amenities.



**TOWN LODGE
BY CITY LODGE HOTELS**

1 507 rooms
12 hotels

The easy choice



Modelled on an upper midscale hotel offering, the **Town Lodge** brand delivers on its slogan of an “*easy choice*”. Properties are smart and aesthetically pleasing, with plenty of parking and fast, reliable WiFi.



**ROAD LODGE
BY CITY LODGE HOTELS**

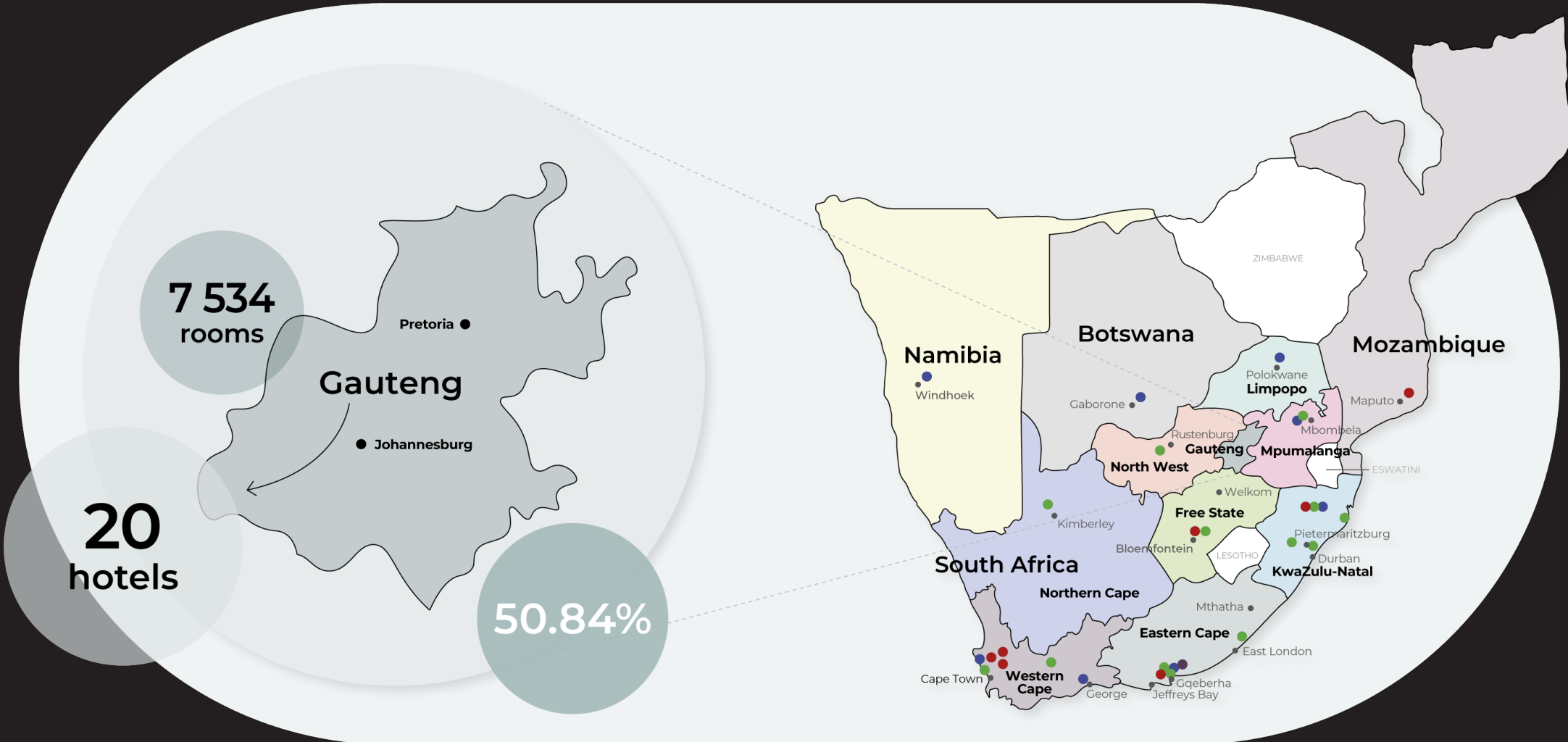
2 272 rooms
23 hotels

Basically easy



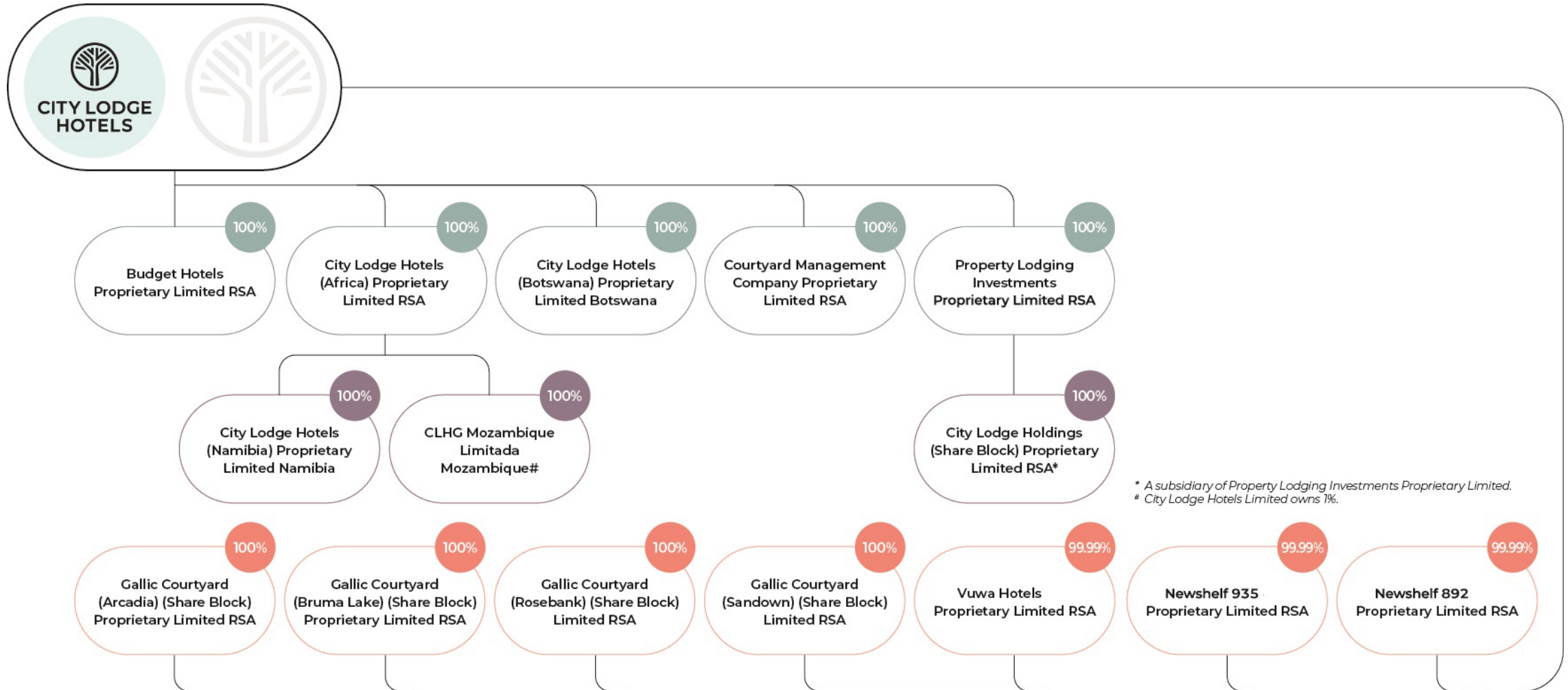
Road Lodge may be an economy hotel brand, but it has at its foundation all of the operational processes and friendly service promises offered at any of the group’s properties, which is why it is “*basically easy*”, as per its slogan.

Our operating footprint



YEAR END RESULTS

Group structure



Our board

Standing from left to right

Dhanisha Nathoo chief financial officer
Lindiwe Siddo chief operating officer
Andrew Lapping
Stephen Enderle
Mathukana Mokoka
Ndumi Medupe

Seated from left to right

Deon Huysamer
Frank Kilbourn deputy chairman
Sizakele Marutlulle
Bulelani Ngcuka chairman
Andrew Widegger chief executive officer



YEAR END RESULTS

Our management team

- | | |
|----------------------------|--|
| Andrew Widegger | chief executive officer |
| Dhanisha Nathoo | chief financial officer |
| Lindiwe Siddo | chief operating officer |
| Tony Balabanoff | divisional director operations |
| Zuki Jantjies | divisional director sales & marketing |
| Marcel Kobilski | divisional director human resources |
| Nkosenhle Ngongoma | divisional director information technology |
| Naynesh Parbhoo | divisional director financial |
| Ross Phinn | divisional director operations |
| Melanie van Heerden | group company secretary |
| Emile van der Merwe | divisional director property & development |



YEAR END RESULTS

Top 20 investors as at end June 2024

Rank	Top20 Investors	%	Holding
1	Allan Gray	14.13%	84,528,969
2	Enderle SA (Pty) Ltd	9.09%	54,358,553
3	Entertainment Holdings (Pty) Ltd	8.36%	50,001,729
4	Stanlib	4.68%	28,000,000
5	Peregrine Capital	4.68%	27,982,055
6	Bryte Insurance Company Ltd	3.78%	22,593,390
7	Tsogo Sun Investments (Pty) Ltd	3.01%	17,993,661
8	Oasis Crescent Management Company	2.82%	16,876,364
9	Sanlam Investment Management	2.61%	15,634,674
10	New Shelf 934 (Pty) Ltd	2.37%	14,156,937
11	New Shelf 892 (Pty) Ltd	2.37%	14,156,571
12	Foord Asset Management	1.90%	11,371,775
13	All Weather Capital	1.90%	11,336,680
14	Abax Investments	1.83%	10,970,000
15	Momentum Investments	1.21%	7,262,445
16	New Shelf 935 (Pty) Ltd	1.18%	7,080,400
17	Excelsia Capital	1.14%	6,839,268
18	The Boles Family Trust	0.74%	4,425,000
19	Ashburton Investments	0.74%	4,402,676
20	City Lodge Hotels Ltd Share Scheme	0.64%	3,841,491
		69.18%	413,812,638



Outlook

- With the formation of the GNU, the 2025 financial year holds promise for a reinvigorated South Africa and surrounding territories.
- The 2025 financial year has commenced with a cautious improvement in economic sentiment, compared to the second half of the previous financial year. FY25 occupancies to date
 - July 2024 – 56% (July 2023: 61%)
 - August 2024 – 55% (August 2023: 61%)
 - month to date up to 5 September 2024 – 61% (September 2023 – 60%)
- Planned capital commitments for FY25 totalling R459.4 million:
 - Continuation of modernisation and refurbishment program of hotels
 - Investments in innovation technologies
 - Continued focus on water resilience initiatives
- Actively pursuing opportunities for new hotels in high growth areas within South Africa.
- Innovative new F&B offerings with the launch of our new EASY house wines, produced in partnership with 51% black women owned Diemersfontein Wine Estate and Thokozani Staff Holdings
- Continue building the City Lodge Hotels brand, with the award-winning **check into easy.** campaign and advertisements.

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GETTING FRISKY WITHOUT WHISKY IS HARD.

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