

**City Lodge Hotels Limited**

(Incorporated in the Republic of South Africa)

(Registration Number: 1986/002864/06) (JSE

share code: CLH ISIN: ZAE000117792)

("City Lodge" or the "Company")

**FURTHER ANNOUNCEMENT RELATING TO THE DISPOSAL OF EAST AFRICAN HOTEL OPERATIONS AND COMPLETION OF RE-FINANCING OF FUNDING**

Shareholders are referred to the announcements released on SENS on 23 July 2021 ("**Terms Announcement**") and 01 July 2022 ("**Unconditional Disposal Announcement**") relating to the proposed disposal by City Lodge of its East African operations, comprising of its hotels situated in Kenya and Tanzania (the "**Disposals**") and are advised that the gross proceeds from the Disposals as set out in the Terms Announcement have been received and applied to repay the debt facilities coming due for repayment within the next 14 months together with the outstanding overdraft.

In addition, the Company has completed the refinancing of its loan facilities with our lenders, at more favourable terms compared to prior terms, with effect from 30 June 2022. City Lodge has access to loan facilities of R600 million, and overdraft facilities of R115 million. The total long-term debt facility utilised has reduced from R720 million in June 2022, to R300 million as at 11 July 2022. The Company accordingly has access to total short term and long term debt facilities of R415 million and together with the improved operational performance as outlined in the Voluntary operational update released on SENS on 20 June 2022, finds itself in a robust operational and financial position.

Bryanston

12 July 2022

**Sponsor to City Lodge**

Nedbank Corporate and Investment Banking, a division of Nedbank Limited