



Phumelela Gaming and Leisure Limited

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Notice to affected persons

4 September 2020

This Notice contains:

1. A REPORT IN TERMS OF SECTION 132(3)(a) and (b) OF THE COMPANIES ACT 71 OF 2008 (AS AMENDED) (“the Act’)

2. THE OUTCOME OF THE SECTION 151(1) AND 152 MEETING HELD AT 11H00 ON TUESDAY, 1 SEPTEMBER 2020

Dear Sir/Madam,

PHUMELELA GAMING AND LEISURE LIMITED (IN BUSINESS RESCUE) (REGISTRATION NUMBER 1997/016610/06) (“the Company”)

1. A REPORT IN TERMS OF SECTION 132(3)(a) and (b) OF THE COMPANIES ACT 71 OF 2008 (AS AMENDED) (“the Act’)

- 1.1. The BRP published the Section 150 of the Companies Act business rescue plan on 18 August 2020.
- 1.2. The BRP convened the Section 151 and 152 of the Companies Act meeting on Tuesday, 1 September 2020 at 11h00.
- 1.3. On Tuesday, 25 August 2020, a letter was received from Bowmans Attorneys representing a potential bidder (BetFred) and requesting further that the BRP circulate the letter and attached proposed bid to creditors and further that at the Section 150 / 151 / 152 meeting there will be a direction to the practitioner to adjourn the meeting to consider, negotiate and revise the plan for further consideration.
- 1.4. The BRP duly circulated to all Affected Parties the letter and annexures and a new proxy which incorporated the direction for creditors to vote on whether or not to adjourn the meeting.
- 1.5. The meeting was convened on 1 September 2020. The outcome of the meeting is recorded in paragraph 2 below. In summary:

1.5.1. BetFred and MOD (the proposers in the published plan) were afforded an opportunity to address Affected Parties, thereafter

1.5.2. amendments to the plan were tabled, voted upon and accepted by creditors, then

1.5.3. BetFred as creditor (having acquired their attorneys claim against the company) directed the BRP to adjourn the meeting . The motion to direct the BRP to adjourn the meeting to revise the plan for further consideration was voted down by creditors.

1.5.4. The plan as amended was thereafter voted upon by creditors and duly adopted.

1.6. Subsequently:

1.6.1. the BRP has commenced adjudicating the claims of creditors;

1.6.2. the BRP has received an additional interested bid for one of the company's assets and is considering it;

1.6.3. the BRP has commenced implementing the plan and is busy herewith.

2. OUTCOME OF MEETING TO DETERMINE FUTURE OF THE COMPANY IN TERMS OF SECTION 151 AND 152 OF THE ACT

2.1. Amendments as set out in annexure A were tabled and voted upon by creditors. The result of the vote thereon is as follows:

2.1.1. Total value of votes cast, in person or by proxy: R727,364,330 (92.73% of estimated total value of all creditors)

2.1.2. Votes cast in **favour** of adopting the proposed amendments to the business rescue plan: R715,930,252 (98.77% of votes cast)

2.1.3. Votes against adoption of the proposed amendments to the business rescue plan: R8,911,353 (1.23% of votes cast)

2.1.4. The **proposed amendments were thus adopted** and are incorporated into the business rescue plan.

2.2. Creditors considered and voted on the proposed motion to direct the practitioner to adjourn the meeting in order to revise the Business Rescue Plan for further consideration. The result of the vote thereon is as follows:

2.2.1. Total value of votes cast, in person or by proxy: R727,364,330 (93.06% of estimated total value of all creditors)

2.2.2. Votes cast in favour of adjourning the meeting: R86,483,472 (11.89% of votes cast)

2.2.3. Votes **against** adjourning the meeting: R640,880,858 (88.11% of votes cast)

2.2.4. **The proposed motion to direct the BRP to adjourn the meeting was rejected.**

2.3. The business rescue plan was then put to the vote for approval by creditors. The result of this vote thereon is as follows:

2.3.1. Total value of votes cast, in person or by proxy: R666,612,714 (85.29% of all creditors)

2.3.2. Votes cast in **favour** of adopting the proposed business rescue plan, as amended: R656,873,892 (98.54% of votes cast)

2.3.3. Votes against adoption of the business rescue plan, as amended: R9,738,823 (1.46% of votes cast)

2.3.4. Independent Creditor Votes cast in **favour** of adopting the proposed business rescue plan, as amended: R629,831,660 (98.48% of independent votes cast)

2.3.5. **The proposed business rescue plan as amended was thus approved and adopted by Creditors.**

3. The shareholders of the Company were not required to approve the business rescue plan.

4. **The proposed business rescue plan as amended was thus finally adopted.**

Yours faithfully

A handwritten signature in black ink, appearing to be 'J. Evans', written in a cursive style with a long horizontal stroke extending to the right.

JOHN EVANS

Duly signed in his capacity as business rescue practitioner of the Company.