



**Phumelela Gaming and Leisure Limited
(in Business Rescue)**

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registration number 1997/016610/06
website: www.phumelela.com

Notice to affected persons

28 February 2023

**REPORT IN TERMS OF SECTION 132(3)(a) and (b) OF THE COMPANIES ACT 71 OF 2008 (AS AMENDED)
(“the Act”)**

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

Dear Sir/Madam,

1. I refer to my previous status reports issued in respect of the business rescue of the Company.
2. The BRP continues to implement the business rescue plan, by, *inter alia*:
 - 2.1. implementing sale transactions already concluded;
 - 2.2. attending board meetings and shareholder meetings of subsidiaries and investee companies;
 - 2.3. paying distributions from the Plan Fund in terms of the adopted business rescue plan;
 - 2.4. attending to the finalisation of litigation which was ongoing at the commencement of business rescue.
3. Gauteng Gambling Board Review Application
 - 3.1. The Company, prior to commencement of business rescue launched an application in the high court to review and set aside an amendment to legislation made by the Gauteng Gambling Board and Gauteng MEC to the Gambling legislation. This amendment removed the payment of a 3% levy on winning fixed odds bets on horse racing to the Company.
 - 3.2. Prior to this amendment, Phumelela received and was paid this levy. This levy contributed substantially to the Company’s revenue.
 - 3.3. Phumelela’s interlocutory application to amend its Notice of Motion was heard on 15 February 2023. Judgement in Phumelela’s favour was delivered on 27 February 2023.
 - 3.4. The matter is proceeding.

3.5. The court file is available on request and will be provided to affected persons should they submit a request in writing to the business rescue practitioner at johnevans@rsadvisors.co.za.

4. Distributions to shareholders

4.1. The Company has declared and paid distributions of capital to shareholders totaling of R2.25 per share to the 95.7% of the company's shareholders who have updated their FICA and banking details.

4.2. Payment of distributions to those shareholders who subsequently update their FICA and banking details will be processed monthly.

4.3. Shareholders who have not yet updated their FICA and banking information are referred to the notice published on 14 December 2021. If you did not receive a copy of the notice it is available on the Company's website.

4.4. Further distributions to shareholders will be considered by the Company in March 2023.

Yours faithfully

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

JOHN EVANS

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