

**PHUMELELA GAMING & LEISURE LIMITED  
(IN BUSINESS RESCUE)**

**23 JUNE 2021**

**NOTICE TO AFFECTED PARTIES TO AMEND THE BUSINESS RESCUE PLAN  
("the Business Rescue Plan")**

**OF**

**PHUMELELA GAMING & LEISURE LIMITED (IN BUSINESS RESCUE)**

**KINDLY TAKE NOTICE THAT THE BUSINESS RESCUE PRACTITIONER WISHES TO AMEND THE BUSINESS RESCUE PLAN BY:**

**1. CHANGING THE DATE BY WHICH THE SALE TRANSACTIONS MUST CONCLUDE**

**Background to the proposed amendments:**

1. A sale of the business and assets of the Horse Racing business of the Company has been concluded between the Company and 4Racing (Pty) Limited.
2. The transaction is conditional, inter alia, on the approval of the provincial gambling boards of the transfer of licences to conduct the business from the Company to 4Racing.
3. For reasons beyond the control of the BRP there have been unexpected delays in receiving approval from a number of the gambling boards. In this regard, applications have been submitted and are being assessed. Whilst both the Company and 4Racing are hopeful that the approval will be granted within the next few months, I felt it prudent to amend the business rescue plan to avoid complications should approvals be delayed beyond 31 July 2021.

4. The BRP is of the view that the conclusion of the agreement with 4Racing is in all Affected Parties' interests and is certainly not prejudicial to any Affected Parties interests as recorded in paragraph 13.3.

**The proposed amendment is to be made in accordance with paragraphs 13.3 and 13.4 of the Business Rescue Plan which reads as follows:**

- "13.3 Provided that any amendment will not be prejudicial to any of the Affected Persons, but subject to paragraph 14.4 [a typographical error and obviously a reference to paragraph 13.4], the BRP shall have the ability, upon 14 Days prior written notice, to amend, modify or vary any provision of this Business Rescue Plan, provided that at all times the BRP in doing so acts reasonably. The amendment will be deemed to take effect on the 14th day of the date of the written notice of the amendment to all Affected Persons.*
- 13.4. If prior to the expiry of the 14th day as provided for in 13.3 any one or more Creditor(s) objects to any such amendment(s), the BRP will put such amendment to the vote of Creditors and the proposed amendment(s) will be carried by a simple majority of independent Creditor(s) of voting interests (reckoned and determined by the BRP at time of the vote) who vote in favour of it/them."*

**Pursuant hereto the Business Rescue Practitioner proposes the following amendments:**

5. Amending paragraph 8.2.8 by changing the date set out therein from 31 July 2021 to 31 July 2022 as per the below mark-up:
- 8.2.8. if any of the above mentioned agreements cannot be implemented to sell all the business and / or Assets of the Company by private treaty or public auction at his sole discretion, it being agreed that if the sale by private treaty has not been concluded by ~~31 July 2021~~ 31 July 2022, the business rescue practitioner will commence with the sale of unsold Assets by public auction, and

If the BRP does not receive any objections to these proposed amendments these amendments will be effective after 14 days, commencing tomorrow, i.e on the 24<sup>th</sup> of June 2021 and will expire on the 7<sup>th</sup> of July 2021.

Yours sincerely

A handwritten signature in black ink, appearing to be "John Evans", written in a cursive style.

John Evans

Business Rescue Practitioner

Legal Advisors

**Fluxmans**