



TSOGO SUN GAMING LIMITED

(formerly known as Tsogo Sun Holdings Limited)

(Incorporated in the Republic of South Africa with limited liability under registration number 1989/002108/06)

jointly and severally, unconditionally and irrevocably guaranteed by

TSOGO SUN CASINOS PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1995/012674/07)

and

TSOGO SUN KWAZULU-NATAL PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1997/014551/07)

and

AKANI-EGOLI PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1996/006910/07)

and

SILVERSTAR CASINO PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1995/000369/07)

ZAR20,000,000,000

Domestic Medium Term Note Programme

Under this ZAR20,000,000,000 Domestic Medium Term Note Programme (the **Programme**), Tsogo Sun Gaming Limited (the **Issuer**) may from time to time issue notes (the **Notes**), which expression shall include Senior Notes and/or Subordinated Notes (each as defined herein) denominated in any currency agreed by the Issuer and the relevant Dealer(s) (as defined herein) and further subject to all Applicable Laws and, in the case of Notes listed on the Interest Rate Market of the JSE Limited (the **JSE**) or such other Financial Exchange(s) (as defined herein) as may be determined by the Issuer and the relevant authority, the Debt Listings Requirements (as defined herein) or such other Financial Exchange(s), that are subject to the terms and conditions (the **Terms and Conditions**) contained in this Programme Memorandum (this **Programme Memorandum**). Any other terms and conditions not contained in the Terms and Conditions that are applicable to any Notes, replacing or modifying the Terms and Conditions, will be set forth in a pricing supplement (the **Applicable Pricing Supplement**).

Capitalised terms used in this Programme Memorandum are defined in the section of this Programme Memorandum headed "**Terms and Conditions of the Notes**", unless separately defined, and/or in relation to a Tranche of Notes, in the Applicable Pricing Supplement.

As at the Programme Date, the Programme Amount is ZAR20,000,000,000. This Programme Memorandum will apply to the Notes issued under the Programme in an aggregate outstanding Nominal Amount which will not exceed ZAR20,000,000,000 (or its equivalent in any other currencies) unless the Issuer increases such amount as set out in the section of this Programme Memorandum headed "**General Description of the Programme**".

Tsogo Sun Casinos Proprietary Limited, Tsogo Sun Kwazulu-Natal Proprietary Limited, Akani-Egoli Proprietary Limited and Silverstar Casino Proprietary Limited (the **Original Guarantors**) (and jointly severally with any Additional Guarantors), guarantee to the holders of the Notes (the **Noteholders**) the due and punctual performance of all obligations arising under the Programme pursuant to this Programme Memorandum which the Issuer may incur to the Noteholders and the payment of all amounts owing by the Issuer in respect of the Notes arising under the Programme pursuant to this Programme Memorandum. See Condition 8 (**Guarantee**) on page 51.

The Notes may comprise, without limitation, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Index-Linked Notes, Zero Coupon Notes and/or such combination of the foregoing Notes and/or such other type of Notes as may be determined by the Issuer and the relevant Dealer(s) and specified in the Applicable Pricing Supplement. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

This Programme Memorandum has been registered with the JSE. A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or additional Financial Exchange(s) as may be determined by the Issuer, subject to all Applicable Laws. Unlisted Notes may also be issued under the Programme but will not be regulated by the JSE. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE in accordance with the rules of the JSE Debt Guarantee Fund Trust. The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the JSE Debt Guarantee Fund Trust. A copy of the Applicable Pricing Supplement relating to a Tranche of Notes which is to be listed on the Interest Rate Market of the JSE will be delivered to the JSE and the CSD, before the Issue Date, and the Notes in that Tranche may be traded by or through members of the JSE from the date specified in the Applicable Pricing Supplement, in accordance with the Applicable Procedures. The settlement of trades on the JSE will take place in accordance with the electronic settlement procedures of the JSE and the CSD for all trades done through the JSE. The placement of a Tranche of unlisted Notes may (at the sole discretion of the Issuer) be reported through the JSE reporting system, in which event the settlement of trades in such Notes will take place in accordance with the electronic settlement procedures of the JSE and the CSD for all trades done through the JSE. The settlement and redemption procedures for a Tranche of Notes listed on any Financial Exchange (other than or in addition to the JSE) will be specified in the Applicable Pricing Supplement.

The Notes may be issued on a continuing basis and be placed by one or more of the Dealer(s) specified under the section headed "**Summary of the Programme**" and any additional Dealer(s) appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis. References in this Programme Memorandum to the **relevant Dealer(s)** shall, in the case of Notes being (or intended to be) placed by more than one Dealer, be to all Dealers agreeing to place such Notes.

Particular attention is drawn to the section entitled “*Investor Considerations/Risk Factors*” on page 19.

Arranger

*Nedbank Limited,
acting through its Corporate and Investment Banking division*

Dealers

*Absa Corporate and Investment Bank,
a division of Absa Bank Limited
Nedbank Limited,
acting through its Corporate and Investment Banking division
Rand Merchant Bank,
a division of FirstRand Bank Limited
The Standard Bank of South Africa Limited,
acting through its Corporate and Investment Banking division*

JSE Debt Sponsor

*Nedbank Limited,
acting through its Corporate and Investment Banking division*

Programme Memorandum dated 5 December 2019.

GENERAL

Capitalised terms used in this section headed "General" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Programme Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Programme Memorandum contains all information required by law and the Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Programme Memorandum and the annual financial statements, the integrated annual reports, the constitutional documents of the Issuer, the Applicable Pricing Supplement(s) of the Issuer and all the documents incorporated by reference and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of this Programme Memorandum, the annual financial statements, the integrated annual reports and the Applicable Pricing Supplement(s) of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of this Programme Memorandum, the annual financial statements, the integrated annual reports and the Applicable Pricing Supplement(s) of the Issuer and any amendments or supplements to the aforementioned documents and the JSE expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of this Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

The Issuer and the Guarantors each accept full responsibility for the accuracy of the information contained in this Programme Memorandum and all documents incorporated by reference (see the section of this Programme Memorandum headed "*Documents Incorporated by Reference*"). To the best of the knowledge and belief of the Issuer and the Guarantors (each of whom have taken all reasonable care to ensure that such is the case) the information contained in this Programme Memorandum is in accordance with the facts and does not omit any fact which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Programme Memorandum contains all information required by law and the debt listings requirements of the JSE.

This Programme Memorandum is to be read and construed with any amendment or supplement thereto and in conjunction with any other documents which are deemed to be incorporated herein by reference (see the section of this Programme Memorandum headed "*Documents Incorporated by Reference*") and, in relation to any Tranche (as defined herein) of Notes, should be read and construed together with the Applicable Pricing Supplement. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated into and form part of this Programme Memorandum.

The Arranger, the Dealers, the JSE Debt Sponsor or any of their respective subsidiaries or holding companies or a subsidiary of their holding companies (**Affiliates**), other professional advisers named herein and the JSE have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arranger, the Dealers, the JSE Debt Sponsor nor any of their Affiliates or other professional advisers as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer or the Guarantors. The Arranger, the Dealers, the JSE Debt Sponsor, or any of their Affiliates and other professional advisers do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer and/or the Guarantors in connection with the Programme.

No Person has been authorised by the Issuer to give any information or to make any representation not contained in or inconsistent with this Programme Memorandum or any other document entered into in relation to the Programme or any other information supplied by the Issuer in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantors, the Arranger, the Dealers, the JSE Debt Sponsor, or any of their Affiliates or other professional advisers.

Neither this Programme Memorandum nor any other information supplied in connection with the Programme is intended to provide a basis for any credit or other evaluation, or should be considered as a recommendation by the Issuer, the Guarantors, the Arranger, the Dealers, the JSE Debt Sponsor,

or any of their Affiliates and other professional advisers that any recipient of this Programme Memorandum or any other information supplied in connection with the Programme should subscribe for, or purchase, any Notes.

Each Person contemplating the subscription for, or purchase of, any Notes should determine for itself the relevance of the information contained in this Programme Memorandum and should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantors and its subscription for, or purchase of, Notes should be based upon any such investigation as it deems necessary. Neither this Programme Memorandum nor any Applicable Pricing Supplement nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Guarantors, the Arranger, or any Dealers, or their Affiliates and other professional advisers to any Person to subscribe for or to purchase any Notes.

Neither the delivery of this Programme Memorandum nor any Applicable Pricing Supplement nor the offering, sale or delivery of any Note shall at any time imply that the information contained herein is correct at any time subsequent to the date hereof, or that any other financial statements or other information supplied in connection with the Programme is correct at any time subsequent to the date indicated in the document containing the same. The Arranger, the Dealers, the JSE Debt Sponsor, their Affiliates and other professional advisers expressly do not undertake to review the financial condition or affairs of the Issuer and/or the Guarantors during the life of the Programme. Investors should review, *inter alia*, the most recent financial statements, if any, of the Issuer and/or the Guarantors when deciding whether or not to subscribe for, or purchase, any Notes.

Neither this Programme Memorandum nor any Applicable Pricing Supplement constitutes an offer to sell or the solicitation of an offer to buy or an invitation by the Issuer to subscribe for or purchase any Notes. The distribution of this Programme Memorandum and any Applicable Pricing Supplement and the issue, sale or offer of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Programme Memorandum or any Applicable Pricing Supplement or any Notes come are required by the Issuer, the Guarantors, the Arranger, the Dealers, the JSE Debt Sponsor, their Affiliates and other professional advisers to inform themselves about, and observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Programme Memorandum or any Applicable Pricing Supplement and other offering material relating to the Notes, see the section headed “*Subscription and Sale*”.

None of the Issuer, the Guarantors, the Arranger, the Dealers, the JSE Debt Sponsor, their Affiliates or other professional advisers represents that this Programme Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantors, the Arranger, the Dealers, the JSE Debt Sponsor, their Affiliates or other professional advisers which would permit a public offering of any Notes or distribution of this Programme Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Programme Memorandum nor any advertisement nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and regulations. The Dealers have represented that all offers and sales by it will be made on the same terms.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the Securities Act). Notes may not be offered, sold or delivered within the United States or to U.S. Persons except in accordance with Regulation S under the Securities Act. In addition, there are restrictions on the distribution of this Programme Memorandum in South Africa, the European Union and the United Kingdom. For a more complete description of certain restriction on the offering, sale and delivery of Notes and distribution of this Programme Memorandum, see the section of this Programme Memorandum headed “*Subscription and Sale*” below.

In connection with the issue and distribution of any Tranche of Notes under the Programme, the relevant Dealer(s), if any, that is specified in the Applicable Pricing Supplement as the Stabilising Manager (or any Person acting for the Stabilising Manager) may, if specified in that Applicable Pricing Supplement, and only if such stabilising is permitted by the Debt Listings Requirements and approved by the JSE, over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the

Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising shall be in compliance with all Applicable Laws, regulations and rules.

TABLE OF CONTENTS

	Page No:
DOCUMENTS INCORPORATED BY REFERENCE	7
GENERAL DESCRIPTION OF THE PROGRAMME	9
SUMMARY OF THE PROGRAMME	10
INVESTOR CONSIDERATIONS/RISK FACTORS	19
FORM OF THE NOTES	20
<i>PRO FORMA</i> APPLICABLE PRICING SUPPLEMENT	22
TERMS AND CONDITIONS OF THE NOTES	33
TERMS AND CONDITIONS OF THE GUARANTEE	74
USE OF PROCEEDS	80
DESCRIPTION OF TSOGO SUN GAMING LIMITED	81
DESCRIPTION OF THE GUARANTORS	82
SETTLEMENT, CLEARING AND TRANSFER OF NOTES	83
SUBSCRIPTION AND SALE	85
TAXATION	88
SOUTH AFRICAN EXCHANGE CONTROL	91
GENERAL INFORMATION	92
CORPORATE INFORMATION	93

DOCUMENTS INCORPORATED BY REFERENCE

Capitalised terms used in this section headed "Documents Incorporated by Reference" shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The following documents shall be deemed to be incorporated in, and to form part of, this Programme Memorandum:

- (a) all amendments, restatements and/or supplements to this Programme Memorandum prepared by the Issuer from time to time;
- (b) the Guarantee executed by the Original Guarantors in favour of the Noteholders and each Accession Letter executed by an Additional Guarantor;
- (c) each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme;
- (d) as at the Programme Date, the published audited consolidated annual financial statements, together with reports and notes thereto, of the Issuer for the three financial years ended 31 March 2017, 2018 and 2019 and after the Programme Date, the published audited consolidated annual financial statements, together with reports and notes thereto, of the Issuer in respect of further financial years, as and when such published audited consolidated annual financial statements become available;
- (e) as at the Programme Date, the audited consolidated annual financial statements, together with reports and notes thereto, of the each Guarantor for the three financial years ended 31 March 2017, 2018 and 2019 and after the Programme Date, the audited consolidated annual financial statements, together with reports and notes thereto, of each Guarantor in respect of further financial years, as and when such published annual integrated report becomes available;
- (f) after the Programme Date, the unaudited interim financial statements of the Issuer, together with the reports and notes thereto in respect of further financial years, as and when such unaudited interim financial statements become available;
- (g) as at the Programme Date, the information statement dated 5 December 2019, containing:
 - (i) information pertaining to the business description of the Issuer and the Guarantors;
 - (ii) the full names of the directors of each of the Issuer and the Guarantors;
 - (iii) the full name of each of the Issuer's and the Guarantors company secretary, the address of its offices and of the registered offices;
 - (iv) information relating to risk factors associated with an investment in the Notes, including, but not limited to, risk factors specific to the Issuer; and
 - (v) information relating to the Issuer's compliance with the King IV Report on Corporate Governance for South Africa, 2016,together with any future information statement, as and when such information statement becomes available (the **Information Statement**); and
- (h) all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum which will be electronically submitted through the Stock Exchange News Service (**SENS**) or similar service established by the JSE, to SENS subscribers, if required,

save that any statement contained in this Programme Memorandum or in any of the documents incorporated by reference in and forming part of this Programme Memorandum shall be deemed to be modified or superseded for the purpose of this Programme Memorandum to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The Issuer will, for as long as the Programme Memorandum remains registered with the JSE, provide at its Registered Office as set out at the end of this Programme Memorandum, without charge, to any Person, upon request of such Person, a copy of this Programme Memorandum and a copy of all of the

documents which are incorporated herein by reference, unless such documents have been modified or superseded, in which case the modified or superseding documentation will be provided, including the most recently obtained beneficial disclosure report made available by the Participant to the CSD. Requests for such documents should be directed to the Issuer at its Registered Office as set out at the end of this Programme Memorandum. In addition, the constitutive documents of the Issuer will be available at the Registered Office of the Issuer as set out at the end of this Programme Memorandum.

This Programme Memorandum, the Information Statement and any amendments and/or supplements thereto and the Applicable Pricing Supplements relating to any issue of listed Notes are available on the Issuer's website at <https://www.tsogosun.com/gaming>. The published consolidated annual financial statements, as well as the interim financial statements of the Issuer are also available on the Issuer's website at <https://www.tsogosun.com/gaming/investors/financial-reports/2019>. The audited annual financial statements of each of the Guarantors are available on request at the Registered Offices of the Issuer as set out at the end of this Programme Memorandum. In addition, this Programme Memorandum, the Information Statement, any amendments and/or supplements thereto and the Applicable Pricing Supplements relating to any issue of listed Notes will be filed with the JSE which will publish such documents on its website at www.jse.co.za. This Programme Memorandum does not constitute an offer or invitation by or on behalf of the Issuer, the Guarantors, the Arranger and the Dealer(s) or their Affiliates, the JSE Debt Sponsor or any other professional advisors to any Person in any jurisdiction to subscribe for or purchase any Notes.

The Issuer will, for as long as the Programme Memorandum remains registered with the JSE, publish a new Programme Memorandum or a supplement to this Programme Memorandum, as the case may be, if:

- (a) any of the information contained in this Programme Memorandum becomes outdated in a material respect; or
- (b) this Programme Memorandum no longer contains all the materially correct information required by the Applicable Procedures,

provided that, in the circumstances set out in paragraphs (a) and (b) above, no new Programme Memorandum or supplement to this Programme Memorandum, as the case may be, is required in respect of the Issuer's audited annual financial statements and the Guarantors' audited annual financial statements if such audited annual financial statements are incorporated by reference into this Programme Memorandum and such audited annual financial statements are published.

GENERAL DESCRIPTION OF THE PROGRAMME

Capitalised terms used in this section headed “General Description of the Programme” shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer may from time to time issue one or more Tranches of Notes under the Programme, pursuant to this Programme Memorandum, provided that the aggregate outstanding Nominal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount.

A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or additional Financial Exchange(s) as may be determined by the Issuer, subject to Applicable Laws. Unlisted Notes may also be issued under the Programme. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, on which Financial Exchange. If the Issuer issues a Tranche of unlisted Notes or a Tranche of Notes is listed on any Financial Exchange other than (or in addition to) the JSE, the Issuer will, by no later than the last Day of the month of issue of that Tranche of Notes, inform the JSE in writing of the Aggregate Nominal Amount and the Maturity Date (if any) of that Tranche of Notes.

This Programme Memorandum and any supplement thereto will only be valid for the issue of Notes in an Aggregate Nominal Amount which, when added to the Aggregate Nominal Amount then outstanding of all the Notes previously or simultaneously issued (if any) under the Programme does not exceed ZAR20,000,000,000 or its equivalent in other currencies. For the purpose of calculating the South African Rand equivalent of the Aggregate Nominal Amount of the Notes issued under the Programme from time to time, the South African Rand equivalent of the Notes denominated in another Specified Currency (as specified in the Applicable Pricing Supplement) shall be determined as of the date of agreement to issue such Notes (the **Agreement Date**) on the basis of the spot rate for the sale of the South African Rand against the purchase of such Specified Currency in the South African foreign exchange market quoted by any leading bank selected by the Issuer on the Agreement Date (the **Conversion Rate**) and in respect of:

- (a) Zero Coupon Notes and other Notes, the Conversion Rate shall be applied to the net subscription proceeds received by the Issuer for the relevant issue; and
- (b) Partly-Paid Notes and Index-Linked Notes, the Conversion Rate shall be applied to the Nominal Amount regardless of the amount paid up on such Notes.

From time to time the Issuer may wish to increase the Programme Amount. Subject to the Applicable Procedures, all Applicable Laws and the Programme Agreement (as defined in the section headed “*Subscription and Sale*”), the Issuer may, without the consent of Noteholders, increase the Programme Amount by delivering a notice thereof to the Noteholders in accordance with Condition 20 (*Notices*) of the Terms and Conditions, and to the Guarantors, the Arranger, the Dealer(s), the JSE and the CSD. Upon such notice being given to the Noteholders and the conditions set out in the Programme Agreement to exercise this right having been met, all references in this Programme Memorandum (and each agreement, deed or document relating to the Programme and/or this Programme Memorandum) to the Programme Amount will be, and will be deemed to be, references to the increased Programme Amount set out in such notice.

This Programme Memorandum will only apply to all Notes issued under the Programme on or after the Programme Date.

A summary of the Programme and the Terms and Conditions appears below.

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Programme Memorandum and, in relation to the Terms and Conditions of any particular Tranche of Notes, the Applicable Pricing Supplement. Capitalised terms used in this section headed "Summary of the Programme" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

PARTIES

Issuer	Tsogo Sun Gaming Limited (registration number 1989/002108/06), a public company with limited liability duly incorporated on 12 April 1989 in accordance with the company laws of South Africa.
Arranger	Nedbank Limited, acting through its Nedbank Corporate and Investment Banking division (registration number 1951/000009/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa (Nedbank).
Original Guarantors	<ul style="list-style-type: none">(a) Tsogo Sun Casinos Proprietary Limited, (registration number 1995/012674/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa;(b) Tsogo Sun Kwazulu-Natal Proprietary Limited, (registration number 1997/014551/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa;(c) Akani-Egoli Proprietary Limited, (registration number 1996/006910/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa; and(d) Silverstar Casino Proprietary Limited (registration number 1995/000369/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa.
Additional Guarantors	Any member of the Tsogo Group or Material Subsidiary, as the case may be, that may become an Additional Guarantor from time to time and in accordance with Condition 8.5 (<i>Additional Guarantor(s)</i>) and the terms of the Guarantee.
Guarantors	The Original Guarantors and the Additional Guarantors, jointly and severally.
Dealers	<ul style="list-style-type: none">(a) Absa Corporate and Investment Bank, a division of Absa Bank Limited (registration number 1986/004794/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;(b) Nedbank;(c) Rand Merchant Bank Limited, a division of FirstRand Bank Limited (registration number 1929/001225/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;(d) The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division

(registration number 1962/000738/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa; and

- (e) any additional Dealer(s) appointed by the Issuer from time to time, which appointment may be for a specific issue or on an ongoing basis.

Transfer Agent

Nedbank, or such other entity appointed by the Issuer as Transfer Agent, in which event that other entity will act as Transfer Agent, as specified in the Applicable Pricing Supplement.

Paying Agent

Nedbank Limited, acting through its Nedbank Investor Services division (registration number 1951/000009/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa (**Nedbank Investor Services**).

Calculation Agent

Nedbank, or such other entity appointed by the Issuer as Calculation Agent, in which event that other entity will act as Calculation Agent, as specified in the Applicable Pricing Supplement.

Issuer Agent

Nedbank, or such other entity appointed by the Issuer as Issuer Agent pursuant to the debt instrument solution system of the CSD, in which event that other entity will act as Issuer Agent.

Settlement Agent

Nedbank Investor Services, or such other Participant appointed by the Issuer and approved by the CSD in terms of the Applicable Procedures, in which event that other entity will act as Settlement Agent.

JSE Debt Sponsor

Nedbank, or such other entity appointed by the Issuer as JSE Debt Sponsor from time to time.

CSD

Strate Proprietary Limited (registration number 1998/022242/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa and registered as a central securities depository in terms of the Financial Markets Act or such additional, alternative or successor central securities depository as may be agreed between the Issuer and the relevant Dealer(s).

JSE

JSE Limited (registration number 2005/022939/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa and a licensed financial exchange in terms of the Financial Markets Act or any exchange which operates as a successor exchange to the JSE.

GENERAL

Blocked Rands

Blocked Rands may be used to subscribe for, or purchase, Notes, subject to the Exchange Control Regulations.

Clearing and Settlement	Each Tranche of Notes which is held in the CSD will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the CSD. The CSD acts as the approved electronic clearing house, and carries on the role of matching, clearing and facilitation of settlement of all transactions carried out on the JSE. Each Tranche of Notes which is held in the CSD will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the CSD (see the section of this Programme Memorandum headed " <i>Settlement, Clearing and Transfer of Notes</i> ").
Cross-Default	The terms of the Notes will contain a cross-default provision relating to Indebtedness having an aggregate outstanding amount equal to or exceeding 2.5% (two point five percent) of the total assets of the Tsogo Group as set out in Issuer's latest published consolidated audited financial statements as further described in Condition 18 (<i>Events of Default</i>), unless otherwise set out in the Applicable Pricing Supplement.
Debt Listings Requirements	The debt listings requirements of the JSE pursuant to the provisions of the Financial Markets Act for the listing of debt securities on the JSE, as amended from time to time.
Denomination	Notes will be issued in such denominations as may be agreed by the Issuer and the relevant Dealer(s) and as indicated in the Applicable Pricing Supplement, save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the central bank or regulator or any laws or regulations applicable to the Notes.
Description of Programme	Tsogo Sun Gaming Limited ZAR20,000,000,000 Domestic Medium Term Note Programme.
Distribution	Notes may be distributed by way of private placement, auction or bookbuild or any other means permitted under South African law, and in each case on a syndicated or non-syndicated basis as may be determined by the Issuer and the relevant Dealer(s) and reflected in the Applicable Pricing Supplement.
Form of Notes	Each Tranche of Notes which is listed on the Interest Rate Market of the JSE and each Tranche of unlisted Notes will be issued in uncertificated form, and will be held in the CSD. The holder of a Beneficial Interest may exchange such Beneficial Interest for Notes in certificated form represented by an Individual Certificate (see the section of this Programme Memorandum headed " <i>Form of the Notes</i> ").
Governing Law	The Notes and the Guarantee will be governed by and construed in accordance with the laws of South Africa in force from time to time, unless otherwise set out in the Applicable Pricing Supplement.
Guarantee	The Guarantors jointly and severally, irrevocably and unconditionally guarantee to the Noteholders the due and punctual performance of all obligations arising under the Programme pursuant to this Programme Memorandum, which the Issuer may now have or have incurred or in the future may incur to the Noteholders and the payment, in South African Rand, of all amounts owing by the Issuer in respect of the Notes arising under the Programme pursuant to this Programme Memorandum. The obligations of each

	<p>Guarantor under the Guarantee constitute the unconditional and unsecured obligations of such Guarantor and will rank (subject to any obligations preferred by law) <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of such Guarantor (see the section of this Programme Memorandum headed “<i>Terms and Conditions of the Guarantee</i>” on pages 74 to 79).</p>
Interest	<p>Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index-linked, and the method of calculating interest may vary between the Issue Date and the Maturity Date.</p>
Interest Period(s)/Interest Payment Date(s)	<p>The Interest Payment Date(s) and Interest Period(s), if any, applicable to a Tranche of Notes will be specified in the Applicable Pricing Supplement.</p>
Issue and Transfer Taxes	<p>As at the Programme Date, no securities transfer tax or any similar tax is payable in respect of the issue, transfer or redemption of the Notes (see the section of this Programme Memorandum headed “<i>Taxation</i>”). Any future transfer duties and/or taxes that may be introduced in respect of (or may be applicable to) the transfer of Notes will be for the account of Noteholders.</p>
Issue Price	<p>Notes may be issued on a fully paid or a partly paid basis and at their Nominal Amount or at a discount or premium to their Nominal Amount as specified in the Applicable Pricing Supplement.</p>
Listing	<p>This Programme Memorandum has been registered with the JSE. The Notes issued under the Programme may be listed on the Interest Rate Market of the JSE or on such other or additional Financial Exchange(s) as may be determined by the Issuer and the relevant Dealer(s), subject to all Applicable Laws. Unlisted Notes may also be issued under the Programme but would not be regulated by the JSE or such other additional Financial Exchange(s) as may be determined by the Issuer. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, on which Financial Exchange(s).</p>
Maturities of Notes	<p>Such maturity(ies) as specified in the Applicable Pricing Supplement. The Notes are not subject to any minimum or maximum maturity.</p>
Negative Pledge	<p>The Senior Notes will have the benefit of a negative pledge as described in Condition 7 (<i>Negative Pledge</i>) of the Terms and Conditions, or as otherwise set out in the Applicable Pricing Supplement.</p>
Noteholders	<p>The holders of Notes which are recorded as the registered Noteholders of those Notes in the Register. The relevant Participant(s) will be named in the Register as the registered Noteholder(s) of each Tranche of Notes which is held in the CSD. Each holder of Notes which is represented by an Individual Certificate will be named in the Register as the registered Noteholder of such Notes.</p>

Notes

Notes may comprise:

Fixed Rate Notes

Fixed Rate interest will be payable in arrears on such date or dates as may be agreed between the Issuer and the relevant Dealer(s), as indicated in the Applicable Pricing Supplement and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).

Floating Rate Notes

Floating Rate Notes will bear interest calculated at a rate determined: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quoting service; or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer(s), as indicated in the Applicable Pricing Supplement.

The Margin (if any) relating to such Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) for each issue of Floating Rate Notes, as indicated in the Applicable Pricing Supplement.

Floating Rate Notes may also have a maximum Interest Rate, a minimum Interest Rate or both, as indicated in the Applicable Pricing Supplement.

The Interest Period for Floating Rate Notes may be 1 (one), 2 (two), 3 (three), 6 (six) or 12 (twelve) months or such other period as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.

Zero Coupon Notes

Zero Coupon Notes will be issued at their Nominal Amount or at a discount to it and will not bear interest (except in the case of late payment as specified).

Index-Linked Notes

Payments (whether in respect of interest on Indexed Interest Notes or in respect of principal on Indexed Redemption Amount Notes and whether at maturity or otherwise) will be calculated by reference to such index and/or formula as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.

Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.
Mixed Rate Notes	Mixed Rate Notes will bear interest over respective periods at the rates applicable for any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Index-Linked Notes or Dual Currency Notes, each as specified in the Applicable Pricing Supplement.
Instalment Notes	The Applicable Pricing Supplement will set out the dates on which, and the amounts in which, Instalment Notes may be redeemed.
Partly Paid Notes	The Issue Price will be payable in two or more instalments as set out in the Applicable Pricing Supplement.
Exchangeable Notes	Exchangeable Notes may be redeemed by the Issuer in cash or by the delivery of securities, as specified in the Applicable Pricing Supplement.
Other Notes	Terms applicable to any other type of Notes that are approved by the JSE or such other Financial Exchange as may be agreed between the Issuer and the relevant Dealer(s) in respect of the Notes, will be set out in the Applicable Pricing Supplement.

Rating

The Issuer and/or the Guarantor(s) and/or the Programme and/or a Tranche of Notes, as the case may be, may, on or before the Issue Date, be rated by a Rating Agency on a national scale or international scale basis. The Rating assigned to the Issuer and/or the Programme, and/or a Tranche of Listed Notes, as the case may be, as well as the Rating Agency(ies) which assigned such Rating(s), will be specified in the Applicable Pricing Supplement. Unrated Tranches of Notes may also be issued.

A Rating is not a recommendation to subscribe for, buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the Rating Agency. Any adverse change in the Rating of the Issuer and/or the Guarantor(s) and/or the Programme and/or a Tranche of Notes, as the case may be, could adversely affect the trading price of all or any of the Notes.

Any amendment in the Rating of the Issuer and/or the Guarantor(s) and/or the Programme and/or a Tranche of Notes, as the case may be, after the Programme Date, will be announced on SENS. Such change to the Rating will also be reflected in the Applicable Pricing Supplement at the time of such issue.

Redemption

Unless otherwise set out in the Applicable Pricing Supplement, a Tranche of Notes will, subject to the Applicable Pricing Supplement, be redeemed on the Maturity Date, as set out in Condition 11.1 (*Redemption at Maturity*).

The Issuer may redeem the Notes of any Tranche at any time prior to the Maturity Date following the occurrence of a change in law and/or for tax reasons, as set out in Condition 11.2 (*Redemption for Tax Reasons*).

Unless otherwise set out in the Applicable Pricing Supplement, if “*Early Redemption at the Option of the Issuer*” is specified as applicable in the Applicable Pricing Supplement or pursuant to Condition 11.3 (*Redemption at the Option of the Issuer*), the Issuer may, having given not less than 30 (thirty) Days’ notice nor more than 60 (sixty) Days irrevocable notice (or such other period of notice as may be specified in the Applicable Pricing Supplement) to the Noteholders in accordance with Condition 20 (*Notices*), redeem the Tranche of Notes on any Optional Redemption Date(s).

Unless otherwise set out in the Applicable Pricing Supplement, if “*Redemption at the Option of Senior Noteholders*” is specified as applicable in the Applicable Pricing Supplement, the Senior Noteholders of any Tranche of Senior Notes may, having given not less than 30 (thirty) Days nor more than 60 (sixty) Days’ notice (or such other period of notice as may be specified in the Applicable Pricing Supplement), require the Issuer to redeem Senior Notes on any Optional Redemption Date in the manner specified in Condition 11.4 (*Redemption at the Option of the Senior Noteholders*) and the Applicable Pricing Supplement.

Unless otherwise set out in the Applicable Pricing Supplement, if “*Early Redemption in the event of a Change of Control*” is specified as being applicable in the Applicable Pricing Supplement and (i) a Change of Control occurs (as defined below); and (ii) within the Change of Control Period (as defined below), (A) a Rating Downgrade (as defined below) occurs in relation to the Issuer and/or the Programme and/or any Tranche of Notes, as the case may be; or (B) if, the Issuer and/or the Programme and/or any Tranche of Notes are not so rated, a Negative Rating Event (as defined below) in respect of that Change of Control occurs, (in either case, a **Change of Control Event**); and (C) the Noteholders resolve by way of an Extraordinary Resolution to have their Notes redeemed by the Issuer, then each Noteholder in that Class of Noteholders shall have the option to require the Issuer to redeem each Note in that Tranche of Notes held by that Noteholder at its Early Redemption Amount together with accrued interest (if any) within 45 (forty five) Days after the delivery by that Noteholder of a Change of Control Redemption Notice (as defined below).

Unless otherwise set out in the Applicable Pricing Supplement, if “*Redemption in the event of a failure to maintain JSE Listing or Rating*” is specified as applicable in the Applicable Pricing Supplement, the Noteholders of any Tranche of Notes may, after having been notified by the Issuer in accordance with Condition 20 (*Notices*), require the

Issuer to redeem Notes on any Optional Redemption Date in the manner specified in Condition 11.6 (*Redemption in the event of a failure to maintain JSE Listing or Rating*) and the Applicable Pricing Supplement.

Selling Restrictions

The distribution of this Programme Memorandum and/or any Applicable Pricing Supplement and any offering or sale of or subscription for a Tranche of Notes may be restricted by law in certain jurisdictions, and is restricted by law in the United States of America, the United Kingdom, the European Economic Area and South Africa (see the section of this Programme Memorandum headed "*Subscription and Sale*"). Any other or additional restrictions which are applicable to the placing of a Tranche of Notes will be set out in the Applicable Pricing Supplement. Persons who come into possession of this Programme Memorandum and/or any Applicable Pricing Supplement must inform themselves about and observe all applicable selling restrictions.

Size of the Programme

As at the Programme Date, the Programme Amount is ZAR20,000,000,000. This Programme Memorandum will only apply to Notes issued under the Programme in an aggregate outstanding Nominal Amount which does not exceed the Programme Amount. The Issuer may increase the Programme Amount in the manner set out in the section of this Programme Memorandum headed "*General Description of the Programme*". The Programme Amount at the time of the issue of any Tranche of Notes will be set out in the Applicable Pricing Supplement.

Specified Currency

South African Rand or, subject to all Applicable Laws and, in the case of Notes listed on the Interest Rate Market of the JSE and the Debt Listings Requirements, such other currency as is specified in the Applicable Pricing Supplement.

Status of Senior Notes

Unless otherwise set out in the Applicable Pricing Supplement, the Senior Notes constitute direct, unconditional, unsubordinated and (subject to Condition 7 (*Negative Pledge*)) unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and, save for certain debts required to be preferred by law, equally with all other present or future unsecured and unsubordinated obligations of the Issuer from time to time outstanding.

Status and Characteristics relating to Subordinated Notes

Unless otherwise set out in the Applicable Pricing Supplement, the Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and will rank *pari passu* among themselves and will rank at least *pari passu* with all other present and future unsecured and subordinated obligations of the Issuer.

Subject to Applicable Laws, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation or wound up or is subject to business rescue proceedings, then and in any such event the claims of the Persons entitled to be paid amounts due in respect of the Subordinated Notes shall be subordinated to all other claims in respect of any other indebtedness of the Issuer except for other Subordinated Indebtedness of the Issuer, to the extent that, in any such event, and provided as aforesaid, no amount shall be eligible for setting-off or shall be payable to any or all of the Persons entitled to be paid amounts due in respect of the

Subordinated Notes in respect of the obligations of the Issuer thereunder until all other indebtedness of the Issuer which is admissible in any such dissolution, liquidation, winding-up or business rescue proceedings (other than Subordinated Indebtedness) has been paid or discharged in full, save for those which have been accorded preferential rights by law.

Stabilisation

In connection with the issue and distribution of any Tranche of Notes under the Programme, the Dealer(s), if any, that is specified in the Applicable Pricing Supplement as the Stabilising Manager (or any Person acting for the Stabilising Manager) may, if specified in that Applicable Pricing Supplement and only if such stabilising is permitted by the Debt Listings Requirements and approved by the JSE, over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising shall be in compliance with all Applicable Laws, regulations and rules.

Taxation

A summary of the applicable tax legislation in respect of the Notes, as at the Programme Date, is set out in the section of this Programme Memorandum headed "*Taxation*". The summary does not constitute tax advice. Potential investors in the Notes should, before making an investment in the Notes, consult their own professional advisers as to the potential tax consequences of, and their tax positions in respect of, an investment in the Notes.

Terms and Conditions

The terms and conditions of the Notes are set out in the section of this Programme Memorandum headed "*Terms and Conditions of the Notes*". The Applicable Pricing Supplements may specify other terms and conditions (which may replace, modify or supplement the Terms and Conditions) in relation to specific terms and conditions of any Tranche of Notes issued.

Use of Proceeds

The Issuer will use the issue proceeds of the Notes for its general corporate purposes, or as may otherwise be described in the Applicable Pricing Supplement.

Withholding Taxes

In the event that any withholding tax or such other deduction is required by Applicable Laws, then the Issuer will, subject to certain exceptions as provided in Condition 12 (*Taxation*), pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction.

INVESTOR CONSIDERATIONS/RISK FACTORS

All information pertaining to, the Investor Considerations/Risk Factors, as set out in the Information Statement, as amended and restated from time to time, will be incorporated by reference in, and form part of this Programme Memorandum, and will be available on the Issuer's website at <https://www.tsogosun.com/gaming>.

FORM OF THE NOTES

Capitalised terms used in this section headed “Form of the Notes” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

Notes issued in certificated form

All certificated Notes will be represented by Individual Certificates in registered form. Notes represented by Individual Certificates will be registered in the Register in the name of the individual Noteholders of such Notes.

Subject to the Applicable Laws, title to Notes represented by Individual Certificates will be freely transferable and fully paid up and will pass upon registration of transfer in accordance with Condition 16.2 (*Transfer of Notes represented by Individual Certificates*) of the Terms and Conditions.

The Issuer shall regard the Register as the conclusive record of title to the Notes represented by Individual Certificates.

Payments of all amounts due and payable in respect of Notes represented by Individual Certificates will be made in accordance with Condition 10 (*Payments*) of the Terms and Conditions to the Person reflected as the registered Noteholder of such Notes in the Register at 17h00 (South African time) on the Last Day to Register, and the payment obligations of the Issuer will be discharged by proper payment to or to the order of such registered Noteholder in respect of each amount so paid.

Notes issued in uncertificated form

A Tranche of Notes which is listed on the Interest Rate Market of the JSE will be freely transferable and fully paid up and must, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act.

Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Tranche of Notes issued in uncertificated form will be held by the CSD, and the relevant Noteholder will be named in the Register as the registered Noteholder of that Tranche of Notes.

Beneficial Interests in Notes held in the CSD

A Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued in uncertificated form and held in the CSD. A Tranche of unlisted Notes may also be held in the CSD. While a Tranche of Notes is held in the CSD, the relevant Noteholder will be named in the Register as the sole holder of the Notes in that Tranche.

The CSD will hold each Tranche of Notes subject to the Financial Markets Act and the Applicable Procedures. All amounts to be paid in respect of the Notes held in the CSD will be paid to the relevant Participant on behalf of the relevant Noteholder pursuant to the Applicable Procedures. All rights to be exercised in respect of Notes held in the CSD will be exercised by the relevant Noteholder.

The CSD maintains central securities accounts for Participants. As at the Programme Date, the Participants are Citibank N.A. South Africa Branch; FirstRand Bank Limited; Nedbank Limited; Standard Chartered Bank, Johannesburg Branch; Société Générale Johannesburg Branch; The Standard Bank of South Africa Limited and the South African Reserve Bank.

Euroclear Bank S.A./N.V. as operator of the Euroclear System (**Euroclear**) and Clearstream Banking, société anonyme, (Clearstream Luxembourg) (**Clearstream**) may hold Notes through their Participant.

Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests in the Notes or their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the CSD only through their Participants.

In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular outstanding Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the outstanding Nominal Amount of such Notes standing to the account of any Person shall be *prima facie* proof of such Beneficial Interest. However, the registered Noteholder of such Notes named in the

Register will be treated by the Issuer, the Paying Agent, the Transfer Agent and the CSD as the holder of that outstanding Nominal Amount of such Notes for all purposes.

Subject to Applicable Laws and the Applicable Procedures, title to Beneficial Interests held by Noteholders through the CSD will be freely transferable and pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD or relevant Participants. for such Noteholders. Title to Beneficial Interests held by clients of Participants indirectly through such Participants will pass on transfer thereof by electronic book entry in the security accounts maintained by such Participants for such clients. Beneficial Interests may be transferred only in accordance with the Applicable Procedures. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 13 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of the Terms and Conditions.

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Set out below is the form of Applicable Pricing Supplement that will be completed for each Tranche of Notes issued under the Programme:

**TSOGO SUN GAMING LIMITED**

(Incorporated in the Republic of South Africa with limited liability under registration number 1989/002108/06)

jointly and severally, unconditionally and irrevocably guaranteed by

TSOGO SUN CASINOS PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1995/012674/07)

and

TSOGO SUN KWAZULU-NATAL PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1997/014551/07)

and

AKANI-EGOLI PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1996/006910/07)

and

SILVERSTAR CASINO PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1995/000369/07)

and

[ADDITIONAL GUARANTOR(S)]

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Under its ZAR20,000,000,000 Domestic Medium Term Note Programme

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 5 December 2019, prepared by Tsogo Sun Gaming Limited in connection with the Tsogo Sun Gaming Limited ZAR20,000,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*".

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

PARTIES

- | | | |
|-----|-------------------|---|
| 1. | Issuer | Tsogo Sun Gaming Limited |
| 2. | Guarantors | Tsogo Sun Casinos Proprietary Limited;
Tsogo Sun KwaZulu-Natal Proprietary Limited;
Akani-Egoli Proprietary Limited; and
Silverstar Casino Proprietary Limited;
[Additional Guarantor(s)] |
| 3. | Dealer(s) | [] |
| | Registered Office | [] |
| 4. | Manager(s) | [] |
| | Registered Office | [] |
| 5. | Debt Sponsor | [] |
| | Registered Office | [] |
| 6. | Paying Agent | [] |
| | Specified Office | [] |
| 7. | Calculation Agent | [] |
| | Specified Office | [] |
| 8. | Transfer Agent | [] |
| | Specified Office | [] |
| 9. | Settlement Agent | [] |
| | Specified Office | [] |
| 10. | Issuer Agent | [] |
| | Specified Office | [] |

PROVISIONS RELATING TO THE NOTES

- | | | |
|-----|---|---|
| 11. | Status of Notes | [Senior/Subordinated]
[Secured/Unsecured] |
| 12. | Form of Notes | The [listed/unlisted] Notes in this Tranche are issued in [uncertificated form and held by the CSD]/[certificated form] |
| 13. | Series Number | [] |
| 14. | Tranche Number | [] |
| 15. | Aggregate Nominal Amount: | |
| | (a) Series | [] |
| | (b) Tranche | [] |
| 16. | Interest | [Interest-bearing/Non-interest-bearing] |
| 17. | Interest Payment Basis | [Fixed Rate/Floating Rate/Zero Coupon/Index-Linked/Dual Currency/Partly Paid /Instalment Notes/other] |
| 18. | Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another | [Insert details including date for conversion] |
| 19. | Issue Date | [] |

20.	Nominal Amount per Note	[]
21.	Specified Denomination	[]
22.	Specified Currency	[]
23.	Issue Price	[]
24.	Interest Commencement Date	[]
25.	Maturity Date	[]
26.	Applicable Business Day Convention	[Floating Rate Business Day / Following Business Day / Modified Following Business Day / Preceding Business Day / other convention – insert details]
27.	Final Redemption Amount	[]
28.	Last Day to Register	By 17h00 on [], or if such day is not a Business Day, the Business Day before each Books Closed Period, in each year until the Maturity Date
29.	Books Closed Period(s)	The Register will be closed from [...] to [...] and from [...] to [...] (all dates inclusive) in each year until the Maturity Date
30.	Default Rate	[]

FIXED RATE NOTES

31.	(a)	Fixed Rate of Interest	[] percent per annum [payable annually/semi-annually/quarterly] in arrear]
	(b)	Fixed Interest Payment Date(s)	[insert dates] of each year until the Maturity Date or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention with the first Fixed Interest Payment Date being [insert date], or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention]
	(c)	Interest Periods	Each period commencing on and including the Fixed Interest Payment Date and ending on but excluding the following Fixed Interest Payment Date, with the first Interest Period commencing on [insert date] and ending on but excluding the next Fixed Interest Payment Date (each Fixed Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention)
	(d)	Fixed Coupon Amount(s)	[] per [] in Nominal Amount
	(e)	Initial Broken Amount	[]
	(f)	Final Broken Amount	[]
	(g)	Day Count Fraction	[]
	(h)	Any other terms relating to the particular method of calculating interest	[]

FLOATING RATE NOTES

- | | | | |
|-----|-----|---|---|
| 32. | (a) | Floating Interest Payment Date(s) | [insert dates] of each year until the Maturity Date or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention with the first Floating Interest Payment Date being [insert date], or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention] |
| | (b) | Interest Period(s) | [From and including the applicable Floating Interest Payment Date and ending on but excluding the following Floating Interest Payment Date, the first Interest Period commencing on the Interest Commencement Date and ending the day before the next Floating Interest Payment Date (each Floating Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention)] |
| | (c) | Definition of Business Day (if different from that set out in Condition 1) (<i>Interpretation</i>) | [] |
| | (d) | Minimum Rate of Interest | [] percent per annum |
| | (e) | Maximum Rate of Interest | [] percent per annum |
| | (f) | Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision/Base CPI) | [] |
| 33. | | Rate of Interest and the manner in which the Rate of Interest is to be determined | [ISDA Determination / Screen Rate Determination (Reference Rate plus Margin)/other – [insert details]] |
| 34. | | Margin | [[•] basis points/[•] percent to be added to/subtracted from the relevant ISDA Rate / Reference Rate] |
| 35. | | If ISDA Determination | |
| | (a) | Floating Rate | [] |
| | (b) | Floating Rate Option | [] |
| | (c) | Designated Maturity | [] |
| | (d) | Reset Date(s) | On the first date of that Interest Period or if such day is not a Business Day, the following day that is a Business Day, [with the first Interest Rate Determination Date being [insert date]] |
| | (e) | ISDA Definitions to apply | [] |
| 36. | | If Screen Rate Determination: | |
| | (a) | Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated) | [] |

- | | | |
|-----|--|--|
| (b) | Interest Rate Determination Date(s) | [On the first date of that Interest Period or if such day is not a Business Day, the following day that is a Business Day] |
| (c) | Relevant Screen Page and Reference Code | [] |
| 37. | If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/Fallback provisions | [] |
| 38. | Calculation Agent responsible for calculating amount of principal and interest | [] |

ZERO COUPON NOTES

- | | | |
|-----|--|---|
| 39. | (a) Implied Yield | [] |
| | (b) Reference Price | Percent [NACA] [NACM] [NACQ] [NACS] [other method of compounding] |
| | (c) Any other formula or basis for determining amount(s) payable | [] |

PARTLY PAID NOTES

- | | | |
|-----|--|--------------------------|
| 40. | (a) Amount of each payment comprising the Issue Price | [] |
| | (b) Dates upon which each payment is to be made by Noteholder | [] |
| | (c) Consequences (if any) of failure to make any such payment by Noteholder | [] |
| | (d) Interest Rate to accrue on the first and subsequent instalments after the due date for payment of such instalments | [] percent per annum |

INSTALMENT NOTES

- | | | |
|-----|---|--------|
| 41. | Instalment Dates | [] |
| 42. | Instalment Amounts (expressed as a percentage of the aggregate Nominal Amount of the Notes) | [] |

MIXED RATE NOTES

- | | | |
|-----|---|--------|
| 43. | Period(s) during which the Interest Rate for the Mixed Rate Notes will be (as applicable) that for: | |
| | (a) Fixed Rate Notes | [] |
| | (b) Floating Rate Notes | [] |
| | (c) Index-Linked Notes | [] |
| | (d) Dual Currency Notes | [] |
| | (e) Other Notes | [] |

44. The Interest Rate and other pertinent details are set out under the headings relating to the applicable forms of Notes []

INDEX-LINKED NOTES

45. (a) Type of Index-Linked Notes [Indexed Interest Notes / Indexed Redemption Amount Notes]
- (b) Name of index [];
Code of index [];
Currency of index []
- (c) Index/Formula by reference to which Interest Rate / Interest Amount is to be determined []
- (d) Manner in which the Interest Rate / Interest Amount is to be determined []
- (e) Interest Period(s) Each period commencing on and including one Interest Payment Date and ending on but excluding the following Interest Payment Date, with the first Interest Period commencing on [insert date] and ending on but excluding the next Interest Payment Date (each Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention)
- (f) Interest Payment Date(s) [insert date], of each calendar year during the period commencing on [insert date] and ending on the Maturity Date, or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention
- (g) Provisions where calculation by reference to Index and/or Formula is impossible or impracticable []
- (h) Definition of Business Day (if different from that set out in Condition 1 (*Interpretation*)) []
- (i) Minimum Rate of Interest [] percent per annum
- (j) Maximum Rate of Interest [] percent per annum
- (k) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision) []
- (l) Base CPI []
- (m) Index sponsor []
Index calculator (if different to the index sponsor) []
- (n) Website address where the link to the index rulebook is available []

- | | | |
|-----|------------------------|--|
| (o) | Index level | The index level is published [daily/weekly/monthly] on the index calculator's website as detailed in line with item 45(l) above |
| (p) | Required confirmations | Any changes to the index methodology will be published on SENS and communicated to the JSE. |
| (q) | Underlying indices | <p>[N/A/The list of indices underlying the index is as follows:</p> <p>[Name of index];</p> <p>[Code of index];</p> <p>[Currency of index];</p> <p>The index level for each of the above-mentioned indices are published [daily/weekly/monthly]; and</p> <p>The website address where the rulebooks and index levels for the above-mentioned indices is [•]]</p> <p>[All other changes as detailed in the index ground rules document will be published on the index providers website at the following weblink [•]]</p> |

DUAL CURRENCY NOTES

- | | | | |
|-----|-----|---|--|
| 46. | (a) | Type of Dual Currency Notes | [Dual Currency Interest/Dual Currency Redemption Amount] Notes |
| | (b) | Rate of Exchange/method of calculating Rate of Exchange | [] |
| | (c) | Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable | [] |
| | (d) | Person at whose option Specified Currency(ies) is/are payable | [] |
| | (e) | Fixed Interest Payment Date(s) | [insert dates] of each year until the Maturity Date or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention with the first Interest Payment Date being [insert date], or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention] |
| | (f) | Interest Periods | [From and including the applicable Interest Payment Date and ending on but excluding the following Interest Payment Date, the first Interest Period commencing on the Interest Commencement Date and ending the day before the next Interest Payment Date (each Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention)] |

EXCHANGEABLE NOTES

- | | | | |
|-----|-----|---|----------|
| 47. | (a) | Mandatory Exchange applicable? | [Yes/No] |
| | (b) | Noteholders' Exchange Right applicable? | [Yes/No] |
| | (c) | Exchange Securities | [] |
| | (d) | Manner of determining Exchange Price | [] |
| | (e) | Exchange Period | [] |
| | (f) | Other | [] |

OTHER NOTES

- | | | |
|-----|---|-------|
| 48. | If the Notes are not Partly Paid Notes, Instalment Notes, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Index-Linked Notes, Dual Currency Notes or Exchangeable Notes or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional Terms and Conditions relating to such Notes. | [] |
|-----|---|-------|

PROVISIONS REGARDING REDEMPTION/MATURITY

- | | | |
|-----|---|----------|
| 49. | Redemption at the Option of the Issuer: | [Yes/No] |
| | if yes: | |
| | (i) Optional Redemption Date(s) | [] |
| | (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) | [] |
| | (iii) Minimum period of notice (if different from Condition 11.3 (<i>Redemption at the Option of the Issuer</i>)) | [] |
| | (iv) If redeemable in part: | [] |
| | Minimum Redemption Amount(s) | [] |
| | Higher Redemption Amount(s) | [] |
| | (v) Other terms applicable on Redemption | |
| 50. | Redemption at the Option of the Senior Noteholders: | [Yes/No] |
| | if yes: | |
| | (a) Optional Redemption Date(s) | [] |
| | (b) Optional Redemption Amount(s) | [] |

- (c) Minimum period of notice (if different from Condition 11.4 (*Redemption at the Option of the Senior Noteholders*)) []
- (d) If redeemable in part:
- Minimum Redemption Amount(s) []
- Higher Redemption Amount(s) []
- (e) Other terms applicable on Redemption []
- (f) Attach *pro forma* put notice(s) []
51. Redemption in the event of a Change of Control at the election of Noteholders pursuant to Condition 11.5 (*Redemption in the event of a Change of Control*) or any other terms applicable to a Change of Control [Yes/No]
52. Early Redemption Amount(s) payable on redemption for taxation reasons pursuant to Condition 11.2 (*Redemption for Tax Reasons*), on Event of Default pursuant to Condition 18 (*Events of Default*), on a Change of Control pursuant to Condition 11.5 (*Redemption in the event of a Change of Control*), in relation to a failure to maintain a JSE Listing or Rating pursuant to Condition 11.6 (*Redemption in the event of a failure to maintain JSE Listing or Rating*) (if required) or if different from that set out in Condition 11.7 (*Early Redemption Amount*). [Yes/No]
- If yes:
- (a) Amount payable; or []
- (b) Method of calculation of amount payable []
- GENERAL**
53. Financial Exchange []
54. Additional selling restrictions []
55. ISIN No. []
56. Bond Code []
57. Stabilising manager []
58. Provisions relating to stabilisation []
59. Method of distribution [Auction/Bookbuild/Private Placement]
60. Rating assigned to the [] *[/issue date to be specified]*
[Issuer]/[Guarantor(s)]/[Programme]/[Notes]
61. Applicable Rating Agency []

62. Governing law (if the laws of South Africa are not applicable) []
63. Total nominal value of Notes in issue as at the Issue Date []
64. Other provisions *[Other Events of Default in addition to the Events of Default referred to in Condition 18 (Events of Default)]*
[Other covenants, provisions]

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS IN RELATION TO THIS ISSUE OF NOTES

65. Paragraph 3(5)(a)
The “ultimate borrower” (as defined in the Commercial Paper Regulations) is the **[Issuer]**.
66. Paragraph 3(5)(b)
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.
67. Paragraph 3(5)(c)
The auditor of the Issuer is **[insert]**.
68. Paragraph 3(5)(d)
As at the date of this issue:
- (i) the Issuer has **[not issued]/[issued ZAR●,000,000,000]** Commercial Paper (as defined in the Commercial Paper Regulations); and
 - (ii) the Issuer estimates that it may issue **[ZAR●,000,000,000]** of Commercial Paper during the current financial year, ending **[Insert Date]**.
69. Paragraph 3(5)(e)
All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.
70. Paragraph 3(5)(f)
There has been no material adverse change in the Issuer’s financial position since the date of its last audited financial statements.
71. Paragraph 3(5)(g)
The Notes issued will be **[listed/unlisted]**.
72. Paragraph 3(5)(h)
The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes/funding of its business operations/other.
73. Paragraph 3(5)(i)
The payment obligations of the Issuer in respect of the Notes are guaranteed in terms of the Guarantee provided by each of the Guarantors but are otherwise **[unsecured/secured]**.
74. Paragraph 3(5)(j)
[Insert], the statutory auditor of the Issuer, have confirmed that [their review did not reveal anything which indicates / nothing has come to their attention to indicate] that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum or this Applicable Pricing Supplement which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum together with this Applicable Pricing Supplement contain all information required by law and the Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement and the annual financial statements and annual integrated report and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Programme Memorandum, the annual integrated reports and the annual financial statements and this Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, the annual integrated reports, the annual financial statements and this Applicable Pricing Supplement and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

As at the date of this Applicable Pricing Supplement, the Issuer confirms that the authorised Programme Amount of ZAR20,000,000,000 has not been exceeded.

Application [**is hereby**]/[**will not be**] made to list this issue of Notes [**on ●●●●●**].

SIGNED at _____ on this _____ day of _____ 20●●

For and on behalf of

TSOGO SUN GAMING LIMITED

(as Issuer)

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by the Issuer which will be incorporated by reference into each Note. A Tranche of Notes will be issued on, and subject to, the below Terms and Conditions below, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

Before the Issuer issues any Tranche of listed Notes, the Issuer shall complete, sign and deliver to the JSE or such other or further Financial Exchange(s) and the CSD a pricing supplement based on the *pro forma* Applicable Pricing Supplement included in the Programme Memorandum setting out details of such Notes. The Issuer may determine that particular Notes will not be listed on the Interest Rate Market of the JSE or such other Financial Exchanges and, in that case, no Applicable Pricing Supplement will be delivered to JSE or such other or further Financial Exchange(s).

If there is any conflict or inconsistency between provisions set out in the Applicable Pricing Supplement and the provisions set out in these Terms and Conditions of the Notes, then the provisions in the Applicable Pricing Supplement will prevail.

Words and expressions used in the Applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated. Any reference to legislation or a statute shall be to such legislation or statute as amended, varied or re-enacted from time to time.

1. INTERPRETATION

In these Terms and Conditions, unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the following meanings:

Absa	Absa Corporate and Investment Bank, a division of Absa Bank Limited (registration number 1986/004794/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
Accession Letter	in respect of an Additional Guarantor, an undertaking substantially in the form of Schedule 1 (<i>Form of Accession Letter</i>) to the form of the Guarantee contained in the section of this Programme Memorandum headed " <i>Terms and Conditions of the Guarantee</i> ";
Accession Undertaking	in relation to any Additional Guarantor, an undertaking substantially in the form set out in Schedule 1 (<i>Form of Accession Letter</i>);
Additional Guarantor	any member of the Tsogo Group or Material Subsidiary, as the case may be, which has become an Additional Guarantor in accordance with Condition 8.5 (<i>Additional Guarantor(s)</i>) and the terms of the Guarantee;
Affiliate	in relation to any Person, a Subsidiary of that Person or a Holding Company of that Person or any other Subsidiary of that Holding Company;
Applicable Laws	in relation to any Person, all and any statutes and subordinate legislation and common law, regulations, ordinances and by-laws, directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation and other similar provisions, from time to time, compliance with which is mandatory for that Person;
Applicable Pricing Supplement	in relation to a Tranche of Notes, the pricing supplement completed and signed by the Issuer in relation to that Tranche of Notes, setting out the additional and/or other terms and conditions as are applicable to that Tranche of Notes, based upon the <i>pro forma</i> pricing supplement which is set out in the section of the Programme Memorandum headed " <i>Pro Forma Applicable Pricing Supplement</i> ";

Applicable Procedures	the rules and operating procedures for the time being of the CSD, the Participants and the Debt Listings Requirements (including the disclosure requirements) and/or any other Financial Exchange;
Banks Act	the Banks Act, 1990;
Beneficial Interest	in relation to a Tranche of Notes which is held in the CSD, the beneficial interest as co-owner of an undivided share of all of the Notes in that Tranche, as contemplated in section 37(1) of the Financial Markets Act, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the proportion that the aggregate outstanding Nominal Amount of such number of Notes bears to the aggregate outstanding Nominal Amount of all of the Notes in that Tranche, as provided in section 37(3) of the Financial Markets Act;
Books Closed Period	in relation to a Tranche of Notes, the period, as specified in the Applicable Pricing Supplement, commencing after the Last Day to Register, during which transfers of the Notes will not be registered, or such shorter period as the Issuer may decide in order to determine those Noteholders entitled to receive principal and/or interest;
Business Day	a day (other than a Saturday or Sunday or public holiday within the meaning of the Public Holidays Act, 1994) on which commercial banks settle ZAR payments in Johannesburg, save that if the Applicable Pricing Supplement so provides, " <i>Business Day</i> " shall include a Saturday;
Calculation Agent	Nedbank, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Calculation Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement;
Class of Noteholders	the holders of a Series of Notes or, where appropriate, the holders of different Series of Notes;
Class of Notes	a particular Series of Notes in relation to other Series of Notes;
Commercial Paper Regulations	the commercial paper regulations of 14 December 1994 issued pursuant to paragraph (cc) of the definition of " <i>the business of a bank</i> " in the Banks Act, set out in Government Notice 2172 and published in Government Gazette 16167 of 14 December 1994;
Companies Act	the Companies Act, 2008;
CSD	Strate Proprietary Limited (registration number 1998/022242/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa and registered as a central securities depository in terms of the Financial Markets Act or such additional, alternative or successor central securities depository as may be agreed between the Issuer and the relevant Dealer(s);
Day	a Gregorian calendar day unless qualified by the word " <i>Business</i> ";
Day Count Fraction	in relation to a Tranche of Notes (where applicable) and the calculation of an amount for any period of time (the Calculation Period), the Day Count Fraction specified as such in the Terms and Conditions or the Applicable Pricing Supplement and: <ul style="list-style-type: none"> (a) if Actual/365 or Act/365 is so specified, means the actual number of Days in the Interest Period in respect of which payment is being made divided by 365 (or, if any portion of the Interest Period falls in a leap year, the sum of (i) the actual number of Days in that portion of the Interest Period falling in a leap year divided by 366 and (ii) the actual number of Days in that portion of the Interest Period falling in a non-leap year divided by 365);

- (b) if **Actual/Actual (ICMA)** is so specified, means:
1. where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of Days in the Calculation Period divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods in any year; and
 2. where the calculation Period is longer than one Regular Period, the sum of:
 - a. the actual number of Days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods in any year; and
 - b. the actual number of Days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods normally ending in any year;
- (c) if **Actual/Actual** or **Actual/Actual (ISDA)** is so specified, means the actual number of Days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of Days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of Days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (d) if **Actual/365 (Fixed)** is so specified, means the actual number of Days in the Calculation Period divided by 365;
- (e) if **Actual/360** is so specified, means the actual number of Days in the Calculation Period divided by 360;
- (f) if **30/360**, **360/360** or **Bond Basis** is so specified, means the number of Days in the Calculation period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first Day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the first Day immediately following the last Day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first Day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the first Day immediately following the last Day included in the Calculation Period falls;

D₁ is the first Day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

D₂ is the Day, expressed as a number, immediately following the last Day included in the Calculation Period unless such number would be 31 and **D₁** is greater than 29, in which case **D₂** will be 30;

- (g) if **30E/360** or **Eurobond Basis** is so specified, means the number of Days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first Day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first Day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;

D₁ is the first Day, expressed as a number, of the Calculation Period unless such number would be 31, in which case **D₁** will be 30; and

D₂ is the Day, expressed as a number, immediately following the last Day included in the Calculation Period unless such number would be 31, in which case **D₂** will be 30; and

- (h) if **30E/360 (ISDA)** is so specified, means the number of Days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first Day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first Day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;

D₁ is the first Day, expressed as a number, of the Calculation Period unless (i) that Day is the last Day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

D₂ is the Day, expressed as a number, immediately following the last Day included in the Calculation Period unless (i) that Day is the last Day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30;

Dealer(s)

Absa, Nedbank, RMB and SBSA, and/or any other entity appointed as a Dealer by the Issuer, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the

	appointment of any such Dealer(s), as indicated in the Applicable Pricing Supplement;
Debt Listings Requirements	The debt listings requirements of the JSE pursuant to the provisions of the Financial Markets Act for the listing of debt securities on the JSE, as amended from time to time;
Default Rate	in relation to a Tranche of Notes, the Interest Rate applicable to such Notes or the default rate specified as such in the Applicable Pricing Supplement;
Dual Currency Notes	Notes which pay interest in a base currency and the principal in a non-base currency or <i>vice versa</i> , as indicated in the Applicable Pricing Supplement;
Early Redemption Amount	in relation to a Tranche of Notes, the amount, as set out in Condition 11.7 (<i>Early Redemption Amounts</i>), at which the Notes will be redeemed by the Issuer, pursuant to the provisions of Condition 11.2 (<i>Redemption for Tax Reasons</i>), Condition 11.3 (<i>Redemption at the Option of the Issuer</i>), Condition 11.4 (<i>Redemption at the Option of the Senior Noteholders</i>), Condition 11.5 (<i>Redemption in the event of a Change of Control</i>), Condition 11.6 (<i>Redemption in the event of a failure to maintain a JSE Listing or Rating</i>) and/or Condition 18 (<i>Events of Default</i>);
EBIT	<p>in respect of any Measurement Period, the aggregated operating profit of the Tsogo Group before taxation, without taking into account any of the following items:</p> <ul style="list-style-type: none"> (a) any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Tsogo Group (calculated on a aggregated basis) in respect of any rolling 12 month period; (b) any accrued interest owing to any member of the Tsogo Group; (c) any Exceptional Items; (d) any unrealised gains or losses on any derivative instrument / financial instrument (other than any derivative instrument which is accounted for on a hedge accounting basis); and (e) any gain or loss arising from an upward or downward revaluation of any other asset, in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Tsogo Group before taxation;
EBITDA	in respect of any Measurement Period, EBIT for that period after adding back any amount attributable to the amortisation, or depreciation or impairment of assets of members of the Tsogo Group (and taking no account of the reversal of any previous impairment charge made in that period);
Encumbrances	any mortgage, pledge, hypothecation, assignment, cession <i>in securitatem debiti</i> , deposit by way of security or any other agreement or arrangement (whether conditional or not and whether relating to existing or to future assets), having the effect of providing a security interest to a creditor or any agreement or arrangement to give any form of a secured claim to a creditor, but excluding statutory preferences or any security interest arising by operation of law and, for the avoidance of doubt, any guarantee;
Event of Default	in relation to a Series of Notes, and unless otherwise set out in the Applicable Pricing Supplement, any of the events described in Condition 18 (<i>Events of Default</i>);

Exceptional Items	any exceptional, one off, non-recurring or extraordinary items;
Exchangeable Notes	Notes which may be redeemed by the Issuer in the manner indicated in the Applicable Pricing Supplement by the delivery to the Noteholders of cash or of so many of the Exchange Securities as is determined in accordance with the Applicable Pricing Supplement;
Exchange Control Regulations	the Exchange Control Regulations, 1961, promulgated pursuant to the Currency and Exchanges Act, 1933;
Exchange Period	in relation to a Tranche of Exchangeable Notes, in respect of Exchangeable Notes to which the Noteholders' Exchange Right applies (as indicated in the Applicable Pricing Supplement), the period indicated in the Applicable Pricing Supplement during which such right may be exercised;
Exchange Price	in relation to a Tranche of Exchangeable Notes, the amount determined in accordance with the manner described in the Applicable Pricing Supplement, according to which the number of Exchange Securities which may be delivered in redemption of an Exchangeable Note will be determined;
Exchange Securities	in relation to a Tranche of Exchangeable Notes, the securities indicated in the Applicable Pricing Supplement which may be delivered by the Issuer in redemption of the Exchangeable Notes to the value of the Exchange Price;
Extraordinary Resolution	<p>(a) a resolution in writing signed no later than 20 Business Days after the distribution of the written resolution by or on behalf of the Noteholders or a Class of Noteholders, as the case may be, holding not less than 66.67% (sixty-six point six-seven percent) in Aggregate Nominal Amount of the Notes Outstanding from time to time or a specific Class of Notes Outstanding, as the case may be; or</p> <p>(b) a resolution passed at a meeting (duly convened) of the Noteholders or Class of Noteholders, as the case may be, holding not less than 66.67% (sixty-six point six-seven percent) of Aggregate Nominal Amount of Notes held by the Noteholders or the Class of Noteholders, as the case may be, present in person or by proxy and voting at such meeting on such poll or if a vote by show of hands be duly demanded, then by a majority consisting of not less than 66.67% (sixty-six point six-seven percent) of the Persons voting at such meeting on a show of hands;</p>
Final Broken Amount	in relation to a Tranche of Fixed Rate Notes, the final broken amount specified as such in the Applicable Pricing Supplement;
Final Redemption Amount	in relation to a Tranche of Notes, the amount of principal specified in the Applicable Pricing Supplement payable in respect of such Tranche of Notes upon the Maturity Date;
Financial Exchange	the JSE and/or such other or additional financial exchange(s) as may be determined by the Issuer and the relevant Dealer(s), subject to Applicable Laws, and upon which the Notes are listed as specified in the Applicable Pricing Supplement;
Financial Markets Act	the Financial Markets Act, 2012;
Fixed Coupon Amount	in relation to a Tranche of Fixed Rate Notes (where applicable), the amount(s) specified as such in the Applicable Pricing Supplement;
Fixed Interest Payment Date	in relation to a Tranche of Fixed Rate Notes, the date(s) specified as such in the Applicable Pricing Supplement;

Fixed Interest Period	in relation to a Tranche of Fixed Rate Notes, the period from (and including) a Fixed Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Fixed Interest Payment Date or as otherwise set out in the Applicable Pricing Supplement;
Fixed Rate Notes	Notes which will bear interest at the Fixed Rate of Interest, as indicated in the Applicable Pricing Supplement;
Fixed Rate of Interest	in relation to a Tranche of Fixed Rate Notes, the fixed rate of interest specified as such in the Applicable Pricing Supplement;
Floating Rate Notes	Notes which will bear interest at a Floating Rate Interest as indicated in the Applicable Pricing Supplement and more fully described in Condition 9.2 (<i>Floating Rate Notes and Indexed Interest Notes</i>);
Floating Rate	in relation to a Tranche of Floating Rate Notes, the floating rate of interest specified as such in the Applicable Pricing Supplement;
Guarantee	the guarantee dated 5 December 2019 under which the Guarantors, jointly and severally, irrevocably and unconditionally guarantee to the Noteholders the due and punctual performance of all obligations arising under the Programme pursuant to this Programme Memorandum, which the Issuer may now have or have incurred or in the future may incur to the Noteholders and the payment, in South African Rand, of all amounts owing by the Issuer in respect of the Notes arising under the Programme pursuant to this Programme Memorandum. The obligations of each Guarantor under the guarantee constitute the unconditional and unsecured obligations of such Guarantor and will rank (subject to any obligations preferred by law) <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of such Guarantor. (See the section of this Programme Memorandum headed “ <i>Terms and Conditions of the Guarantee</i> ” on pages 74 to 80);
Guarantors	collectively: (a) the Original Guarantors; and (b) the Additional Guarantor(s);
Higher Redemption Amount	in relation to a Tranche of Notes, the higher redemption amount specified as such in the Applicable Pricing Supplement;
Holding Company	in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary;
ICMA	the International Capital Market Association;
IFRS	the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time);
Implied Yield	in relation to a Tranche of Zero Coupon Notes, the yield accruing on the Issue Price of such Notes, as specified in the Applicable Pricing Supplement;
Income Tax Act	the Income Tax Act, 1962;
Indebtedness	in respect of the Issuer, any indebtedness in respect of monies borrowed from any third-party lender and (without double counting) guarantees (other than those given in the ordinary course of business) given, whether present or future, actual or contingent;

Indexed Interest Notes	Notes in respect of which the Interest Amount is calculated by reference to an index and/or a formula as indicated in the Applicable Pricing Supplement;
Index-Linked Notes	Indexed Interest Notes and/or an Indexed Redemption Amount Notes, as applicable and as indicated in the Applicable Pricing Supplement;
Indexed Redemption Amount Notes	Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or a formula as may be indicated in the Applicable Pricing Supplement;
Individual Certificate	a Note in the definitive registered form of a single certificate and being a certificate exchanged for Beneficial Interest in accordance with Condition 13 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>) and any further certificate issued in consequence of a transfer thereof;
Initial Broken Amount	in relation to a Tranche of Notes, the initial broken amount specified as such in the Applicable Pricing Supplement;
Instalment Amount	in relation to a Tranche of Instalment Notes, the amount expressed as a percentage of the Nominal Amount of an Instalment Note as specified in the Applicable Pricing Supplement, being an instalment of principal (other than the final instalment) on an Instalment Note;
Instalment Notes	Notes issued on the same date but redeemed in Instalment Amounts by the Issuer on an amortised basis on different Instalment Dates, as specified in the Applicable Pricing Supplement;
Instalment Dates	in relation to a Tranche of Instalment Notes, the dates specified as such in the Applicable Pricing Supplement;
Interest Amount	in relation to a Tranche of Notes, the amount of interest payable in respect of each Nominal Amount of Fixed Rate Notes, Floating Rate Notes and Indexed Interest Notes, as determined by the Calculation Agent in accordance with Condition 9 (<i>Interest</i>);
Interest Commencement Date	in relation to a Tranche of Notes (where applicable) the first date from which interest on the Notes, other than Zero Coupon Notes, will accrue, as specified in the Applicable Pricing Supplement;
Interest Determination Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Interest Payment Date	in relation to a Tranche of Notes, the Interest Payment Date(s) and/or the Redemption Date specified in the Applicable Pricing Supplement or, if no express Interest Payment Date(s) is/are specified in the Applicable Pricing Supplement, the last Day of the Interest Period commencing on the preceding Interest Payment Date, or, in the case of the first Interest Payment Date, commencing on the Interest Commencement Date;
Interest Period	in relation to a Tranche of Notes, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;
Interest Rate and Rate of Interest	in relation to a Tranche of Notes, the rate or rates of interest applicable to Notes other than Zero Coupon Notes as indicated in the Applicable Pricing Supplement;
Interest Rate Market of the JSE	the separate platform or sub-market of the JSE designated as the " <i>Interest Rate Market</i> ", or such other platform or submarket designated by the JSE from time to time, and on which Notes (and other debt securities) may be listed;
ISDA	the International Swaps and Derivatives Association Inc.;

ISDA Definitions	the 2006 ISDA Definitions published by ISDA (as amended, supplemented, revised or republished from time to time) as specified in the Applicable Pricing Supplement;
Issue Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Issue Price	in relation to a Tranche of Notes, the price specified as such in the Applicable Pricing Supplement;
Issuer	Tsogo Sun Gaming Limited (registration number 1989/002108/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa;
Issuer Agent	Nedbank or such other entity appointed by the Issuer as Issuer Agent pursuant to the debt instrument solution system of the CSD in which event that other entity will act as Issuer Agent;
JSE	the JSE Limited (registration number 2005/022939/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa and a licensed financial exchange in terms of the Financial Markets Act or any exchange which operates as a successor exchange to the JSE;
JSE Debt Guarantee Fund Trust	the guarantee fund trust established and operated by the JSE as a separate guarantee fund in terms of the rules of the JSE, as required by sections 8(1)(h) and 17(2)(w) of the Financial Markets Act, or any successor fund trust;
JSE Debt Sponsor	Nedbank, or such other entity appointed by the Issuer as JSE Debt Sponsor from time to time.
Last Day to Register	with respect to a particular Tranche of Notes (as specified in the Applicable Pricing Supplement), the last date or dates preceding a Payment Day, which is the close of business on the business day immediately preceding the first day of a books closed period, on which the Transfer Agent, in the case of Notes in certificated form, or the CSD, in the case of Notes in uncertificated form, will accept Transfer Forms or transfers and record the transfer of Notes in the Register for that particular Tranche of Notes and whereafter the Register is closed for further transfers or entries until the Payment Day;
Mandatory Exchange	in relation to a Tranche of Exchangeable Notes, the mandatory exchange specified as such in the Applicable Pricing Supplement;
Margin	in relation to a Tranche of Notes (where applicable), the margin specified as such in the Applicable Pricing Supplement;
Material Indebtedness	any Indebtedness amounting in aggregate to an outstanding amount equal to or exceeding 1.5% (one point five percent) of the total assets of the Tsogo Group as set out in the Issuer's latest published consolidated audited financial statements at the time of the occurrence of an Event of Default;
Material Subsidiary	any Subsidiary (i) of which the Issuer owns more than 50% (fifty percent) of the ordinary shares and (ii) which represents at least 5% (five percent) of the EBITDA of Tsogo Group as published in the Issuer's latest consolidated audited financial statements;
Maturity Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Measurement Date	the last day of each Financial Half Year and the last day of each Financial Year, provided that the first Measurement Date shall be on or about 31 March 2020;

Measurement Period	means each period of 12 (twelve) Months ending on each Measurement Date;
Minimum Redemption Amount	in relation to a Tranche of Notes, the minimum redemption amount specified as such in the Applicable Pricing Supplement;
Mixed Rate Notes	unlisted Notes which will bear interest over respective periods at differing Interest Rates applicable to any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Index-Linked Notes, each as indicated in the Applicable Pricing Supplement and as more fully described in Condition 9.4 (<i>Mixed Rate Notes</i>);
NACA	nominal annual compounded annually;
NACM	nominal annual compounded monthly;
NACQ	nominal annual compounded quarterly;
NACS	nominal annual compounded semi-annually;
Nedbank	Nedbank Limited, acting through its Nedbank Corporate and Investment Banking division (registration number 1951/000009/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
Nedbank Investor Services	Nedbank Limited, acting through its Nedbank Investor Services division (registration number 1951/000009/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
Nominal Amount	in relation to any Note, the total amount, excluding interest and any adjustments on account of any formula, owing by the Issuer under the Note;
Noteholders	the registered holders of the Notes as recorded in the Register;
Noteholders' Exchange Right	in relation to Exchangeable Notes, if indicated as applicable in the Applicable Pricing Supplement, the right of Noteholders of Exchangeable Notes to elect to receive delivery of the Exchange Securities in lieu of cash from the Issuer upon redemption of such Notes;
Notes	secured or unsecured registered notes issued or to be issued by the Issuer under the Programme, pursuant to this Programme Memorandum;
Original Guarantors	<ul style="list-style-type: none"> (a) Tsogo Sun Casinos Proprietary Limited, (registration number 1995/012674/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa; (b) Tsogo Sun Kwazulu-Natal Proprietary Limited, (registration number 1997/014551/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa; (c) Akani-Egoli Proprietary Limited, (registration number 1996/006910/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa; and (d) Silverstar Casino Proprietary Limited (registration number 1995/000369/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa;

Outstanding	<p>in relation to the Notes, all the Notes issued under the Programme other than:</p> <ul style="list-style-type: none"> (a) those which have been redeemed in full; (b) those in respect of which the date for redemption in accordance with the Terms and Conditions has occurred and the redemption monies wherefore (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under the Terms and Conditions after such date) remain available for payment against presentation of Individual Certificates (if any); (c) those which have been purchased and cancelled as provided in Condition 11 (<i>Redemption and Purchase</i>); (d) those which have become prescribed under Condition 17 (<i>Prescription</i>); (e) those represented by mutilated or defaced Individual Certificates which have been surrendered in exchange for replacement Individual Certificates pursuant to Condition 13 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>); or (f) (for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose) those Notes represented by Individual Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Individual Certificates have been issued pursuant to Condition 13 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>), <p>provided that for each of the following purposes:</p> <ul style="list-style-type: none"> (i) the right to attend and vote at any meeting of the Noteholders; and (ii) the determination of how many and which Notes are for the time being Outstanding for the purposes of Conditions 21 (<i>Amendment of these Terms and Conditions</i>) and 22 (<i>Meetings of Noteholders/Consent Process</i>), <p>all Notes (if any) which are for the time being held by the Issuer (subject to any Applicable Laws) or by any Person for the benefit of the Issuer and not cancelled shall (unless and until ceasing to be so held), be deemed not to be Outstanding;</p>
Optional Redemption Amount	in relation to a Tranche of Notes, the optional redemption amount specified as such in the Applicable Pricing Supplement;
Participant	a Person accepted by the CSD as a participant in terms of section 31 of the Financial Markets Act, and who is approved by the CSD as a Settlement Agent, to perform electronic settlement of funds and scrip;
Partly Paid Notes	unlisted Notes which are issued with the Issue Price partly paid and which Issue Price is paid up fully by the Noteholder in instalments as indicated in the Applicable Pricing Supplement;
Paying Agent	Nedbank Investor Services, unless the Issuer elects to appoint another entity as Paying Agent, in which event that other entity shall act as a Paying Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement;

Payment Day	any day which is a Business Day and upon which a payment is due by the Issuer in respect of the Notes;
Permitted Encumbrance	<ul style="list-style-type: none"> (a) any Encumbrance of the Issuer any Guarantor(s), or any other Material Subsidiary existing as at the Programme Date; or (b) any Encumbrance created over or with respect to any receivables of the Issuer, any Guarantor(s), or any other Material Subsidiary after the Programme Date, if such Encumbrance was created pursuant to any securitisation or like arrangement in accordance with normal market practice and whereby the Indebtedness secured by such Encumbrance is limited to the value of such receivables (on or about the date of creation of such Encumbrance); or (c) any Encumbrance with respect to intercompany Indebtedness incurred between the Issuer and any Guarantor(s), or between any Guarantor(s) and its Subsidiaries, or between the Issuer and its Subsidiaries, or between the Issuer and any Guarantor(s) Subsidiaries, or between any Guarantor(s) and another Guarantor, or between any Guarantor(s) and another Guarantor's Subsidiaries, or between any Guarantor's Subsidiaries and another Guarantor's Subsidiaries; or any Encumbrance created over any asset acquired, purchased, developed or constructed by the Issuer, any Guarantor(s) and/or any other Material Subsidiary after the Programme Date (including any Encumbrance over the shares or other ownership interests in, or securities of, any person, acquired, subscribed for by the Issuer, any Guarantor(s) and/or any other Material Subsidiary after the Programme Date, or the assets of such other company or person) if such Encumbrance was created for the sole purpose of financing or refinancing that asset by the Issuer, any Guarantor(s) or any other Material Subsidiary, provided that the Indebtedness so secured shall not exceed the bona fide arm's length market value (on or about the date of the creation of such Encumbrance) of that asset or the cost of the acquisition, purchase, development or construction of that asset by the Issuer, any Guarantor(s) or any other Material Subsidiary (including all interest and other finance charges, adjustments due to changes in circumstance and other charges reasonably incidental to such cost, whether contingent or otherwise) and where such market value and such cost both apply, the higher of the two; or (d) any Encumbrance over immovable properties of the Issuer, any Guarantor(s) or any other Material Subsidiary as at the Programme Date; or (e) any Encumbrance created over or with respect to any netting or set-off arrangement entered into by the Issuer, any Guarantor(s) or any other Material Subsidiary in the ordinary course of banking arrangements for purposes of netting debit and credit balances; or (f) any Encumbrance over deposit accounts securing a loan equal to the amounts standing to the credit of such deposit accounts, including any cash management system; or (g) any Encumbrance created in the ordinary course of business which includes, but is not limited to, over stock-in-trade, inventories, accounts receivable, deposit accounts, full maintenance lease assets and assets financed under an asset based arrangement of the Issuer, any Guarantor(s) or any other Material Subsidiary; or

- (h) any Encumbrance subsisting over any asset of any Subsidiary of the Issuer or any Guarantor(s) prior to the date of such entity becoming a Subsidiary of the Issuer or such Guarantor(s) and not created in contemplation of such entity becoming a Subsidiary of the Issuer or such Guarantor(s) and any substitute Encumbrance created over that asset (but in any such case the amount of the Indebtedness secured by such Encumbrance, may not be increased, save in the ordinary course of business as set out in sub-clauses (a) to (g) above; or
- (i) in addition to any Encumbrance referred to in (a) to (h) above, all other Encumbrances securing in aggregate an amount which is equal to or less than 2.5% (two point five percent) of the total assets of the Tsogo Group or its equivalent in another currency as published in the latest consolidated audited financial statements of the Issuer at the time the Encumbrance is established;

Person	shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
Programme	Tsogo Sun Gaming Limited ZAR20,000,000,000 Domestic Medium Term Note Programme under which the Issuer may from time to time issue Notes;
Programme Amount	the maximum aggregate outstanding Nominal Amount of all of the Notes that may be issued under the Programme at any one point in time, being ZAR20,000,000,000 or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures, Applicable Laws and the Programme Agreement, as set out in the section of this Programme Memorandum headed " <i>General Description of the Programme</i> ";
Programme Date	the date of this Programme Memorandum being 5 December 2019;
Programme Memorandum	this programme memorandum dated 5 December 2019 as amended and/or restated and/or supplemented from time to time;
Rating	in relation to the Issuer and/or the Guarantors and/or the Programme and/or a Tranche of Notes (where applicable), as the case may be, the national or global scale rating of the Issuer and/or the Guarantors and/or the Programme and/or the Tranche of Notes, as the case may be, granted by the Rating Agency, specified in the Applicable Pricing Supplement;
Rating Agency	Global Credit Rating Co. Proprietary Limited (GCR), Standard & Poor's Ratings Services (S&P) and Moody's Investors Service Limited (Moody's), as the case may be, and their successors or any other rating agency of equivalent national or international standing, as the case may be, and as specified in the Applicable Pricing Supplement (if applicable) and/or notified to Noteholders pursuant to Condition 20 (<i>Notices</i>);
Redemption Date	in relation to a Tranche of Notes, the date upon which the Notes are redeemed by the Issuer, in accordance with Condition 11 (<i>Redemption and Purchase</i>);
Reference Banks	four leading banks in the South African inter-bank market selected by the Calculation Agent;
Reference Price	in relation to a Tranche of Zero Coupon Notes (where applicable), the price specified as such in the Applicable Pricing Supplement;

Reference Rate	in relation to a Tranche of Floating Rate Notes (where applicable), the rate specified as such in the Applicable Pricing Supplement;
Register	the register of Noteholders kept by the Transfer Agent on behalf of the Issuer in terms of Condition 14 (<i>Registration of Notes issued in Certificated Form</i>);
Registered Office	the registered office of the Issuer, Guarantors, Arranger, Dealer and JSE Debt Sponsor as set out at the end of this Programme Memorandum;
Regular Period	<p>(a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;</p> <p>(b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where Regular Date means the Day and the month (but not the year) on which any Interest Payment Date falls; and</p> <p>(c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where Regular Date means the Day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;</p>
Relevant Date	in respect of any payment relating to the Notes, the date on which such payment first becomes due, except that, in relation to monies payable to the CSD in accordance with these Terms and Conditions, it means the first date on which (i) the full amount of such monies have been received by the CSD, (ii) such monies are available for payment to the holders of Beneficial Interests and (iii) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures;
Relevant Screen Page	in relation to a Tranche of Notes (where applicable), the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the Applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;
Representative	a Person duly authorised to act on behalf of a Noteholder, the Transfer Agent or the Paying Agent, as the case may be, who may be regarded by the Issuer (acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express notice to the contrary from such Noteholder, the Transfer Agent and the Paying Agent;
RMB	Rand Merchant Bank Limited, a division of FirstRand Bank Limited, (registration number 1929/001225/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;

SAFEX	the JSE Equity and Commodity Derivatives Markets;
SBSA	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division (registration number 1962/000738/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
Senior Noteholders	the Noteholders of Senior Notes;
Senior Notes	Notes issued with the status and characteristics set out in Condition 5 (<i>Status of Senior Notes</i>), as indicated in the Applicable Pricing Supplement;
SENS	the Stock Exchange News Service;
Series	a Tranche of Notes together with any further Tranche or Tranches of Notes which are: <ul style="list-style-type: none"> (a) expressed to be consolidated and form a single series; and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;
Settlement Agent	a Participant, approved by the CSD in terms of the Applicable Procedures to perform electronic settlement of both funds and scrip on behalf of market participants;
South Africa	the Republic of South Africa;
Specified Currency	in relation to each Note in a Tranche of Notes, subject to all Applicable Laws, the currency specified in the Applicable Pricing Supplement;
Specified Denomination	in relation to each Note in a Tranche of Notes, the amount specified as such in the Applicable Pricing Supplement;
Specified Office	the office of the Transfer Agent, the Paying Agent, the Calculation Agent, the Settlement Agent and/or the Issuer Agent as specified in the Applicable Pricing Supplement;
Subordinated Indebtedness	in the event of the dissolution of the Issuer or if the Issuer is wound up or placed in liquidation or is subject to business rescue proceedings, any Indebtedness of the Issuer, including any guarantee by the Issuer, under which the right of payment of the Person(s) entitled thereto is, or is expressed to be, or is required by any present or future agreement of the Issuer to be, subordinated to the rights of all unsubordinated creditors of the Issuer;
Subordinated Notes	Notes issued with the status and characteristics set out in Condition 6 (<i>Status and Characteristics of Subordinated Notes</i>), as indicated in the Applicable Pricing Supplement;
Subsidiary	a subsidiary company as defined in section 3(1)(a) and (b) of the Companies Act;
Sub-unit	with respect to any currency, the lowest amount of such currency that is available as legal tender in the country of such currency;
Terms and Conditions	the terms and conditions incorporated in this section headed “ <i>Terms and Conditions of the Notes</i> ” and in accordance with which the Notes will be issued;
Tranche	in relation to any particular Series, all Notes which are identical in all respects (including as to listing);
Transfer Agent	Nedbank, or such other entity appointed by the Issuer as Transfer Agent, in which event that other entity will act as Transfer Agent, as specified in the Applicable Pricing Supplement, or such other entity appointed by the Issuer as Transfer Agent, in which event that other

	entity will act as Transfer Agent, as specified in the Applicable Pricing Supplement.
Transfer Form	the written form for the transfer of a Note, in the form approved by the Transfer Agent, and signed by the transferor and transferee;
Tsogo Group	the Issuer and any other company or entity whose financial results are consolidated with the financial results of the Issuer in accordance with IFRS;
Uncertificated Securities Register	an Uncertificated Securities Register as contemplated in section 1 of the Companies Act administered by the Participant or the CSD in terms of Condition 15 (<i>Registration of Notes issued in Uncertificated Form</i>);
ZAR	the lawful currency of South Africa, being South African Rand, or any successor currency;
ZAR-JIBAR-SAFEX	the mid-market rate for deposits in ZAR for a period of the Designated Maturity (as indicated in the Applicable Pricing Supplement) that appears on the Reuters Screen SAFEX Page as at 11h00, Johannesburg time on the Relevant Date; and
Zero Coupon Notes	Notes which will be offered and sold at a discount to their Nominal Amount or at par and will not bear interest other than in the case of late payment, as indicated in the Applicable Pricing Supplement.

2. ISSUE

- 2.1. The Issuer may, at any time and from time to time (without the consent of any Noteholder), issue one or more Tranche(s) of Notes pursuant to the Programme, provided that the aggregate outstanding Nominal Amount of all of the Notes issued (if any) under the Programme from time to time does not exceed the Programme Amount.
- 2.2. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement relating to that Tranche of Notes.
- 2.3. Each Note, may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index-Linked Note, a Dual Currency Note, a Mixed Rate Note or such combination of any of the foregoing or such other type of Note as may be determined by the Issuer and specified in the relevant Applicable Pricing Supplement.
- 2.4. All payments in relation to the Notes will be made in the Specified Currency. Each Note will be issued in the Specified Denomination.
- 2.5. The Terms and Conditions of a Tranche of Notes are incorporated by reference into the Individual Certificate(s) (if any) representing the Notes in that Tranche. The Applicable Pricing Supplement relating to a Tranche of Notes issued in certificated form will be attached to the Individual Certificate(s) representing the Notes in that Tranche.

3. FORM AND DENOMINATION

3.1. General

- 3.1.1. A Tranche of Notes may be issued in the form of listed or unlisted registered Notes, as specified in the Applicable Pricing Supplement.
- 3.1.2. A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or further Financial Exchange(s) as may be determined by the Issuer and the relevant Dealer(s), subject to any Applicable Laws and Applicable Procedures. Unlisted Notes may also be issued under the Programme. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and if so, the Financial Exchange on which such Tranche of Notes will be listed.

3.2. Registered Notes

A Tranche of Notes will be issued in certificated form or in uncertificated form, as contemplated in Condition 3.2.1 (*Notes issued in certificated form*) and Condition 3.2.2 (*Notes issued in*

uncertificated form), as specified in the Applicable Pricing Supplement. Each Tranche of Notes which is listed on the Interest Rate Market of the JSE will be held in the CSD, as contemplated in Condition 3.2.2 (*Notes issued in uncertificated form*). A Tranche of unlisted Notes may also be held in the CSD, as contemplated in Condition 3.2.3 (*Beneficial Interests in Notes held in the CSD*).

3.2.1. Notes issued in certificated form

All Notes issued in certificated form will be represented by Individual Certificates.

3.2.2. Notes issued in uncertificated form

A Tranche of Notes which is listed on the Interest Rate Market of the JSE must, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act. Notes issued in uncertificated form will be held in the CSD. Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Note which is represented by an Individual Certificate may be replaced by uncertificated securities in terms of section 33 of the Financial Markets Act.

3.2.3. Beneficial Interests in Notes held in the CSD

- (i) A Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued in uncertificated form and held in the CSD. A Tranche of unlisted Notes may also be held in the CSD.
- (ii) The CSD will hold Notes subject to the Financial Markets Act and the Applicable Procedures.
- (iii) All amounts to be paid in respect of Notes held in the CSD will be paid to the relevant Participant for the holders of Beneficial Interests in such Notes.
- (iv) A holder of a Beneficial Interest shall only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 13 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*).

3.2.4. Recourse to the JSE Debt Guarantee Fund Trust

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust. Unlisted Notes are not regulated by the JSE.

4. TITLE

4.1. Notes issued in certificated form

- 4.1.1. Each holder of Notes represented by an Individual Certificate will be named in the Register as the registered holder of such Notes.
- 4.1.2. Title to Notes represented by an Individual Certificate will pass upon registration of transfer in the Register in accordance with Condition 16.2 (*Transfer of Notes represented by Individual Certificates*).
- 4.1.3. The Issuer, the Transfer Agent and the Paying Agent shall recognise a Noteholder as the sole and absolute owner of the Notes registered in that Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Note may be subject.

4.2. Notes issued in uncertificated form

The Noteholder(s) will be named in the Uncertificated Securities Register as the registered holder(s) of each Tranche of Notes which is issued in uncertificated form.

4.3. Beneficial Interests in Notes held in the CSD

- 4.3.1. While a Tranche of Notes is held in the CSD, the Noteholder will be named in the Register as the sole Noteholder of the Notes in that Tranche.

- 4.3.2. Beneficial Interests which are held by Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the CSD for such Participants.
- 4.3.3. Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests or their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the CSD only through their Participants.
- 4.3.4. In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the Aggregate Nominal Amount of such Notes standing to the account of such Person shall be *prima facie* proof of such Beneficial Interest. The Noteholder (as the registered holder of such Notes named in the Register) will be treated by the Issuer, the Paying Agent, the Transfer Agent and the CSD as the holder of that Aggregate Nominal Amount of such Notes for all purposes.
- 4.3.5. Beneficial Interests in Notes may be transferred only in accordance with the Applicable Procedures. Such transfers will not be recorded in the Register and the Noteholder will continue to be reflected in the Uncertificated Securities Register as the registered holder of such Notes, notwithstanding such transfers.
- 4.3.6. Any reference in the Terms and Conditions to the relevant Participant shall, in respect of a Beneficial Interest, be a reference to the Participant appointed to act as such by the holder of such Beneficial Interest.

5. STATUS OF SENIOR NOTES

Unless otherwise set out in the Applicable Pricing Supplement, the Senior Notes are direct, unconditional, unsubordinated and (subject to Condition 7 (*Negative Pledge*)) unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other present and future unsecured and unsubordinated obligations of the Issuer from time to time outstanding.

6. STATUS AND CHARACTERISTICS OF SUBORDINATED NOTES

- 6.1. Unless otherwise set out in the Applicable Pricing Supplement, Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and subordinated obligations of the Issuer, save for those which have been accorded preferential rights by law.
- 6.2. Subject to Applicable Laws, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation or wound-up or commences business rescue proceedings, the claims of the Persons entitled to payment of amounts due in respect of the Subordinated Notes, shall be subordinated to all other claims in respect of any other indebtedness of the Issuer except for other Subordinated Indebtedness, to the extent that, in any such event, and provided as aforesaid, no amount shall be eligible for setting-off or shall be payable to any or all of the Persons entitled to payment of amounts due in respect of the Subordinated Notes in respect of the obligations of the Issuer thereunder until all other indebtedness of the Issuer which is admissible in any such dissolution, insolvency, business rescue or winding-up (other than Subordinated Indebtedness) has been paid or discharged in full.

7. NEGATIVE PLEDGE

- 7.1. Unless as otherwise set out in the Applicable Pricing Supplement, for so long as any Tranche of the Senior Notes remains Outstanding, the Issuer undertakes that it shall not, and shall procure that no Material Subsidiary shall, create or permit the creation of any Encumbrances other than Permitted Encumbrances over any of their present or future business undertakings, assets or revenues to secure any present or future Indebtedness (save for those which have been accorded a preference by law) without at the same time securing all Senior Notes equally

and rateably with such Indebtedness or providing such other security or arrangement as may be approved by Extraordinary Resolution of the Senior Noteholders, unless the provision of any such security is waived by an Extraordinary Resolution of the Senior Noteholders.

- 7.2. The Issuer shall be entitled, but not obliged, to form, or procure the formation of, a trust or special purpose company (or more than one), or appoint, or procure the appointment of, an agent or agents to hold any such rights of security for the benefit or on behalf of such Noteholders.

8. GUARANTEE

- 8.1. In accordance with the terms of the Guarantee, the Original Guarantors, jointly and severally (together with Additional Guarantor(s)), irrevocably and unconditionally guarantee to the Noteholders all obligations which the Issuer may incur to the Noteholders and the due and punctual payment of all amounts owing by the Issuer in respect of the Notes arising under the Programme pursuant to this Programme Memorandum.
- 8.2. The Guarantors are required to make any payment under the Guarantee by no later than 3 (three) Business Days after receipt of a demand under and in terms of the Guarantee and these Terms and Conditions. All payments under the Guarantee will discharge the Guarantors of their applicable obligations to Noteholders under the Guarantee and will *pro tanto* discharge the Issuer of its corresponding obligations to the Noteholders under the Notes.
- 8.3. The Guarantee and each Accession Letter will be deposited with, and be held by, the Transfer Agent until the later of:
- (i) the date on which the Programme is terminated by the Issuer; and
 - (ii) the date on which all of the obligations of the Issuer and the Guarantors under or in respect of the Notes and/or the Guarantee, as the case may be, have been discharged in full.
- 8.4. Each Noteholder shall be entitled to require the Transfer Agent to produce the original of the Guarantee and each Accession Letter, on request and further shall be entitled to require the Transfer Agent, which shall be obliged, to provide a copy of the Guarantee to that Noteholder on request. In holding the Guarantee and each Accession Letter, the Transfer Agent does not act in any fiduciary or similar capacity for the Noteholders and it shall not accept any liability, duty or responsibility to Noteholders in this regard.
- 8.5. **Additional Guarantor(s)**
- 8.5.1. The Issuer may from time to time request that any member of the Tsogo Group or Material Subsidiary, as the case may be, becomes an Additional Guarantor.
- 8.5.2. A member of the Tsogo Group or Material Subsidiary, as the case may be, shall become an Additional Guarantor, pursuant to Condition 8.5.1 above, if:
- 8.5.2.1. the Additional Guarantor delivers to the Issuer a duly completed and executed Accession Letter; and
 - 8.5.2.2. the Issuer has received all of the documents and other evidence listed in Schedule 3 (*Conditions Precedent*) to the Guarantee in relation to that Additional Guarantor, each in a form and substance satisfactory to the Issuer.
- 8.5.3. The Issuer shall notify the Transfer Agent and the Noteholders in accordance with Condition 20 (*Notices*) and via SENS, of the Additional Guarantor promptly upon becoming aware that it has received the documentation as set out in Condition 8.5.2 above.

9. INTEREST

9.1. Fixed Rate Notes

- 9.1.1. Each Fixed Rate Note bears interest on its outstanding Nominal Amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement at the rate(s) per annum equal to the Fixed Rate of Interest so specified, payable in arrears on the Fixed Interest Payment Dates in each year up to and including the Maturity Date.
- 9.1.2. The first payment of interest will be made on the Fixed Interest Payment Date next following the Interest Commencement Date.

- 9.1.3. Except as provided in the Applicable Pricing Supplement, the amount of interest payable per Note on each Fixed Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount, provided that:
- 9.1.3.1. if an Initial Broken Amount is specified in the Applicable Pricing Supplement, then the first Interest Amount shall equal the Initial Broken Amount specified in the Applicable Pricing Supplement; and
- 9.1.3.2. if a Final Broken Amount is specified in the Applicable Pricing Supplement, then the final Interest Amount shall equal the Final Broken Amount.
- 9.1.4. Interest will be calculated in accordance with the Interest Rate Period as specified in the Applicable Pricing Supplement for JSE listed Fixed Rate Notes, however in any other instance, such interest shall be calculated by applying the Fixed Rate of Interest to each Specified Denomination, multiplying such product by the applicable Day Count Fraction, as specified in the Applicable Pricing Supplement, and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half such Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

9.2. Floating Rate Notes and Indexed Interest Notes

Interest Payment Dates

Each Floating Rate Note and Indexed Interest Note bears interest on its outstanding Nominal Amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement, and such interest will be payable in arrears on the Interest Payment Date(s) in each year specified in the Applicable Pricing Supplement. Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

Rate of Interest

The Rate of Interest payable from time to time in respect of the Floating Rate Notes and Indexed Interest Notes will be determined in the manner specified in the Applicable Pricing Supplement.

Minimum and/or Maximum Rate of Interest

If the Applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. If the Applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

Determination of Rate of Interest and Calculation of Interest Amount

The Calculation Agent, in the case of Floating Rate Notes and Indexed Interest Notes will at, or as soon as is practicable after, each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the Interest Amount payable in respect of each Floating Rate Note and Indexed Interest Note in respect of each Specified Denomination for the relevant Interest Period, and the Calculation Agent shall notify the Issuer of the Rate of Interest for the relevant Interest Period as soon as is practicable after calculating the same. Each Interest Amount shall be calculated by applying the Rate of Interest to the Specified Denomination, multiplying such product by the applicable Day Count Fraction and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half a Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Interest Determination, Screen Rate Determination including Fallback Provisions

Where ISDA Determination is specified in the Applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph, **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by such agent as a notional under an interest rate swap transaction if that agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the most recent ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the Applicable Pricing Supplement;
- (b) the Designated Maturity is the period specified in the Applicable Pricing Supplement; and
- (c) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on ZAR-JIBAR-SAFEX, the first Day of the applicable Interest Period; or (ii) in any other case, as specified in the Applicable Pricing Supplement.

For the purposes of the above sub-paragraph **Floating Rate, Floating Rate Option, Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions specified in the Applicable Pricing Supplement.

Where Screen Rate Determination is specified in the Applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject to the provisions below, be either:

- (a) if the Relevant Screen Page is available,
 - (i) the offered quotation (if only one quotation appears on the Relevant Screen Page); or
 - (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage per annum) for the Reference Rate which appears on the Relevant Screen Page as at 11h00 (or as otherwise specified in the Applicable Pricing Supplement) (Johannesburg time) on the Interest Rate Determination Date in question plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations; or

- (b) if the Relevant Screen Page is not available or if, in the case of (a)(i) above, no such offered quotation appears or, in the case of (a)(ii) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Calculation Agent shall request the principal Johannesburg office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11h00 (Johannesburg time) on the Interest Rate Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent; or
- (c) if the Rate of Interest cannot be determined by applying the provisions of (a) and (b) above, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks offered, at approximately 11h00 (Johannesburg time) on the relevant Interest Rate Determination Date, deposits in an

amount approximately equal to the Nominal Amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate to prime banks in the Johannesburg inter-bank market plus or minus (as appropriate) the Margin (if any). If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the Rate of Interest for the relevant Interest Period will be determined by the Calculation Agent as the arithmetic mean (rounded as provided above) of the rates for deposits in an amount approximately equal to the Nominal Amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate, quoted at approximately 11h00 (Johannesburg time) on the relevant Interest Rate Determination Date, by the Reference Banks plus or minus (as appropriate) the Margin (if any). If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 9.2(c), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the Applicable Pricing Supplement as being other than ZAR-JIBAR-SAFEX, the Rate of Interest in respect of such Notes will be determined as provided in the Applicable Pricing Supplement.

Notification of Rate of Interest and Interest Amount

The Issuer will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be announced on SENS and to be notified to the JSE and the CSD and/or every other relevant exchange or authority, and will announce on SENS, as soon as possible after their determination but in any event no later than the 3rd (third) Business Day before the relevant Interest Payment Date. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the JSE, the CSD and/or every other relevant exchange or authority and to the Noteholders via SENS in accordance with Condition 20 (*Notices*) and at least 3 (three) Business Days prior to the relevant Interest Payment Date.

Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 9.2, by the Calculation Agent shall (in the absence of wilful deceit, bad faith or manifest error or proven error) be binding on the Issuer and all Noteholders and in the absence as aforesaid no liability to the Issuer or the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

9.3. Dual Currency Interest Notes

In the case of Dual Currency Interest Notes, the Interest Rate or Interest Amount payable shall be determined in the manner specified in the Applicable Pricing Supplement.

9.4. Mixed Rate Notes

The Interest Rate payable from time to time on Mixed Rate Notes shall be the Interest Rate payable on the form of interest-bearing Note (be it a Fixed Rate Note, Floating Rate Note, Index-Linked Note or Dual Currency Note) specified for each respective period, each as specified in the Applicable Pricing Supplement. During each such applicable period, the Interest Rate on the Mixed Rate Notes shall be determined and fall due for payment on the basis that such Mixed Rate Notes are Fixed Rate Notes, Floating Rate Notes, Index-Linked Notes or Dual Currency Notes, as the case may be.

9.5. Accrual of Interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date of its redemption unless, upon due presentation

thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue at the Default Rate specified in the Applicable Pricing Supplement until the date on which all amounts due in respect of such Note have been paid, or, in respect of uncertificated Notes, the date on which the full amount of the money payable has been received by the CSD and/or the Participants and notice to that effect has been given to Noteholders in accordance with Condition 20 (*Notices*).

9.6. **Applicable Business Day Convention**

If any Interest Payment Date (or other date), which is specified in the Applicable Pricing Supplement to be subject to adjustment in accordance with a Applicable Business Day Convention, would otherwise fall on a Day that is not a Business Day, then, if the Applicable Business Day Convention specified is:

- (a) the **Floating Rate Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next Day which is a Business Day unless it would thereby fall into the next calendar month, in which event: (i) such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day and (ii) each subsequent Interest Payment Date (or other date) shall be the last Business Day in the month which falls the number of months, or other period specified as the Interest Period in the Applicable Pricing Supplement, after the preceding applicable Interest Payment Date (or other date) has occurred; or
- (b) the **Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next Day which is a Business Day; or
- (c) the **Modified Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next Day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the first preceding Business Day; or
- (d) the **Preceding Business Day Convention**, such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day.

10. **PAYMENTS**

10.1. **General**

Payments of principal and/or interest on an Individual Certificate shall be made to the registered holder of such Note, as set forth in the Register on the close of business on the Last Day to Register (as specified in the Applicable Pricing Supplement). In addition to the above, in the case of a final redemption payment, the holder of the Individual Certificate shall be required, on or before the Last Day to Register prior to the Maturity Date, to surrender such Individual Certificate at the offices of the Transfer Agent.

Payments of principal and/or interest in respect of uncertificated Notes shall be made to the CSD, in the name of, and for, the account of the CSD and/or the Participants, as shown in the Register on the Last Day to Register pursuant to the Applicable Procedures, and the Issuer will be discharged of its payment obligations by proper payment to in the name of, and for, the account of the CSD and/or the Participants, in respect of each amount so paid. Each of the Persons shown in the records of the CSD and the Participants, as the case may be, shall look solely to the CSD or the Participant, as the case may be, for his/her share of each payment so made by the Issuer to the registered holder of such uncertificated Notes.

Payment will be subject in all cases, to any Applicable Law, but without prejudice to the provisions of Condition 12 (*Taxation*).

10.2. **Method of Payment**

Payments will be made in the Specified Currency by credit or transfer, by means of electronic settlement, to the Noteholder.

If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph (whether by reason of strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer shall make such payment by cheque marked "*not transferable*"

(or by such number of cheques as may be required in accordance with applicable banking law and practice to make payment of any such amounts). Such payments by cheque shall be sent by post to the address of the Noteholder as set forth in the Register or, in the case of joint Noteholders, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note.

Each such cheque shall be made payable to the relevant Noteholder or, in the case of joint Noteholders, the first one of them named in the Register. Cheques may be posted by ordinary post, provided that neither the Issuer, nor the Paying Agent, the CSD nor the Participant shall be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this Condition 10.2 (*Method of Payment*).

In the case of joint Noteholders with respect to Notes issued in certificated form, payment by electronic funds transfer will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.

10.3. Payment Day

10.3.1. Notwithstanding anything to the contrary contained in the Terms and Conditions, if the date for payment of any amount payable in respect of any Note is not a Business Day, then:

10.3.1.1. if an Applicable Business Day Convention is not specified in the Applicable Pricing Supplement, such date for payment shall be the following Business Day; and

10.3.1.2. if an Applicable Business Day Convention is specified in the Applicable Pricing Supplement, such date for payment shall be adjusted according to such Applicable Business Day Convention, and shall accrue up and until, but exclude the relevant Interest Payment Date, and be paid to the Noteholder on the relevant Interest Payment Date.

10.4. Interpretation of Principal and Interest

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

10.4.1. any additional amounts which may be payable with respect to principal under Condition 12 (*Taxation*);

10.4.2. the Final Redemption Amount of the Notes or the Early Redemption Amount of the Notes, as the case may be;

10.4.3. the Optional Redemption Amount(s) (if any), as specified in the Applicable Pricing Supplement, of the Notes;

10.4.4. in relation to Instalment Notes, the Instalment Amounts;

10.4.5. in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 11.7.3); and

10.4.6. any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes, but excluding for the avoidance of doubt, interest.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 12 (*Taxation*).

11. REDEMPTION AND PURCHASE

11.1. Redemption at Maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer in the Specified Currency at its Final Redemption Amount plus interest (if any) specified in, or determined in the manner specified in, the Applicable Pricing Supplement on the Maturity Date.

11.2. Redemption for Tax Reasons

Notes may be redeemed at the option of the Issuer at any time (in the case of Notes other than Floating Rate Notes, Indexed Interest Notes or Mixed Rate Notes having an Interest Rate

then determined on a floating or indexed basis) or on any Interest Payment Date (in the case of Floating Rate Notes, Indexed Interest Notes or Mixed Rate Notes), on giving not less than 30 (thirty) Days nor more than 60 (sixty) Days' notice to the Noteholders prior to such redemption, in accordance with Condition 20 (*Notices*) (which notice shall be irrevocable certified by 2 (two) authorised directors of the Issuer and include particulars of the relevant change pursuant to Condition 11.2.1 below), if the Issuer, immediately prior to the giving of such notice, is of the reasonable opinion that:

- 11.2.1. as a result of any change in, or amendment to, the laws or regulations of South Africa or any political sub-division of, or any authority in, or of, South Africa having power to tax, or any change or amendment of such laws which becomes effective after the relevant Issue Date, the Issuer is or would be required to pay additional amounts as provided or referred to in Condition 12 (*Taxation*); and
- 11.2.2. the requirement and/or adverse effect cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 (ninety) Days prior to the earliest date on which the Issuer would be obliged to pay or may become subject to the payment of such additional amounts were a payment in respect of the Notes then due. Notes may be redeemed by the Issuer in accordance with this Condition 11.2 (*Redemption for Tax Reasons*) in whole or in part. A redemption in part may be effected by the Issuer:

- 11.2.2.1. notwithstanding that such partial redemption may not entirely avoid such obligation to pay additional amounts as provided for or referred to in Condition 12 (*Taxation*); and
- 11.2.2.2. *mutatis mutandis* in the manner described in Condition 11.3 (*Redemption at the Option of the Issuer*), provided that the references to the giving of notice therein and to the Minimum Redemption Amount and the Higher Redemption Amount (both as specified in the Applicable Pricing Supplement) therein shall be disregarded for such purposes.

From the date of publication of the notice to Noteholders of the redemption referred to in Condition 11.2 (*Redemption for Tax Reasons*) above, the Issuer shall deliver to the Transfer Agent and the Paying Agent at their Specified Offices, for inspection by the relevant Noteholders (i) a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to effect such redemption have occurred and (ii) a copy of a legal opinion from independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed for tax reasons pursuant to this Condition 11.2 (*Redemption for Tax Reasons*) will be redeemed at their Early Redemption Amount referred to in Condition 11.7 (*Early Redemption Amounts*), together (if appropriate) with interest accrued from (and including) the immediately preceding Interest Payment Date to (but excluding) the date of redemption or as specified in the Applicable Pricing Supplement.

11.3. **Redemption at the Option of the Issuer**

If the Issuer is specified in the Applicable Pricing Supplement as having an option to redeem all or some of the Notes then Outstanding, the Issuer may, having given not less than 30 (thirty) Days nor more than 60 (sixty) Days irrevocable notice to the Noteholders in accordance with Condition 20 (*Notices*) or unless otherwise specified with the Applicable Pricing Supplement, redeem all or some of the Notes (to which such Applicable Pricing Supplement relates) then Outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the Applicable Pricing Supplement, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Any redemption must be of a Nominal Amount equal to the Minimum Redemption Amount or a Higher Redemption Amount, both as indicated in the Applicable Pricing Supplement.

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected individually by lot, in the case of Redeemed Notes represented by Individual Certificates, and in accordance with the Applicable Procedures in the case of Redeemed Notes

which are uncertificated, and in each case not more than 30 (thirty) Days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**).

In the case of Redeemed Notes represented by Individual Certificates, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 20 (*Notices*) not less than 30 (thirty) Days prior to the date fixed for redemption. The Aggregate Nominal Amount of Redeemed Notes represented by Individual Certificates shall bear the same proportion to the Aggregate Nominal Amount of all Redeemed Notes as the Aggregate Nominal Amount of Individual Certificates outstanding bears to the Aggregate Nominal Amount of the Notes Outstanding, in each case on the Selection Date, provided that such first mentioned Nominal Amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination and the Aggregate Nominal Amount of Redeemed Notes which are uncertificated shall be equal to the balance of the Redeemed Notes. No exchange of the relevant uncertificated Notes will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this sub-paragraph, and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 20 (*Notices*) at least 10 (ten) Days prior to the Selection Date.

Holders of Redeemed Notes shall surrender the Individual Certificates, if any, representing the Notes in accordance with the provisions of the notice given to them by the Issuer as contemplated above. Where only a portion of the Notes represented by such Individual Certificates are redeemed, the Transfer Agent shall deliver new Individual Certificates to the Noteholders, as the case may be, in respect of the balance of the Notes.

11.4. **Redemption at the Option of the Senior Noteholders**

If Senior Noteholders are specified in the Applicable Pricing Supplement as having an option to request the redemption of Senior Notes, such Senior Noteholders may exercise such option in respect of such Senior Notes by delivering to the Transfer Agent, in accordance with Condition 20 (*Notices*), a duly executed notice (**Put Notice**), at least 30 (thirty) Days but not more than 60 (sixty) Days, prior to the Optional Redemption Date.

For redemption in part, the redemption amount specified in such Put Notice in respect of any such Senior Note must be of a principal amount equal to or greater than the Minimum Redemption Amount or equal to or less than the Higher Redemption Amount, each as indicated in the Applicable Pricing Supplement.

The redemption by the Senior Noteholders of uncertificated Senior Notes shall take place in accordance with the Applicable Procedures.

The Issuer shall proceed to redeem the Senior Notes in respect of which such option has been exercised in accordance with the terms of the Applicable Pricing Supplement, at the Optional Redemption Amount and on the Optional Redemption Date, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

In the event that the redeeming Senior Noteholder is the holder of an Individual Certificate, then such Senior Noteholder shall (attached to the Put Notice) deliver the Individual Certificate to the Transfer Agent at least 1 (one) Business Day prior to the Optional Redemption Date, for cancellation, failing which the Put Notice shall be invalid. A holder of an Individual Certificate shall, in that holder's Put Notice, specify a bank account, in South Africa into which the redemption payment amount is to be paid.

If, prior to such due date for its redemption, such Note becomes immediately due and payable or if upon due presentation payment of such redemption monies is improperly withheld or refused, the Transfer Agent shall post such Note by uninsured post to, and at the risk of, the relevant Noteholder (unless the Noteholder has otherwise requested and paid the costs of such insurance to the Transfer Agent at the time of depositing the Notes) at such address as may have been given by the Noteholder in the Put Notice. At the end of each period for the exercise of such option, the Transfer Agent shall promptly notify the Issuer of the Nominal Amount of the Notes in respect of which such option has been exercised with it and the serial numbers in respect of any Notes represented by an Individual Certificate.

The delivery of Put Notices shall be required to take place during normal office hours to the Issuer and Transfer Agent. Put Notices shall be available for inspection at the Specified Offices of the Transfer Agent.

Any Put Notice given by a holder of any Senior Note pursuant to this paragraph shall be irrevocable except where, after giving the notice but prior to the due date of redemption, an Event of Default shall have occurred and be continuing in which event such Senior Noteholder, at its option, may elect by notice to the Issuer, delivered at least 1 (one) Business Day prior to the Optional Redemption Date to withdraw the notice given pursuant to this paragraph and instead to declare such Senior Note forthwith due and payable pursuant to Condition 18 (*Events of Default*).

The Issuer shall have no liability to remedy any defects in any Put Notice or bring any such defects to the attention of any Noteholder.

11.5. **Redemption in the event of a Change of Control**

The provisions of this Condition 11.5 (*Redemption in the event of a Change of Control*) shall apply if specified as applicable in the Applicable Pricing Supplement.

11.5.1. A “**Change of Control Event**” shall occur if at any time while any Note remains Outstanding:

- (i) a Change of Control occurs; and
- (ii) within the Change of Control Period and in respect of that Change of Control:
 - (A) a Rating Downgrade occurs in relation to the Issuer and/or the Programme and/or any Notes rated by a Rating Agency, as the case may be; or
 - (B) if, at the time the Change of Control occurs, the Issuer and/or the Programme and/or the Notes, as the case may be, are not so rated, a Negative Rating Event occurs.

11.5.2. Promptly upon the Issuer becoming aware that a Change of Control Event has occurred, the Issuer shall give a notice to the Noteholders in accordance with Condition 20 (*Notices*) specifying the nature of the Change of Control Event and the circumstances giving rise to it and the procedure for exercising the option contained in this Condition 11.5.

11.5.3. If a Change of Control Event occurs at any time while any Note remains Outstanding, then provided the Noteholders have:

- (i) in terms of Condition 20 (*Notices*) issued a notice to convene a meeting of Noteholders within 30 (thirty) Days of the notification set out in Condition (B) above; and
- (ii) resolved in terms of Condition 22 (*Meetings of Noteholders/Consent Process*) by way of Extraordinary Resolution to require the redemption of the Notes of that Class of Noteholders in these circumstances,

the Issuer shall redeem all Notes held by that Class of Noteholders at its Early Redemption Amount together with accrued interest (if any) within 45 (forty five) Days of having received a written notice from that Class of Noteholders to redeem such Note (a **Change of Control Redemption Notice**).

11.5.4. Such option shall be exercisable by a Class of Noteholders by the delivery of a written Change of Control Redemption Notice to the Issuer at its Registered Office within 60 (sixty) Days after the occurrence of a Change of Control Event, unless prior to the delivery by that Class of Noteholders of its Change of Control Redemption Notice the Issuer gives notice to redeem the Notes.

11.5.5. For the purposes of this Condition 11.5 (*Redemption in the event of a Change of Control*):

- (a) **Acting in Concert** means a group of Persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate Control of the Issuer;
- (b) a **Change of Control** shall be deemed to have occurred at each time (whether or not approved by the senior management or board of directors of the Issuer), that any Person (“**Relevant Person**”) or Person Acting in Concert or any Person or Persons acting on behalf of any such Person(s), at any time directly or indirectly acquires Control of the Issuer, provided that a Change of Control shall not be

deemed to have occurred if the shareholders of the Relevant Person are also, or immediately prior to the event which would otherwise constitute a Change of Control, were all of the shareholders of the Issuer;

- (c) **Change of Control Period** means, in relation to a Change of Control of the Issuer, the period commencing 60 (sixty) Days prior to such Change of Control and ending 60 (sixty) Days after such Change of Control;
- (d) **Control** of the Issuer means (A) the holding beneficially of more than 50% (fifty percent) of the issued share capital of the Issuer (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital), or (B) the power to cast, or control the casting of votes in respect of, such number of the shares in the issued share capital of the Issuer carrying more than 50% (fifty percent) of the total number of votes that may be cast at a general meeting of the members of the Issuer;
- (e) **Investment Grade Rating** means a national scale rating of “**Baa3.za**” by Moody’s, “**zaBBB-**” by S&P or “**BBB-(ZA)**” by GCR Proprietary Limited, or better;
- (f) a **Negative Rating Event** shall, in relation to Notes that are unrated and/or where no Rating is assigned to the Issuer and/or the Programme, as the case may be, by a Rating Agency at the time a Change of Control occurs, be deemed to have occurred if:
 - (A) the Issuer does not on or before the 60th (sixtieth) Business Day after the commencement of the Change of Control Period seek, and use all reasonable endeavours to obtain from a Rating Agency, a Rating in respect of itself and/or the Programme and/or the Notes, as the case may be, that are not rated; or
 - (B) if it does so seek and use such endeavours, but it has not at the expiry of the Change of Control Period and as a result of such Change of Control obtained an Investment Grade Rating in respect of itself and/or the Programme and/or such Notes, as the case may be;
- (g) **Rating Downgrade** shall, in relation to the Issuer and/or the Programme and/or any Notes, as the case may be, be deemed to have occurred in respect of a Change of Control if within the Change of Control Period the Rating previously assigned to the Issuer and/or the Programme and/or such Notes, as the case may be, by any Rating Agency is:
 - (A) withdrawn; or
 - (B) changed from an Investment Grade Rating to a non-Investment Grade Rating; or
 - (C) in the case of a non-Investment Grade Rating, downgraded by any Rating Agency by one or more Rating Notches,

provided that no Rating Downgrade shall have occurred if the Rating assigned to the Issuer and/or the Programme and/or the Notes, as the case may be, is substituted for an Investment Grade Rating by another Rating Agency or is substituted for an Investment Grade Rating of the Issuer and/or the Programme and/or the Notes, as the case may be; and
- (h) **Rating Notch** means the difference between one Rating and the Rating immediately below it, for example, from “**BB+**” to “**BB**” by the Rating Agency or such similar lower or equivalent Rating.

11.6. **Redemption in the event of a failure to maintain JSE Listing or Rating**

The provisions of this Condition 11.6 (*Redemption in the event of a failure to maintain JSE Listing or Rating*) shall apply if specified in the Applicable Pricing Supplement.

11.6.1. The Issuer shall, for so long as listed Notes remain Outstanding:

11.6.1.1. ensure that those Notes remain listed on the Interest Rate Market of the JSE (the **JSE Listing**); and

- 11.6.1.2. maintain any Rating (whether or not specified in the Applicable Pricing Supplement) in respect of the Issuer, a Guarantor, the Notes or the Programme, as the case may be.
- 11.6.2. If a breach of either of the undertakings in Condition 11.6.1 above occurs, then the Issuer shall within 3 (three) Business Days of such breach, and in accordance with Condition 20 (*Notices*), give notice (the **Issuer Redemption Notice**) to the Noteholders of such breach and the procedure for exercising the option set out in Condition 11.6.4 below.
- 11.6.3. Each Noteholder may within the period ending 15 (fifteen) Business Days of receipt of the Issuer Redemption Notice (the **Election Period**), require the Issuer to redeem its Notes on:
 - 11.6.3.1. the Interest Payment Date immediately following the Election Period; or
 - 11.6.3.2. if the Election Period expires within a Books Closed Period, the next Interest Payment Date falling after the Interest Payment Date at the end of the Election Period,
 by delivery to the Issuer of a notice (the **Noteholder Redemption Notice**) in accordance with Condition 20 (*Notices*).
- 11.6.4. The Issuer shall, in accordance with Condition 11.6.2 above, redeem the Notes relevant to each Noteholder Redemption Notice at the Early Redemption Amount calculated in accordance with Condition 11.7 (*Early Redemption Amounts*), together with accrued interest (if any).

11.7. **Early Redemption Amounts**

For the purpose of Condition 11.2 (*Redemption for Tax Reasons*), Condition 11.3 (*Redemption at the Option of the Issuer*), Condition 11.4 (*Redemption at the Option of the Senior Noteholders*), Condition 11.5 (*Redemption in the event of a Change of Control*), and/or Condition 18 (*Events of Default*), the Notes will be redeemed at the Early Redemption Amount plus interest (if any), calculated as follows:

- 11.7.1. in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- 11.7.2. in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price, at the amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement or, if no such amount or manner is so specified in the Applicable Pricing Supplement, at their Nominal Amount; or
- 11.7.3. in the case of Zero Coupon Notes, at an amount (the **Amortised Face Amount**) equal to the sum of: (i) the Reference Price; and (ii) the product of the Implied Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable; or
- 11.7.4. such other amount or method of calculation of the amount payable as is provided in the Applicable Pricing Supplement.

Where such calculation is to be made for a period which is not a whole number of years, it shall be calculated on the basis of actual Days elapsed divided by 365 (three hundred and sixty five), or such other calculation basis as may be specified in the Applicable Pricing Supplement.

11.8. **Instalment Notes**

Instalment Notes will be redeemed at the Instalment Amounts and on the Instalment Dates. In the case of early redemption in accordance with Conditions 11.2 (*Redemption for Tax Reasons*), Condition 11.3 (*Redemption at the Option of the Issuer*), Condition 11.4 (*Redemption at the Option of the Senior Noteholders*), Condition 11.5 (*Redemption in the event of a Change of Control*), Condition 11.6 (*Redemption in the event of a failure to maintain JSE Listing or Rating*) and/or Condition 18 (*Events of Default*), the Early Redemption Amount will be determined pursuant to Condition 11.7 (*Early Redemption Amounts*).

11.9. **Partly Paid Notes**

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption

or otherwise, in accordance with the provisions of this Condition 11 (*Redemption and Purchase*) and the Applicable Pricing Supplement. In the case of early redemption in accordance with Conditions 11.2 (*Redemption for Tax Reasons*) Condition 11.3(*Redemption at the Option of the Issuer*), Condition 11.4 (*Redemption at the Option of Senior Noteholders*), Condition 11.5 (*Redemption in the event of a Change of Control*), Condition 11.6 (*Redemption in the event of a failure to maintain JSE Listing or Rating*) and/or Condition 18 (*Events of Default*), the Early Redemption Amount will be determined pursuant to Condition 11.7 (*Early Redemption Amounts*).

11.10. Exchangeable Notes

If the Notes are Exchangeable Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in the manner indicated in the Applicable Pricing Supplement. Exchangeable Notes in respect of which Mandatory Exchange is indicated in the Applicable Pricing Supplement as applying, or upon the exercise by the Noteholder of the Noteholder's Exchange Right (if applicable), will be redeemed by the Issuer delivering to each Noteholder as many of the Exchange Securities as are required in accordance with the Exchange Price. The delivery by the Issuer of the Exchange Securities in the manner set out in the Applicable Pricing Supplement shall constitute the *in specie* redemption in full of such Notes.

11.11. Purchases

The Issuer or any of its Subsidiaries may at any time purchase Notes at any price in the open market or otherwise. Such Notes may, subject to Applicable Laws, be held, resold, or, at the option of the Issuer, surrendered to the Transfer Agent for cancellation.

11.12. Cancellation

All Notes which have been redeemed will forthwith be cancelled. All Notes so cancelled shall be forwarded to the Issuer and cannot be re-issued or resold. Where only a portion of Notes represented by an Individual Certificate are cancelled, the Transfer Agent shall deliver an Individual Certificate to such Noteholder in respect of the balance of the Notes.

11.13. Late Payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 11 (*Redemption and Purchase*) or upon its becoming due and repayable as provided in Condition 18 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 11.7.3 as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of: (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and (ii) 5 (five) Days after the date on which the full amount of the monies payable has been received by the CSD, and notice to that effect has been given to the Noteholder in accordance with Condition 20 (*Notices*).

11.14. Applicable Procedures

The redemption and partial redemption of Beneficial Interests shall take place in accordance with the Applicable Procedures and the Financial Markets Act.

12. TAXATION

12.1. Unless otherwise set out in the Applicable Pricing Supplement, all payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of South Africa or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.

12.2. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Note:

12.2.1. held by or on behalf of a Noteholder who is liable for such taxes or duties in respect of such

Note by reason of his having some connection with South Africa other than the mere holding of such Note or the receipt of principal or interest in respect thereof; or

- 12.2.2. presented for payment by or on behalf of, or held by, a Noteholder who could lawfully avoid (but has not so avoided) such withholding or deduction by complying with any statutory requirements in force at the present time or in the future by making a declaration of non-residence or other similar claim or filing for exemption to which it is entitled to the relevant tax authority or the Paying Agent (the effect of which is not to require the disclosure of the identity of the relevant Noteholder); or
 - 12.2.3. where such withholding or deduction is in respect of taxes levied or imposed on interest or principal payments only by virtue of the inclusion of such payments in the taxable income (as defined in section 1 of the Income Tax Act) or taxable capital gain (as defined in paragraph 1 of Schedule 8 to the Income Tax Act) of any Noteholder; or
 - 12.2.4. where (in the case of payment of principal and/or interest which is conditional on surrender and/or presentation of the relevant Individual Certificate in accordance with the Terms and Conditions) the relevant Individual Certificate is surrendered and/or presented more than 30 (thirty) Days after the Payment Day, except to the extent that the Noteholder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth Day; or
 - 12.2.5. if such withholding or deduction arises through the exercise by revenue authorities of special powers in respect of tax defaulters.
- 12.3. Any reference in these Terms and Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under these Terms and Conditions or under any undertakings given in addition to, or in substitution for, these Terms and Conditions.

13. **EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF INDIVIDUAL CERTIFICATES**

13.1. **Exchange of Beneficial Interests**

- 13.1.1. The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures and subject to section 42 of the Financial Markets Act, by written notice to the holder's nominated Participant (or, if such holder is a Participant, the CSD), request that such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the **Exchange Notice**). The Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the Day on which such Beneficial Interest is to be exchanged for an Individual Certificate; provided that such Day shall be a Business Day and shall fall not less than 30 (thirty) Days after the Day on which such Exchange Notice is given.
- 13.1.2. The holder's nominated Participant will, following receipt of the Exchange Notice, through the CSD, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) Days after receiving such notice, in accordance with the Applicable Procedures, procure that an Individual Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) Day period, to the holder of the Beneficial Interest at the Specified Office of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and the delivery to one of those joint holders shall be delivery to all of them.
- 13.1.3. In the case of the exchange of a Beneficial Interest in Notes issued in uncertificated form:
 - 13.1.3.1. the CSD will surrender (through the CSD system) such uncertificated Notes to the Transfer Agent at its Specified Office; and
 - 13.1.3.2. the Transfer Agent will obtain the release of such uncertificated Notes from the CSD in accordance with the Applicable Procedures.
 - 13.1.3.3. An Individual Certificate shall, in relation to a Beneficial Interest in any number of Notes issued in uncertificated form of a particular Aggregate Nominal Amount standing to the account of the holder thereof, represent that number of Notes of that Aggregate Nominal

Amount, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such Aggregate Nominal Amount is equivalent to a fraction of the Specified Denomination or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

13.2. Replacement

If any Individual Certificate is worn out, mutilated, defaced, stolen, destroyed or lost it may be replaced at the Specified Office of the Transfer Agent, on payment by the claimant of such costs and expenses as may be incurred in connection therewith and the provision of such indemnity as the Issuer and the Transfer Agent may reasonably require. Worn out, mutilated or defaced Individual Certificates must be surrendered at the Specified Office of the Transfer Agent before replacements will be issued.

13.3. Death and sequestration or liquidation of Noteholder

Any Person becoming entitled to Notes as a consequence of the death, sequestration or liquidation of the holder of such Notes may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 13.3, or of his title as the Issuer and the Transfer Agent shall require, be registered himself as the holder of such Notes or, subject to the Applicable Procedures, this Condition 13.3 and Condition 16.2 (*Transfer of Notes represented by Individual Certificates*), may transfer such Notes. The Issuer and (if applicable) the CSD and the relevant Participant shall be entitled to retain any amount payable upon the Notes to which any Person is so entitled until such Person shall be registered as aforesaid or until such time such Notes are duly transferred.

13.4. Costs

The costs and expenses of the printing, issue and delivery of each Individual Certificate and all taxes and governmental charges that may be imposed in relation to such Individual Certificate and/or the printing, issue and delivery of such Individual Certificate shall be borne by the holder of the Notes represented by that Individual Certificate. Separate costs and expenses relating to the provision of Individual Certificates and/or the transfer of Notes may be levied by other Persons, such as a Participant, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer. The costs and expenses of the delivery of Individual Certificates and all taxes or governmental charges or insurance charges that may be imposed in relation to such mode of delivery shall be borne by the Noteholder.

14. REGISTRATION OF NOTES ISSUED IN CERTIFICATED FORM

14.1. The Register of Noteholders in respect of Notes issued in certificated form:

- 14.1.1. shall be kept at the Specified Office of the Transfer Agent and a copy thereof shall be made available for inspection at the Registered Office of the Issuer (as set out at the end of the Programme Memorandum) or such other Person as may be appointed for the time being by the Issuer to maintain the Register;
- 14.1.2. shall contain the names, addresses and bank account numbers of the registered Noteholders;
- 14.1.3. shall show the total Nominal Amount of the Notes held by Noteholders;
- 14.1.4. shall show the dates upon which each of the Noteholders was registered as such;
- 14.1.5. shall show the serial numbers of the Individual Certificates and the dates of issue thereof;
- 14.1.6. shall be open for inspection at all reasonable times during business hours on Business Days by any Noteholder or any Person authorised in writing by a Noteholder; and
- 14.1.7. shall be closed during the Books Closed Period.

14.2. The Transfer Agent shall alter the Register in respect of any change of name, address or account number of any of the Noteholders of which it is notified.

14.3. Except as provided for in these Terms and Conditions or as required by law, in respect of Notes, the Issuer will only recognise a Noteholder as the owner of the Notes registered in that Noteholder's name as per the Register.

14.4. Except as provided for in these Terms and Conditions or as required by law, the Issuer shall

not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Individual Certificate may be subject.

15. REGISTRATION OF NOTES ISSUED IN UNCERTIFICATED FORM

- 15.1. The Uncertificated Securities Register of Noteholders in respect of Notes issued in uncertificated form will be administered by a Participant or the CSD as determined in accordance with the rules of the CSD.
- 15.2. Subject to Applicable Laws and the Applicable Procedures, title to Beneficial Interests held by Noteholders through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD or the relevant Participants for such Noteholders. Beneficial Interests may be transferred only in accordance with the Applicable Procedures.
- 15.3. The Participant, or the CSD, as the case may be, shall alter the Uncertificated Securities Register in respect of any change of name, address or account number of any of the Noteholders of uncertificated notes of which it is notified.

16. TRANSFER OF NOTES

16.1. *Transfer of Beneficial Interests in Notes held in the CSD*

- 16.1.1. Beneficial Interests may be transferred only in accordance with the Applicable Procedures through the CSD.
- 16.1.2. Transfers of Beneficial Interests to and from clients of Participants occur by way of electronic book entry in the securities accounts maintained by the Participants for their clients, in accordance with the Applicable Procedures.
- 16.1.3. Transfers of Beneficial Interests among Participants occur through electronic book entry in the central securities accounts maintained by the CSD for the Participants, in accordance with the Applicable Procedures.
- 16.1.4. Transfers of Beneficial Interests in Notes will not be recorded in the Register and the CSD will continue to be reflected in the Register as the Noteholder of such Notes notwithstanding such transfers.

16.2. *Transfer of Notes represented by Individual Certificates*

- 16.2.1. In order for any transfer of Notes represented by an Individual Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer:
 - 16.2.1.1. the transfer of such Notes must be embodied in a Transfer Form;
 - 16.2.1.2. the Transfer Form must be signed by the registered Noteholder of such Notes and the transferee, or any Representatives of that registered Noteholder or transferee; and
 - 16.2.1.3. the Transfer Form must be delivered to the Transfer Agent at its Specified Office together with the Individual Certificate representing such Notes for cancellation.
- 16.2.2. Notes represented by an Individual Certificate may only be transferred, in whole or in part, in amounts of not less than the Specified Denomination (or any multiple thereof).
- 16.2.3. Subject to this Condition 16.2, the Transfer Agent will, within 3 (three) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any Applicable Laws and/or Applicable Procedures), record the transfer of Notes represented by an Individual Certificate (or the relevant portion of such Notes) in the Register, and authenticate and deliver to the transferee at the Transfer Agent's Specified Office or, at the risk of the transferee, send by mail to such address as the transferee may request, a new Individual Certificate in respect of the Notes transferred reflecting the outstanding Nominal Amount of the Notes transferred.
- 16.2.4. Where a Noteholder has transferred a portion only of Notes represented by an Individual Certificate, the Transfer Agent will authenticate and deliver to such Noteholder at the Transfer Agent's Specified Office or, at the risk of such Noteholder, send by mail to such address as such Noteholder may request, at the risk of such Noteholder, a new Individual Certificate representing the balance of the Notes held by such Noteholder.

- 16.2.5. The transferor of any Notes represented by an Individual Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.
- 16.2.6. Before any transfer of Notes represented by an Individual Certificate is registered in the Register, all relevant transfer taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Issuer and the Transfer Agent may reasonably require as to the identity and title of the transferor and the transferee.
- 16.2.7. No transfer of any Notes represented by an Individual Certificate will be registered whilst the Register is closed as contemplated in Condition 14 (*Registration of Notes issued in Certificated Form*).
- 16.2.8. If a transfer of any Notes represented by an Individual Certificate is registered in the Register, the Transfer Form and cancelled Individual Certificate will be retained by the Transfer Agent.
- 16.2.9. In the event of a partial redemption of Notes under Condition 11.3 (*Redemption at the Option of the Issuer*), the Transfer Agent shall not be required in terms of Condition 11.3 (*Redemption at the Option of the Issuer*), to register the transfer of any Notes during the period beginning on the tenth Day before the date of the partial redemption and ending on the date of the partial redemption (both inclusive).

17. **PRESCRIPTION**

The Notes will become void unless presented for payment of principal within a period of three years after their redemption date.

18. **EVENTS OF DEFAULT**

18.1. **Senior Notes**

- 18.1.1. Unless otherwise set out in the Applicable Pricing Supplement, if, for any particular Series of Notes, one or more of the following events (**Events of Default**) shall have occurred and be continuing:

18.1.1.1. **Non-Payment**

the Issuer fails to pay any principal or interest due under the Senior Notes on its due date for payment thereof, unless such failure to pay is caused by an administrative or technical error, and any such failure continues for a period of 3 (three) Business Days; or

18.1.1.2. **Negative Pledge**

the Issuer or any Material Subsidiary, as the case may be, fails to remedy a breach of Condition 7 (*Negative Pledge*) and the Issuer fails to take reasonable steps to remedy such circumstances within 21 (twenty one) Business Days of the Issuer notifying the Noteholders, such notice to be delivered within 15 (fifteen) Business Days of the Issuer becoming aware of such a breach; or

18.1.1.3. **Breach of Material Obligations**

the Issuer fails to perform or observe any of its other material obligations or undertakings (not specifically covered elsewhere in this Condition 18.1) under or in respect of any of the Senior Notes and such failure continues for a period of 30 (thirty) Days after receipt by the Issuer of a notice from the Senior Noteholders (in accordance with Condition 20 (*Notices*)) in respect of such failure specifying the failure and requesting the Issuer to remedy same; or

18.1.1.4. **Cross Default**

- 18.1.1.4.1. any Indebtedness of the Issuer, any Guarantor(s) or any other Material Subsidiary is declared to be or becomes due and repayable before its stated maturity by reason of an event of default (howsoever described); or
- 18.1.1.4.2. the Issuer, any Guarantor(s) or any other Material Subsidiary fails to make any payment in respect of any Indebtedness on the due date for payment (as extended by any originally applicable grace period); or

- 18.1.1.4.3. any security given by the Issuer, any Guarantor(s) or any other Material Subsidiary for any other Indebtedness becomes enforceable by reason of default in relation thereto and steps are taken to enforce such security; or
- 18.1.1.4.4. a default is made by the Issuer, any Guarantor(s) or any other Material Subsidiary in making any payment due under any guarantee and/or indemnity (at the expiry of any originally applicable grace period) given by it in relation to any Material Indebtedness of any other person; and
- 18.1.1.4.5. no Event of Default will occur under this Condition 18.1.1.4, if the aggregate amount of Indebtedness within Conditions 18.1.1.4.1 to 18.1.1.4.4. above is less than 2.5% (two point five percent) of the total assets of the Tsogo Group as set out in the Issuer's latest published audited financial statements at the time of the occurrence of an Event of Default; or
- 18.1.1.5. ***Authorisation and Consents***
- any action, condition or thing, including obtaining any consent, licence approval or authorisation now or in future necessary to enable the Issuer to comply with its respective obligations under the Notes, or any Guarantor(s) to comply with obligations under is not taken, fulfilled or done or any such consent, licence, approval or authorisation is revoked, modified, withdrawn or withheld or ceases to be in full force and effect, resulting in the Issuer or any Guarantor(s) being unable to perform any of its respective payment or other obligations in terms of the Notes, as the case may be, and the Issuer or any Guarantor(s) fails to take reasonable steps to remedy such circumstances within 30 (thirty) Days of the Issuer notifying the Noteholders of such breach, such notice to be delivered within 15 (fifteen) Business Days of the Issuer become aware of such a breach; or
- 18.1.1.6. ***Insolvency etc.***
- an order by any court of competent jurisdiction or authority for the winding-up, dissolution, liquidation, business rescue proceedings or placement under suspension of payments, moratorium or supervision and commencement of business rescue proceedings of the Issuer, any Guarantor(s) or any other Material Subsidiary, as the case may be, is made whether provisionally (and not dismissed or withdrawn within 30 (thirty) Days thereof) or finally, or the Issuer, any Guarantor(s) or any other Material Subsidiary, as the case may be, is placed under voluntary or involuntary liquidation or curatorship or suspension of payments or moratorium or a meeting is convened to consider the passing of a resolution, or a resolution is passed, to authorise the implementation of any business rescue proceedings in respect of the Issuer, any Guarantor(s) or any other Material Subsidiary, provided that no liquidation, curatorship, winding-up, dissolution or business rescue proceedings shall constitute an Event of Default if (i) the liquidation, winding-up, dissolution or business rescue proceedings is for the purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement within the Tsogo Group with any third party; or (ii) the liquidation, winding-up, dissolution or business rescue proceedings is for the purposes of effecting an amalgamation, merger, demerger, consolidation, reorganization or other similar arrangement, the terms of which were approved by an Extraordinary Resolution of Noteholders before the date of the liquidation, winding-up, dissolution or business rescue proceedings; or
- 18.1.1.7. ***Winding-up etc.***
- the Issuer, any Guarantor(s) or any other Material Subsidiary, as the case may be, initiates or consents to judicial proceedings relating to itself under any applicable compromise with creditors, liquidation, winding-up, business rescue or insolvency or other similar laws or compromises or attempts to compromise, with its creditors generally (or any significant class of creditors) or any meeting of creditors is convened by the Issuer, any Guarantor(s) or any other Material Subsidiary, as the case may be, to consider a proposal for an arrangement or compromise with its creditors generally (or any significant class of its creditors), save for any such initiation, consent, attempt or convening of a meeting which relates to the Issuer, any Guarantor(s) or any other Material Subsidiary and is for the purposes of an internal reconstruction or reorganisation within the Tsogo Group; or

18.1.1.8. **Enforcement Proceedings**

if a Person validly attaches in execution the whole or a material part of the undertaking or assets of the Issuer, or any other Material Subsidiary, as the case may be, or an execution or attachment or other process is validly levied, enforced upon, sued out or put in force against the whole or a material part of the undertaking or assets of any of them in both instances following a judgement against the Issuer, or any other Material Subsidiary, as the case may be, by a court of competent jurisdiction and such is not discharged within 30 (thirty) Days; or

18.1.1.9. **Guarantee**

18.1.1.9.1. the Guarantee is not in full force and effect and such failure has continued for more than 15 (fifteen) Business Days following the service on the Guarantors and the Issuer of a written notice requiring that failure to be remedied; or

18.1.1.9.2. any Guarantor(s) fails to perform any of its obligations under the Guarantee and such failure if capable of remedy remains unremedied for 15 (fifteen) Business Days following the service to the Guarantors and the Issuer requiring that failure to be remedied; or

18.1.1.10. **Other**

any other Event of Default provided for such Series, as specified in the Applicable Pricing Supplement,

then any Senior Noteholder may, by written notice to the Issuer at the Registered Office of the Issuer, effective upon the date of receipt thereof by the Issuer, declare the Senior Notes held by the Senior Noteholder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 11.7 (Early Redemption Amounts), together with accrued interest (if any) to the date of repayment, or as specified in the Applicable Pricing Supplement, failing which the Senior Noteholders may by written notice to the Guarantors at the Registered Office of the Guarantors, demand payment in terms of the Guarantee provided that, no such action may be taken by a holder of Senior Notes if the Issuer withholds or refuses to make any such payment in order to comply with any law or regulation of South Africa or to comply with any order of a court of competent jurisdiction.

18.2. For the purposes of Condition 18.1.1.4 (*Cross-Default*), any Indebtedness which is in a currency other than South African Rand shall be converted into South African Rand at the spot rate for the sale of South African Rand against the purchase of the relevant currency quoted by any leading bank of South Africa selected on the date of such Event of Default.

18.3. **Subordinated Notes**

If the Issuer defaults in relation to Subordinated Notes in the payment of any amount payable in respect of such Notes, and such default continues for a period of 7 (seven) Business Days after receiving written notice from any of the holders of Subordinated Notes, or if an Event of Default as contemplated in Condition 18.1.1.6 (*Insolvency etc.*) or Condition 18.1.1.7 (*Winding-up etc.*) occurs, any holder of a Subordinated Note may, subject as provided below, at its discretion and without notice, institute such proceedings against the Issuer as it may think fit to enforce the obligations of the Issuer under such Subordinated Notes, provided that the Issuer shall not be obliged, save in the case of liquidation, winding-up or business rescue proceedings, to pay any sum or sums sooner than the same would otherwise have been payable by it.

Subject to Applicable Laws, in the event of the winding-up or liquidation, whether finally or provisionally, or business rescue proceedings of the Issuer, otherwise than for the purposes of an amalgamation, merger, consolidation or re-organisation not involving liquidation, winding-up or bankruptcy, then any holder of Subordinated Notes issued by the Issuer may by written notice to the Issuer at its Registered Office, require that its Subordinated Notes are immediately due and repayable at their Early Redemption Amount together with the accrued interest to the date of payment, save that the Noteholders of Subordinated Notes may only receive payment once all the other creditors of the Issuer have been paid in full.

18.4. Notification of Event of Default

If the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify all Noteholders in accordance with Condition 20 (*Notices*), the Dealer(s) and the JSE or such other Financial Exchange, as the case may be, in writing, in accordance with the Applicable Procedures.

19. CALCULATION AGENT, TRANSFER AGENT, PAYING AGENT, SETTLEMENT AGENT AND ISSUER AGENT

Any third party appointed by the Issuer as Calculation Agent, Transfer Agent, Paying Agent, Settlement Agent, Issuer Agent or otherwise shall act solely as the agents of the Issuer and shall or will not assume any obligation towards or relationship of agency or trust for or with any Noteholders. The Issuer is entitled to vary or terminate the appointment of such agents and/or appoint additional or other agents and/or approve any change in the Specified Office through which any agent acts.

20. NOTICES

- 20.1. Notices to Noteholders shall be valid if mailed to their registered addresses appearing in the Register. Any such notice shall be deemed to have been given on the 7th (seventh) Day after the Day on which it is mailed.
- 20.2. All notices to the holders of Notes represented by Individual Certificates shall be in writing and shall be sent by registered mail to the respective addresses of those Noteholders appearing in the Register or delivered by hand to the respective addresses of those Noteholders appearing in the Register. Each such notice shall be deemed to have been received by the relevant Noteholder on the seventh (7th) day after the Day on which it is mailed.
- 20.3. Notwithstanding the provisions of Condition 20.1, for so long as all of the Notes in a Tranche are held in their entirety in the CSD, they may be substituted for the notice contemplated in Condition 20.1, by the delivery of the relevant notice to the CSD (as the registered holder of such Notes), the Participants, the JSE or such other the Financial Exchange as the case may be, for communication by the Issuer or the JSE Debt Sponsor on behalf of the Issuer, as the case may be, to the holders of Beneficial Interests in such Notes in accordance with the Applicable Procedures. Each such notice will be deemed to have been received by the holders of Beneficial Interests on the Day of delivery of such notice to the CSD.
- 20.4. Any notice to the Issuer shall be deemed to have been received by the Issuer, if delivered to the Registered Office of the Issuer, on the date of delivery, and if sent by registered mail, on the 7th (seventh) Day after the Day on which it is sent. The Issuer may change its Registered Office upon prior written notice to Noteholders specifying such new Registered Office.
- 20.5. For so long as any of the Notes are uncertificated, notice may be given by any holder of an uncertificated Note to the Issuer via the relevant Settlement Agent in accordance with the Applicable Procedures, in such manner as the Issuer and the relevant Participants may approve for this purpose.

21. AMENDMENT OF THESE TERMS AND CONDITIONS

- 21.1. These Terms and Conditions set out all the rights and obligations relating to the Notes and, subject to the further provisions of this Condition 21 (*Amendment of these Terms and Conditions*), no addition, variation or consensual cancellation of these Terms and Conditions shall be of any force or effect unless the JSE has been notified and the amendments have been reduced to writing and signed by or on behalf of the Issuer, the Guarantors and the Noteholders (if applicable).
- 21.2. The Issuer may effect, without the consent of the Noteholders or the relevant Class of Noteholders, as the case may be, any modification of the Terms and Conditions, and/or the Applicable Pricing Supplement(s) and/or the Guarantee which is of a technical nature (including an increase in the Programme Amount and the size of the Guarantee) or is made to correct a manifest error or to comply with mandatory provisions of any Applicable Laws. No prior approval of the JSE or such other Financial Exchange, as the case may be, is required, however the Issuer must provide the amended Terms and Conditions, and/or the Applicable Pricing Supplement(s) to the JSE immediately after the amendment and release of an announcement on SENS providing a summary of the amendments and where the amended the Terms and Conditions, and/or the Applicable Pricing Supplement(s) will be available for

the inspection. Any such modification to a document shall be binding on the Noteholders or the relevant Class of Noteholders, as the case may be, and any such modification shall be communicated to the Noteholders or the relevant Class of Noteholders, as the case may be, in accordance with Condition 20 (*Notices*) as soon as is practicable thereafter.

- 21.3. Subject to the prior conditional formal approval of the JSE or such other Financial Exchange, as the case may be, the Issuer may with the prior sanction of an Extraordinary Resolution of Noteholders or the relevant Class of Noteholders, as the case may be, amend these Terms and Conditions and/or the Applicable Pricing Supplement(s) provided that no such amendment shall be of any force or effect unless notice of the intention to make such amendment shall have been given to all Noteholders in terms of Condition 20 (*Notices*).

22. MEETINGS OF NOTEHOLDERS/CONSENT PROCESS

22.1. Convening of meetings

- 22.1.1. The Issuer may at any time convene a meeting of Noteholders (a **meeting** or the **meeting**).
- 22.1.2. The Issuer shall convene a meeting upon the requisition in writing of the holders of at least 10% (ten percent) of the Aggregate Nominal Amount outstanding of the Notes (**Requisition Notice**).
- 22.1.3. Whenever the Issuer wishes or is required to convene a meeting, it shall forthwith give notice in writing to the Noteholders as specified in Condition 22.4 (*Consent Notices*).
- 22.1.4. The meeting must be announced on SENS and the announcement must state the date that the Issuer has selected to determine which Noteholders recorded in the Register will receive notice of meeting and the last date by which proxy forms must be submitted.
- 22.1.5. All meetings of Noteholders shall be held in Johannesburg.
- 22.1.6. Any director or duly authorised representative of the Issuer, and any other Person authorised in writing by the Issuer, may attend and speak at a meeting of Noteholders, but shall not be entitled to vote, other than as a proxy (as defined below) or duly authorised representative of a Noteholder.

22.2. Requisition

- 22.2.1. A Requisition Notice shall state the nature of the business for which the meeting is to be held and shall be deposited at the Registered Office of the Issuer.
- 22.2.2. A Requisition Notice may consist of several documents in like form, each signed by one or more requisitionists.

22.3. Convening of meetings by requisitionists

If the Issuer does not proceed to cause a meeting to be held within a reasonable period of time after the deposit with the company secretary of the Issuer of a Requisition Notice, requisitionists who together hold not less than 10% (ten percent) of the Aggregate Nominal Amount outstanding of the Notes for the time being, may themselves convene the meeting, provided that such meeting so convened shall be held within 60 (sixty) Days from the date of delivery of the Requisition Notice and shall be convened as nearly as possible in the same manner as that in which meetings may be convened by the Issuer. Notice of the meeting shall be required to be given to the Issuer.

22.4. Consent Notices

- 22.4.1. Unless all Noteholders or all the holders of a relevant Class of Noteholders are present at the meeting and vote to waive the minimum notice period, a minimum of at least 15 (fifteen) Business Days written notice specifying the place, Day, time and record date of the proposed meeting and the nature of the business to be transacted thereat shall be given by the Issuer to Noteholders. The notice shall also specify the percentage of voting rights that will be required for the proposed resolution to be adopted and the form of the proposed resolution, and shall include a statement to the effect that Noteholders may appoint proxies (who need not also be Noteholders) and that the participants at the meeting need to provide satisfactory identification. Such notice is required to be given in accordance with Condition 20 (*Notices*).
- 22.4.2. In the case of a written resolution, the notice to Noteholders or a Class of Noteholders, as

the case may be, must include the proposed resolutions to be passed, the record date, any restrictions on voting as provided for in these Terms and Conditions, the last date on which a Noteholder may submit its written vote as well as the address where the vote must be submitted.

22.5. Quorum

- 22.5.1. At any meeting, one or more Noteholders or relevant Class of Noteholders, as the case may be, present in person or by proxy and holding in aggregate not less than 25% (twenty five percent) of the voting rights that are entitled to be exercised in respect of at least 1 (one) matter to be decided at the meeting shall form a quorum for the transaction of business. If there are more than two Noteholders, then the meeting may not begin until at least three Noteholders are present at the meeting.
- 22.5.2. No business shall be transacted at a meeting of Noteholders or any Class of Noteholders unless a quorum is present at the time when the meeting proceeds to business.
- 22.5.3. If, within 1 (one) hour from the time fixed for the meeting, a quorum is not present, (i) for the meeting to take place, then the meeting shall stand adjourned for one week, or (ii) for the matter to be considered, then the meeting shall be postponed to a later time in the meeting unless there is no other business on the agenda for the meeting, in which case the meeting shall stand adjourned for one week.
- 22.5.4. The chairman may extend the one hour limit for a reasonable period on the grounds that (a) exceptional circumstances affecting weather or transportation have generally impeded or are generally impeding the ability of the Noteholders to be present at the meeting or (b) 1 (one) or more particular Noteholders, having been delayed, have communicated an intention to attend the meeting, and those Noteholders, together with others in attendance, would satisfy the quorum requirements for the meeting or the matter to be considered. The Issuer is not required to give further notice of a meeting that has been postponed or adjourned unless the location of the meeting has changed. If at the time appointed for a postponed meeting to begin or an adjourned meeting to resume, the requirements for a quorum have not been satisfied, the Noteholders present in person or by proxy will be deemed to constitute a quorum.

22.6. Chairman

The chairman of the meeting shall be appointed by the Issuer, unless otherwise directed by the Noteholders at the meeting of the Noteholders.

22.7. Adjournment

- 22.7.1. A meeting, or the consideration of any matter at the meeting, may be adjourned from time to time without further notice, on a motion supported by Noteholders entitled to exercise, in aggregate, the majority of the voting rights held by all of the Noteholders who are present at the meeting at the time and that are entitled to be exercised on at least one matter remaining on the agenda of the meeting or on the matter under consideration. Such adjournment may be to a fixed time and place or until further notice (in such case, the notice must then be provided to the Noteholders timeously).
- 22.7.2. A meeting may not be adjourned beyond the earlier of (i) the date falling 120 (one hundred and twenty) Business Days after the record date or (ii) the date falling 60 (sixty) Business Days after the date on which the adjournment occurred.
- 22.7.3. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

22.8. How questions are decided

- 22.8.1. At a meeting, a resolution put to the vote shall be decided by a poll unless, before or on the declaration that such meeting will be conducted by poll, a vote by show of hands is demanded by the chairman or by any one of the Noteholders present in person or by proxy.
- 22.8.2. Unless a resolution has already been validly passed on a poll, the chairperson's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against the resolution. A valid demand for a vote by show of hands shall not prevent the continuation of the relevant meeting for any other business as the chairperson directs.

22.8.3. A show of hands vote must be held on a particular matter to be voted on at a meeting if a demand for a show of hands vote is made by (i) at least five persons having the right to vote on the matter either in person or as proxy of the Noteholder or (ii) a person who is, or persons who together are, entitled to exercise at least 10% (ten percent) of the voting rights entitled to be voted on that matter.

22.8.4. In the case of an equality of votes, whether on a poll or a show of hands, the chairman shall not be entitled to a casting vote in addition to the vote, if any, to which he or she is entitled.

22.9. **Votes**

22.9.1. On a show of hands every Noteholder present in person shall have one vote. On a poll every Noteholder, present in person or by proxy, shall have one vote for each ZAR1,000,000 (One Million Rand) of the Nominal Amount outstanding of the Notes held by such Noteholder. The joint holders of Notes shall have only one vote on a show of hands and one vote on a poll for each ZAR1,000,000 (One Million Rand) of the Nominal Amount outstanding of the Notes of which they are the registered holder and the vote may be exercised only by that holder present whose name appears first on the Register in the event that more than one of such joint holders is present in person or by proxy at the meeting. The Noteholder in respect of uncertificated Notes shall vote at any such meeting on behalf of the holders of Beneficial Interests in such Notes in accordance with the instructions to the CSD from the holders of Beneficial Interests conveyed through the Settlement Agents in accordance with the Applicable Procedures.

22.9.2. Notwithstanding anything to the contrary contained herein, any Noteholder that is the Issuer or any of its Subsidiaries shall not be entitled to vote.

22.10. **Proxies and representatives**

22.10.1. Noteholders may:

22.10.1.1. present in person; or

22.10.1.2. through any appointed Person (a **proxy**), by an instrument in writing (a **form of proxy**) in the form annexed to the notice convening the meeting, signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney of a duly authorised officer or a duly authorised officer of the corporation,

vote on a poll or by show of hands.

22.10.2. A Person appointed to act as proxy need not be a Noteholder.

22.10.3. The form of proxy shall be deposited in accordance with the Applicable Procedures at the office of the Noteholder's nominated Participant or at the office where the Register is kept or at such other office as the Issuer may determine not less than 24 (twenty four) hours before the time appointed for holding the meeting or adjourned meeting at which the Person named in such form of proxy proposes to vote, or the chairman decides otherwise and in default, the proxy shall be invalid.

22.10.4. No form of proxy shall be valid after the expiration of 6 (six) months from the date named in it as the date of its execution.

22.10.5. A proxy shall have the right to demand or join in demanding a poll.

22.10.6. Notwithstanding Condition 22.10.4 the form of proxy shall be valid for any adjourned meeting, unless the contrary is stated thereon.

22.10.7. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the proxy or of the authority under which the form of proxy was executed or the transfer of Notes in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Issuer at the office of the Transfer Agent more than, and that the transfer has been given effect to less than, 12 (twelve) hours before the commencement of the meeting or adjourned meeting at which the proxy is to be used.

22.10.8. Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any Person to act as its representative in connection with any meeting or proposed meeting of Noteholders. Any reference in this Condition 22 (*Meetings of Noteholders/Consent Process*) to a Noteholder present in person includes such a duly authorised representative of a Noteholder.

22.11. Minutes

22.11.1. The Issuer shall cause minutes of all resolutions and proceedings of meetings to be duly entered in the minute books of the Issuer.

22.11.2. Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting, shall be receivable in evidence without any further proof, and until the contrary is proved, a meeting of Noteholders in respect of the proceedings of which minutes have been so made shall be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

22.12. *Mutatis mutandis* application

The provisions of this Condition 22 (*Meetings of Noteholders/Consent Process*) shall apply *mutatis mutandis* to the calling and conduct of meetings on an individual Tranche, Series or Class of Noteholders, as the case may be.

23. FURTHER ISSUES

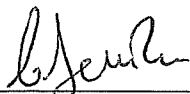
The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further Notes having terms and conditions the same as any of the other Notes issued under the Programme or the same in all respects save for the amount and date of the first payment of interest thereon, the Issue Price and the Issue Date, so that the further Notes shall be consolidated to form a single Series with the Outstanding Notes.

24. GOVERNING LAW

Unless otherwise set out in the Applicable Pricing Supplement, these Terms and Conditions, the Guarantee and all rights and obligations to the Notes are governed by, and shall be construed in accordance with, the laws of South Africa in force from time to time.

SIGNED at Johannesburg on this 5th day of December 2019.

For and on behalf of
TSOGO SUN GAMING LIMITED



Name: Chris du Toit
Capacity: Director
Who warrants his/her authority hereto



Name: Robert Huddy
Capacity: Director
Who warrants his/her authority hereto

TERMS AND CONDITIONS OF THE GUARANTEE

Capitalised terms used in this section headed “Terms and Conditions of the Guarantee” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

GUARANTEE

We, the undersigned,

TSOGO SUN CASINOS PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1995/012674/07)

and

TSOGO SUN KWAZULU-NATAL PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1997/014551/07)

and

AKANI-EGOLI PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1996/006910/07)

and

SILVERSTAR CASINO PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1995/000369/07)

and

each Additional Guarantor which has executed an undertaking substantially in the form set out in Schedule 1 (*Form of Accession Letter*), each a **Guarantor** and collectively herein being referred to as the **Guarantors**,

hereby, jointly and severally, irrevocably and unconditionally guarantee (as primary obligor and not merely as surety) to the holders of notes (the **Noteholders**) issued or to be issued by Tsogo Sun Gaming Limited (registration number 1989/002108/06) (the **Issuer**) under the Tsogo Sun Gaming Limited's ZAR20,000,000,000 Domestic Medium Term Note Programme (the **Programme**), the due and punctual performance of all obligations which the Issuer may incur to the Noteholders and the due and punctual payment, in South African Rand, of all amounts owing by the Issuer in respect of the Notes arising under the Programme pursuant to the Programme Memorandum issued by the Issuer, dated 5 December 2019 as amended and restated from time to time (the **Programme Memorandum**).

1. Terms used but not defined herein have the meanings set forth in section of the Programme Memorandum headed “*Terms and Conditions of the Notes*” (the **Terms and Conditions**).
2. All payments made under this Guarantee shall be made mutatis mutandis in accordance with Conditions 9 (*Interest*) and 10 (*Payments*) of the Terms and Conditions.
3. This Guarantee shall be binding on the each Guarantor jointly and severally, and shall continue to be binding on such Guarantor and, with respect to any payment, or any part thereof, of principal and/or interest on any Note that is rescinded or must otherwise be returned by the Paying Agent or any Noteholder if such rescission or return of payment has been compelled by law as the result of the insolvency of any of the Issuer or any other Person or if such rescission or return of payment is a result of any law, regulation or decree applicable to the Issuer or such Persons.
4. Each Guarantor hereby renounces, jointly and severally, all benefits arising from the legal exceptions “*non numeratae pecuniae*” (no money was paid over), “*non causa debiti*” (lack of

actionable debt), "*errore calculi*" (mistake in calculation of amount due) and "*beneficia excussionis et divisionis*" (the benefits of excussion and division), with the force and effect of which such Guarantor hereby declares it to be fully acquainted. Each Guarantor agrees that this Guarantee is to be in addition and without prejudice to any other suretyship/s and security/ies now or hereafter to be held by the Noteholders and shall remain in force as a continuing security notwithstanding any intermediate settlement of account and notwithstanding any legal disability of such Guarantor.

5. For so long as a Tranche of Senior Notes remains Outstanding, each Guarantor undertakes not to, and will procure that it shall not, create or permit the creation of any Encumbrance, other than any Permitted Encumbrance over any of its present or future businesses, undertakings, assets or revenues (including any uncalled capital) to secure any present or future Indebtedness of the Issuer or such Guarantor or any guarantee or indemnity given in respect of any present or future Indebtedness (save for those that have been accorded a preference by law) without at the same time securing all Senior Notes equally and rateably with such Indebtedness or any such guarantee or indemnity or providing such other security as may be approved by Extraordinary Resolution of the Senior Noteholders, unless the provision of any such security is waived by an Extraordinary Resolution of the Senior Noteholders.
6. No action in respect of any collateral or security given by the Issuer, or any other persons, in respect of the Notes is required to be taken before action is taken against any of the Guarantors under this Guarantee, and the existence or enforceability of this Guarantee shall not affect or be affected by any other security held in respect of the Issuer's obligations under the Notes.
7. Any admission made by the Issuer in respect of the Notes shall be binding on each Guarantor.
8. A demand made under this Guarantee by any Noteholder after an Event of Default has occurred and while it is continuing shall be made in writing to all or any of the Guarantors at the address specified below.
9. Payment to the Paying Agent under this Guarantee shall:
 - 9.1. be made by and of the Guarantors to the Paying Agent not later than 3 (three) Business Days after receipt of a demand in accordance with clause 11;
 - 9.2. discharge any of the Guarantors of its applicable obligations to the Noteholders under this Guarantee; and
 - 9.3. *pro tanto* discharge the Issuer of its corresponding obligations to the Noteholders under the Notes.
10. Notwithstanding any part payment by the Guarantors or on the Guarantors' behalf, the Guarantors shall have no right to any cession of action in respect of such part payment and shall not be entitled to take any action against the Issuer or against any other surety for the Issuer in respect thereof unless and until the indebtedness of the Issuer to the Noteholders shall have been discharged in full.
11. Each notice, demand or other communication under this Guarantee shall be in writing and be delivered personally or by recognised courier or electronic communications and be deemed to have been given:
 - 11.1. in the case of electronic communications, on the first Business Day following the date of transmission; and
 - 11.2. in the case of a letter, when delivered; and
 - 11.3. shall be sent to the Guarantors at:

Tsogo Sun Gaming Limited
Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa

Contact: Mr G Tyrrell

Tel: (011) 510 7840

or to such other address in South Africa or email address as is notified from time to time by the

Guarantors to the Noteholders in accordance with Condition 20 (*Notices*) of the Terms and Conditions.

12. Each Guarantor chooses the above address as its *domicilium citandi et executandi* for all purposes under this Guarantee, whether in respect of court process, notices or other documents or communications of whatsoever nature.
13. This Guarantee is, and all rights and obligations relating to this Guarantee are, governed by, and shall be construed in accordance with, the laws of South Africa.
14. This Guarantee will terminate upon all of the obligations of the Issuer under the Notes being fully and finally discharged in accordance with the Terms and Conditions.
15. Each Guarantor agrees for the benefit of the Noteholders that the South Gauteng High Court, Johannesburg, South Africa shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes which may arise out of or in connection with this Guarantee and, for such purposes, irrevocably submits to the jurisdiction of such court.
16. This Guarantee will be deposited with, and be held by, the Transfer Agent until the later of:
 - 16.1. the date on which the Programme is terminated by the Issuer; and
 - 16.2. the date on which all of the obligations of the Issuer and the Guarantors under or in respect of the Notes have been discharged in full.
17. Each Guarantor acknowledges and agrees that each Noteholder shall be entitled to require the Transfer Agent to produce the original of this Guarantee on request and further shall be entitled to require the Transfer Agent, which shall be obliged, to provide a copy of this Guarantee to that Noteholder on request. In holding the Guarantee, the Transfer Agent shall not act in any fiduciary or similar capacity for the Noteholders and shall not accept any liability, duty or responsibility to Noteholders in this regard.
18. Any member of the Tsogo Group or Material Subsidiary, as the case may be, may become an Additional Guarantor if such member delivers to the Issuer and the Issuer accepts:
 - 18.1. a duly completed and executed Accession Letter in the form as attached hereto as Schedule 1 (*Form of Accession Letter*); and
 - 18.2. all of the documents and other evidence listed in Schedule 2 (*Conditions Precedent*) hereto in relation to that Additional Guarantor, each in a form and substance satisfactory to the Issuer.
19. This Guarantee constitutes the whole agreement relating to the subject matter hereof. No amendment, modification or variance (save for an increase of the Programme Amount) or consensual cancellation of this Guarantee or any provision or term hereof, unless of a technical nature, to correct a manifest error or to comply with mandatory provisions of law, shall be binding unless approved by Extraordinary Resolution of Noteholders or with the prior written approval of Noteholders or the relevant Class of Noteholders, as the case may be, holding not less than 66.67% (sixty-six point six-seven percent) in the Nominal Amount of the Notes Outstanding from time to time and thereafter recorded in a written document signed by the Guarantor. Any waiver or relaxation or suspension given or made shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.
20. This Guarantee may be executed in any number of counterparts and by different parties thereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Guarantee.

SIGNED at _____ on this _____ day of _____ 2019

For and on behalf of

TSOGO SUN CASINOS PROPRIETARY LIMITED

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto

For and on behalf of

TSOGO SUN KWAZULU-NATAL PROPRIETARY LIMITED

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto

For and on behalf of

AKANI-EGOLI PROPRIETARY LIMITED

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto

For and on behalf of

SILVERSTAR CASINO PROPRIETARY LIMITED

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto

FORM OF ACCESSION LETTER

To: [insert]
 And to: [insert]
 From: [Insert full name of Additional Guarantor] (the Acceding Party)
 Date: [insert]

Dear Sirs

TSOGO SUN GAMING LIMITED ZAR20,000,000,000 DOMESTIC MEDIUM TERM NOTE PROGRAMME – GUARANTEE DATED 5 DECEMBER 2019 (the Guarantee)

1. We refer to the Guarantee. This is an Accession Letter, and terms used in this Accession Letter have the same meaning as in the Guarantee.
2. Terms used but not defined herein have the meanings set forth in Guarantee as amended, restated and/or supplemented from time to time (the Guarantee).
3. This Accession Undertaking is delivered to you as Issuer pursuant to Condition 8 (Guarantee) of the Terms and Conditions and Clause 18 of the Guarantee.
4. In consideration of the Acceding Party being accepted as a Guarantor for the purposes of the Guarantee, the Acceding Party hereby confirms that, as from the date of acceptance of this Accession Letter by the Issuer, it –
 - 4.1. intends to be a party to the Guarantee as a Guarantor;
 - 4.2. intends to be a party to the Programme Agreement, as a Guarantor;
 - 4.3. undertakes to perform all the obligations expressed in the Guarantee and the Programme Agreement to be assumed by a Guarantor; and
 - 4.4. agrees that it shall be bound by all the provisions of the Guarantee and the Programme Agreement as if it had been an original party to the Guarantee and the Programme Agreement as a Guarantor.
5. This Accession Letter may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Accession Letter.
6. This Accession Letter shall be governed by and construed in accordance with the laws of South Africa.

For and on behalf of
[The Acceding Party]

 Name: [Full name of Additional Guarantor]
 Capacity:
 Who warrants his/her authority hereto
 Address for notices:
 Address:
 Fax:
 Email:

For and on behalf of
TSOGO SUN GAMING LIMITED

 Name:
 Capacity:
 Who warrants his/her authority hereto

CONDITIONS PRECEDENT

1. An Accession Letter executed by the Additional Guarantor.
2. A copy of the Constitutional Documents of the Additional Guarantor.
3. A certified copy of all resolutions and other authorisations required to be passed or given, and evidence of any other action required to be taken, on behalf of the Additional Guarantor and/or its shareholders:
 - 3.1. to approve its entry into the Accession Letter, the Guarantee and the Programme Agreement; and
 - 3.2. to authorise appropriate Persons to execute and enter into each of the Accession Letter, the Guarantee and the Programme Agreement; to take any other action in connection therewith; and to authorise appropriate Persons to enter into the Accession Letter, the Guarantee and the Programme Agreement.
4. A copy of any other authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration or other document, opinion or assurance which the Issuer considers to be necessary or desirable in connection with the entry into and performance of the transactions contemplated by the Accession Letter, Guarantee and Programme Agreement or for the validity and enforceability of the Accession Letter, Guarantee and Programme Agreement.
5. The latest audited financial statements of the Additional Guarantor.
6. A legal opinion of the legal advisers to the Issuer, Arranger and Dealers addressed to the Issuer, Arranger and Dealers dealing with, *inter alia*, the capacity and authority of the Additional Guarantor to enter into the Accession Letter, the Programme Agreement and the Guarantee, substantially in the form distributed to, and agreed by, the Additional Guarantor prior the date of the Accession Letter.

USE OF PROCEEDS

Capitalised terms used in this section headed “Use of Proceeds” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

For purposes of the Commercial Paper Regulations it is recorded that the “*Ultimate Borrower*”, as defined in the Commercial Paper Regulations, of the net proceeds from each Tranche of Notes will be the Issuer, unless otherwise indicated in the Applicable Pricing Supplement.

The proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, or as may otherwise be described in the Applicable Pricing Supplement.

DESCRIPTION OF TSOGO SUN GAMING LIMITED

All information pertaining to, inter alia, the description of Tsogo Sun Gaming Limited, its business, management and corporate governance, as set out in the Information Statement, which will be amended and restated from time to time, will be incorporated by reference in, and form part of this Programme Memorandum, and will be available on the Issuer's website at www.tsogosun.com/gaming.

DESCRIPTION OF THE GUARANTORS

All information pertaining to, inter alia, the description of Tsogo Sun Casinos Proprietary Limited, Tsogo Sun Kwazulu-Natal Proprietary Limited, Akani-Egoli Proprietary Limited and Silverstar Casino Proprietary Limited, its business, management and corporate governance, as set out in the Information Statement, which will be amended and restated from time to time, will be incorporated by reference in, and form part of this Programme Memorandum, and will be available on the Issuer's website at www.tsogosun.com/gaming.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Capitalised terms used in this section headed "Settlement, Clearing and Transfer of Notes" shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section or are clearly inappropriate from the context.

Notes listed on the Interest Rate Market of the JSE and/or held in the CSD

Each Tranche of Notes which is listed on the Interest Rate Market of the JSE in uncertificated form will be held in the CSD. A Tranche of unlisted Notes may also be held in the CSD.

Clearing systems

Each Tranche of Notes listed on the Interest Rate Market of the JSE will be issued, cleared and settled in accordance with the Applicable Procedures for the time being of the JSE and the CSD through the electronic settlement system of the CSD. Such Notes will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the CSD.

The CSD has, as the operator of an electronic clearing system, been appointed by Strate to match, clear and facilitate the settlement of transactions concluded on the JSE. Subject as aforesaid each Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued, cleared and transferred in accordance with the Applicable Procedures and the Terms and Conditions, and will be settled through Participants who will comply with the electronic settlement procedures prescribed by the JSE and the CSD. The Notes may be accepted for clearance through any additional clearing system as may be agreed between the JSE, the Issuer and the Dealer(s).

Participants

The CSD maintains accounts for Participants. As at the Programme Date, the Participants which are approved by the CSD, in terms of the Applicable Procedures, as Settlement Agents to perform electronic settlement of funds and scrip are Citibank N.A. South Africa Branch, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited, Standard Chartered Bank, Johannesburg Branch, Société Générale, Johannesburg Branch and the South African Reserve Bank. Euroclear, as operator of the Euroclear System, and Clearstream will settle off-shore transfers in the Notes through their Participants.

Settlement and clearing

Participants will be responsible for the settlement of scrip and payment transfers through the CSD, the JSE and the South African Reserve Bank.

While a Tranche of Notes is held in the CSD, the Noteholder, will be named in the Register as the holder of the Notes in that Tranche in accordance with the Applicable Procedures. All amounts to be paid in respect of Notes held in the CSD will be paid to the relevant Participants on behalf of the relevant Noteholder pursuant to the Applicable Procedures. All rights to be exercised in respect of Notes held in the CSD will be exercised by the relevant Noteholder.

In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the Nominal Amount of such Notes standing to the account of such Person shall be *prima facie* proof of such Beneficial Interest. However, the Noteholder as the registered Noteholder of such Notes named in the Uncertificated Securities Register will be treated by the Issuer, the Paying Agent, the Transfer Agent and the CSD as the holder of that Aggregate Nominal Amount of such Notes for all purposes.

Payments of all amounts in respect of a Tranche of Notes which is listed on the Interest Rate Market of the JSE and/or held in uncertificated form will be made to the CSD, which in turn will transfer such funds, via the Participants, to the holders of Beneficial Interests. Each of the Persons reflected in the records of the CSD as the holders of Beneficial Interests in Notes shall look solely to the CSD, for such Person's share of each payment so made by (or on behalf of) the Issuer to, or for the order of, the CSD.

Payments of all amounts in respect of a Tranche of Notes which is listed on the Interest Rate Market of the JSE and/or held in uncertificated form will be recorded by the CSD, distinguishing between interest and principal, and such record of payments by the CSD, shall be *prima facie* proof of such payments.

Transfers and exchanges

Subject to the Applicable Laws and the Applicable Procedures, title to Beneficial Interest held by Noteholders through the CSD will be freely transferable and will pass on transfer thereof by electronic book entry in the securities accounts maintained by the CSD or relevant Participants for such Noteholders.

Beneficial Interests may be exchanged for Notes represented by Individual Certificates in accordance with Condition 16.2 (*Transfer of Notes represented by Individual Certificates*).

Records of payments, trust and voting

Neither the Issuer nor the Paying Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to Beneficial Interests. Neither the Issuer nor the Paying Agent nor the Transfer Agent will be bound to record any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Note may be subject. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

JSE Debt Guarantee Fund Trust

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of the Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust.

Notes listed on any Financial Exchange other than (or in addition to) the Interest Rate Market of the JSE

Each Tranche of Notes which is listed on any Financial Exchange other than (or in addition to) the Interest Rate Market of the JSE will be issued, cleared and settled in accordance with the rules and settlement procedures for the time being of that Financial Exchange. The settlement and redemption procedures for a Tranche of Notes which is listed on any Financial Exchange (other than or in addition to the JSE) will be specified in the Applicable Pricing Supplement.

SUBSCRIPTION AND SALE

Capitalised terms used in this section headed "Subscription and Sale" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Dealer(s) have in terms of the programme agreement dated on or about 5 December 2019 entered into amongst the Issuer, Guarantors, Arranger and Dealers, as may be amended, supplemented or restated from time to time (the **Programme Agreement**), agreed with the Issuer a basis upon which it may from time to time agree to subscribe for Notes or procure the subscription of the Notes.

Selling restrictions

South Africa

Each Dealer has (or will have) represented, warranted and agreed that it (i) will not offer Notes for subscription, (ii) will not solicit any offers for subscription for or sale of the Notes, and (iii) will itself not sell or offer the Notes in South Africa in contravention of the Companies Act, Banks Act, Exchange Control Regulations and/or any other Applicable Laws and regulations of South Africa in force from time to time.

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that it will not make an "offer to the public" (as such expression is defined in the Companies Act, and which expression includes any section of the public) of Notes (whether for subscription, purchase or sale) in South Africa. This Programme Memorandum does not, nor is it intended to, constitute a prospectus prepared and registered under the Companies Act.

Offers not deemed to be offers to the public

Offers for subscription for, or sale of, Notes are not deemed to be offers to the public if:

- (a) made only to certain investors contemplated in section 96(1)(a) of the Companies Act; or
- (b) the total contemplated acquisition cost of Notes, for any single addressee acting as principal, is equal to or greater than ZAR1,000,000, or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the Companies Act.

Information made available in this Programme Memorandum should not be considered as "advice" as defined in the Financial Advisory and Intermediary Services Act, 2002.

United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and may not be offered or sold within the United States or to, or for the account of or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) the Notes in that Tranche have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act;
- (b) it has not offered, sold or delivered any Notes in that Tranche and will not offer, sell or deliver any Notes in that Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 (forty) Days after completion of the distribution, as determined and certified by the Dealer(s) or, in the case of an issue of such Notes on a syndicated basis, the relevant Lead Manager, of all Notes of the Series of which that Tranche of Notes is a part, within the United States or to, or for the account or benefit of, U.S. persons;
- (c) it will send to each dealer to which it sells any Notes in that Tranche during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Notes within the United States or to, or for the account or benefit of, U.S. persons; and

- (d) it, its affiliates and any persons acting on its or any of its affiliates behalf have not engaged and will not engage in any directed selling efforts in the United States (as defined in Regulation S under the Securities Act) with respect to the Notes in that Tranche and it, its affiliates and any persons acting on its or any of its affiliates' behalf have complied and will comply with the offering restrictions requirements of Regulation S.

Until 40 (forty) Days after the commencement of the offering of a Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

European Economic Area

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a **Relevant Member State**), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of any of such Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of any of such Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 100 (one hundred) or, if the relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 (one hundred and fifty) natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

Provided that no such offer referred to in (b) and (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “*offer of Notes to the public*” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “*Prospectus Directive*” means Directive 2003/71/EC (and amendments thereto including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression “*2010 PD Amending Directive*” means Directive 2010/73/EU.

Each Dealer has (or will have) represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any commission, fee or non-monetary benefit received from the Issuer complies with the applicable rules set out in the Markets in Financial Instrument Directive 2014/65/EU, as may be amended or replaced from time to time (**MiFID II**).

United Kingdom

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) in relation to any of the Notes in that Tranche which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any of such Notes other than to Persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act, 2000 (the **FSMA**) by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any of the Notes in that Tranche under circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any of the Notes in that Tranche in, from or otherwise involving the United Kingdom.

General

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to agree that:

- (a) it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures the subscription for, offers or sells Notes in that Tranche or has in its possession or distributes the Programme Memorandum and will obtain any consent, approval or permission required by it for the purchase, subscription, offer or sale by it of Notes in that Tranche under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscription, offers or sales; and
- (b) it will comply with such other or additional restrictions as the Issuer and such Dealer agree and as are set out in the Applicable Pricing Supplement.

Neither the Issuer nor any of the Dealer(s) represent that Notes may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder nor assumes any responsibility for facilitating such subscription or sale.

TAXATION

Capitalised terms used in this section headed "Taxation" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The comments below are intended as a general guide to the relevant tax laws of South Africa as at the Programme Date. The contents of this section headed "Taxation" do not constitute tax advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

Taxation

Securities Transfer Tax

The issue, transfer and redemption of the Notes will not attract securities transfer tax under the Securities Transfer Tax Act, 2007 (the **STT Act**) because the Notes do not constitute "securities" as defined in the STT Act. Any future transfer duties and/or taxes that may be introduced in respect of (or applicable to) the transfer of Notes will be for the account of holders of the Notes.

Value-Added Tax

No value-added tax (**VAT**) is payable on the issue or transfer of the Notes. The issue, sale or transfer of the Notes constitute "*financial services*" as defined in section 2 of the Value-Added Tax Act, 1991 (the **VAT Act**). In terms of section 2 of the VAT Act, the issue, allotment, drawing, acceptance, endorsement or transfer of ownership of a debt security as well as the buying and selling of derivatives constitute a financial service, which is exempt from VAT in terms of section 12(a) of the VAT Act. The Notes constitute "*debt securities*" as defined in section 2(2)(iii) of the VAT Act.

However, commissions, fees or similar charges raised for the facilitation of the issue, allotment, drawing, acceptance, endorsement or transfer of ownership of Notes constitute "*debt securities*" as defined in section 2(2)(iii) of the VAT Act will be subject to VAT at the standard rate (currently 15 (fifteen) percent), except where the recipient is a non-resident as contemplated below.

Services (including exempt financial services) rendered to non-residents who are not in South Africa when the services are rendered, are subject to VAT at the zero rate in terms of section 11(2)(l) of the VAT Act.

Income Tax

Under current South African tax laws a "*resident*" (as defined in section 1 of the Income Tax Act, 1962 (the **Income Tax Act**)) is subject to income tax on his/her worldwide income. Accordingly, all Noteholders who are "*residents*" of South Africa will generally be liable to pay income tax, subject to available deductions, allowances and exemptions, on any income (including income in the form of interest) earned in respect of the Notes. Non-residents of South Africa are subject to income tax on all income derived from a South African source (subject to domestic exemptions or relief in terms of an applicable double taxation treaty).

Interest income is derived from a South African source if that amount:

- (a) is incurred by a Person that is a South African tax resident, unless the interest is attributable to a foreign permanent establishment of that resident; or
- (b) is derived from the utilisation or application in South Africa by any Person of any funds or credit obtained in terms of any form of "*interest-bearing arrangement*".

The Notes will constitute an "*interest-bearing arrangement*". The Issuer is tax resident in South Africa as at the Programme Date. Accordingly, unless the Notes are attributable to a permanent establishment of the Issuer outside of South Africa, the interest paid to the Noteholders will be from a South African source and subject to South African income tax unless such income is exempt under section 10(1)(h) of the Income Tax Act (see below).

Under section 10(1)(h) of the Income Tax Act, any amount of interest that is received or accrued by or accruing to a Noteholder who, or which, is not a resident of South Africa during any year of assessment is exempt from income tax, unless:

- (a) that person is a natural person who was physically present in South Africa for a period exceeding 183 days in aggregate during the twelve month period preceding the date on which the interest is received by, or accrues to, that person; or
- (b) the debt from which the interest arises is effectively connected to a permanent establishment of that person in South Africa.

If a Noteholder does not qualify for the exemption under section 10(1)(h) of the Income Tax Act, an exemption from, or reduction of any South African income tax liability may be available under an applicable double taxation treaty.

Furthermore, certain entities may be exempt from income tax. Purchasers are advised to consult their own professional advisers as to whether the interest income earned on the Notes will be exempt under section 10(1)(h) of the Income Tax Act or under an applicable double taxation treaty.

Under section 24J of the Income Tax Act, broadly speaking, any discount or premium to the principal amount of a Note is treated as part of the interest income on the Note. Interest income which accrues (or is deemed to accrue) to a Noteholder is deemed, in accordance with section 24J of the Income Tax Act, to accrue on a day-to-day basis until that Noteholder disposes of the Note or until maturity unless an election has been made by the Noteholder, which is a company, if the Noteholder is entitled under section 24J(9) of the Income Tax Act to make such election to treat its Notes as trading stock on a mark-to-market basis. This day-to-day basis accrual is determined by calculating the yield to maturity (as defined in section 24J of the Income Tax Act) and applying this rate to the capital involved for the relevant tax period. The premium or discount is treated as interest for the purposes of the exemption under section 10(1)(h) of the Income Tax Act.

Section 24JB deals with the fair value taxation of financial instruments for certain types of taxpayers ("*covered persons*"). Noteholders should seek advice as to whether these provisions may apply to them.

The tax treatment of Subordinated Notes where the issuer has no obligation to make interest and/or capital payments, the proceeds of which qualify as primary share capital may differ from the section 24J treatment noted above.

To the extent the disposal of the Note gives rise to a gain or a loss, the normal principles are to be applied in determining whether such gain or loss should be subject to income tax in terms of the Income Tax Act.

Capital Gains Tax

Capital gains and losses of residents of South Africa on the disposal of Notes are subject to capital gains tax unless the Notes are purchased for re-sale in the short term as part of a scheme of profit making, in which case the proceeds will be subject to income tax. Any discount or premium on acquisition which has already been treated as interest for income tax purposes under section 24J of the Income Tax Act will not be taken into account when determining any capital gain or loss. If the Notes are disposed of or redeemed prior to or on maturity, a gain or loss must be calculated. The gain or loss is deemed to have been incurred or to have accrued in the year of assessment in which the transfer or redemption occurred. The calculation of the gain or loss will take into account interest which has already accrued or been incurred during the period in which the transfer or redemption occurs. In terms of section 24J(4A) of the Income Tax Act, where an adjusted loss on transfer or redemption includes interest which has been included in the income of the holder, that amount qualifies as a deduction from the income of the holder during the year of assessment in which the transfer or redemption takes place.

Capital gains tax under the Eighth Schedule to the Income Tax Act will not be levied in relation to Notes disposed of by a Person who is not a resident of South Africa unless the Notes disposed of are attributable to a permanent establishment of that Person through which a trade is carried on in South Africa during the relevant year of assessment.

Purchasers are advised to consult their own professional advisers as to whether a disposal of Notes will result in a liability to capital gains tax.

Withholding Tax

A final withholding tax on interest which is levied at the rate of 15% applies to interest payments made from a South African source to foreign persons (i.e. non-residents), subject to certain exemptions (see below). South Africa is also a party to double taxation treaties that may provide full or partial relief from the withholding tax on interest, provided that certain requirements are met.

The available exemptions apply in respect of the instrument giving rise to the interest, to the foreign person receiving the interest, or to the person liable for the interest (i.e. the Issuer).

Regarding the exemptions applicable in respect of the instrument, an amount of interest is exempt if it is paid to a foreign person in terms of "*listed debt*", being debt listed on a "*recognised exchange*", as defined in terms of paragraph 1 of the Eighth Schedule to the Income Tax Act. The Notes may be listed on a recognised exchange. Thus, to the extent that the Notes remain listed on that exchange (and to the extent that that exchange remains a recognised exchange), any interest paid to a foreign person in respect of the Notes will be exempt from the withholding tax on interest. If the Notes are not listed on a recognised exchange, then the interest paid to a foreign person will not be exempt from the withholding tax on interest unless another exemption is applicable.

Regarding the exemptions applicable in respect of the foreign person receiving the interest, an amount of interest is exempt if –

- (a) that foreign person is a natural person who was physically present in South Africa for a period exceeding 183 days in aggregate during the twelve month period preceding the date on which the interest is paid;
- (b) the debt claim in respect of which that interest is paid is effectively connected with a permanent establishment of that foreign person in South Africa, if that foreign person is registered as a taxpayer in terms of Chapter 3 of the Tax Administration Act, 2011; and
- (c) The foreign person submits a declaration confirming their exemption to the person liable for the payment of the interest before payment of the interest is made.

If a foreign person does not qualify for the above exemption, then any interest paid to that foreign person will not be exempt from the withholding tax on interest unless another exemption is applicable.

Regarding the exemptions applicable in respect of the person liable for the interest, none of these will be applicable in respect of the Issuer. Thus, if the exemptions in respect of listed debt and foreign persons above are not applicable, then any interest paid to a foreign person will not be exempt from the withholding tax.

Definition of Interest

The references to "*interest*" above means "*interest*" as understood in South African tax law. The statements above do not take account of any different definitions of "*interest*" or "*principal*" which may prevail under any other law or which may be created by the Terms and Conditions or any related documentation.

SOUTH AFRICAN EXCHANGE CONTROL

Capitalised terms used in this section headed “South African Exchange Control” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The information below is intended as a general guide to the position under the Exchange Control Regulations as at the Programme Date. The Exchange Control Regulations are subject to change at any time without notice. The contents of this section headed “South African Exchange Control” do not constitute exchange control advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

Non-South African resident Noteholders and emigrants from the Common Monetary Area

Dealings in the Notes and the performance by the Issuer of its obligations under the Notes and the Terms and Conditions may be subject to the Exchange Control Regulations.

Emigrant Blocked Rands

Blocked Rands may be used for the subscription for or purchase of Notes. Any amounts payable by the Issuer in respect of the Notes subscribed for or purchased with Blocked Rands may not, in terms of the Exchange Control Regulations, be remitted out of South Africa or paid into any non-South African bank account.

Emigrants from the Common Monetary Area

Any Individual Certificates issued to Noteholders who are emigrants from the Common Monetary Area will be endorsed “*non-resident*”. Such restrictively endorsed Individual Certificates shall be deposited with an authorised foreign exchange dealer controlling such emigrant’s blocked assets.

In the event that a Beneficial Interest in Notes is held by an emigrant from the Common Monetary Area through the CSD, the securities account maintained for such emigrant by the relevant Participant will be designated as a “*non-resident*” account.

Any payments of interest and/or principal due to a Noteholder who is an emigrant from the Common Monetary Area will be deposited into such emigrant Noteholder’s Blocked Rand account, as maintained by an authorised foreign exchange dealer. Interest payments are freely transferable and may be credited to the emigrant’s non-resident Rand account. Capital amounts in respect of principal are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Exchange Control Regulations.

Non-residents of the Common Monetary Area

Any Individual Certificates issued to Noteholders who are not resident in the Common Monetary Area will be endorsed “*non-resident*”. In the event that a Beneficial Interest in Notes is held by a non-resident of the Common Monetary Area through the CSD, the securities account maintained for such Noteholder by the relevant Participant will be designated as a “*non-resident*” account.

It will be incumbent on any such non-resident Noteholder to instruct the non-resident’s nominated or authorised dealer in foreign exchange as to how any funds due to such non-resident in respect of Notes are to be dealt with. Such funds may, in terms of the Exchange Control Regulations, be remitted abroad only if the relevant Notes are acquired with foreign currency introduced into South Africa or Rands from a non-resident Rand account and provided that the relevant Individual Certificate has been endorsed “*non-resident*” or the relevant securities account has been designated as a “*non-resident*” account, as the case may be.

The Issuer is domiciled and incorporated in South Africa and as such is not required to obtain exchange control approval for the issuance of Notes in South Africa.

For purposes of this section, **Common Monetary Area** means South Africa, Lesotho, Namibia, and Swaziland.

GENERAL INFORMATION

Capitalised terms used in this section headed “General Information” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

Authorisation

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer and Guarantors under the laws of South Africa as at the Programme Date have been given for the establishment of the Programme, the Guarantee and the issue of Notes and for the Issuer and the Guarantors to undertake and perform its obligations under the Programme Memorandum, the Guarantee and the Notes, as the case may be.

Listing

The Programme Memorandum was registered with the JSE on or about 5 December 2019. Notes to be issued under the Programme may be listed on the Interest Rate Market of the JSE or any other Financial Exchange. Unlisted Notes may also be issued under the Programme Memorandum.

Documents Available for Inspection

For as long as the Programme Memorandum remains registered with the JSE, copies of the documents incorporated under the section headed “*Documents Incorporated by Reference*” will, when published, be available at the Registered Office of the Issuer as set out at the end of this Programme Memorandum. This Programme Memorandum, the Guarantee, the Information Statement and any amendments and/or supplements thereto the Applicable Pricing Supplements relating to any issue of listed Notes and, will be available on the Issuer’s website, <https://www.tsogosun.com/gaming>. The published consolidated annual financial statements and the unaudited interim financial statements of the Issuer are also available on the Issuer’s website at <https://www.tsogosun.com/gaming>; and this Programme Memorandum, the Information Statement together with any supplement and/or amendment thereto and the Applicable Pricing Supplements relating to any issue of listed Notes will be filed with the JSE which will publish such documents on its website at www.jse.co.za.

Material Change

As at the Programme Date, and after due and careful enquiry, there has been no material change in the financial or trading position of the Issuer and its subsidiaries as disclosed since the date of the Issuer’s latest audited financial statements and there has been no material change in the financial or trading position of the Issuer and its subsidiaries since the date of the Issuer’s latest unaudited interim financial statements. As at the Programme Date, there has been no involvement by PricewaterhouseCoopers Incorporated in making the aforementioned statement.

Litigation

As at the Programme Date, the Issuer is or has not been involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had a material effect on the financial position of the Issuer in the previous 12 months.

As at the Programme Date, the Guarantors are or have not been involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Guarantors are aware) which may have or have had a material effect on the financial position of the Guarantors in the previous 12 months.

Auditor

PricewaterhouseCoopers Incorporated have acted as the auditors of the financial statements of the Issuer and the Guarantors for the financial year ended 31 March 2017, 2018 and 2019.

CORPORATE INFORMATION

ISSUER

Tsogo Sun Gaming Limited
(registration number 1989/002108/06)
Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

GUARANTORS

Tsogo Sun Casinos Proprietary Limited
(registration number 1995/012674/07)
Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

Tsogo Sun Kwazulu-Natal Proprietary Limited
(registration number 1997/014551/07)
Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

Akani-Egoli Proprietary Limited
(registration number 1996/006910/07)
Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

Silverstar Casino Proprietary Limited
(registration number 1995/000369/07)
Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

ARRANGER

Nedbank Limited,
acting through its Corporate and Investment Banking division
(registration number 1951/000009/06)
135 Rivonia Road
Nedbank 135 Rivonia Campus
Fourth Floor, Block F
Sandton, 2196
South Africa
P O Box 1144
Johannesburg, 2000
South Africa
Contact: Head of Debt Capital Markets
Tel: (010) 234 8710

DEALERS

**Absa Corporate and Investment Bank,
a division of Absa Bank Limited**

(registration number 1986/004794/06)

15 Alice Lane
Sandton, 2196
South Africa
Private Bag X10056
Sandton, 2146
South Africa

Contact: Head of Debt Capital Markets
Tel: (011) 895 6000

**Nedbank Limited,
acting through its Corporate and Investment
Banking division**

(registration number 1951/000009/06)

135 Rivonia Road
Nedbank 135 Rivonia Campus
Fourth Floor, Block F
Sandton, 2196
South Africa
P O Box 1144

Johannesburg, 2000
South Africa
Contact: Head of Debt Capital Markets
Tel: (010) 234 8710

**Rand Merchant Bank,
a division of FirstRand Bank Limited**

(registration number 1929/001225/06)

1 Merchant Place
Cnr Fredman Drive
& Rivonia Road
Sandton, 2196
South Africa
PO Box 786273
Sandton, 2146
South Africa

Contact: Head of Debt Capital Markets
Tel: (011) 282 8000

**The Standard Bank of South Africa Limited,
acting through its Corporate and Investment
Banking division**

(registration number 1962/000738/06)

30 Baker Street
3rd Floor East
Rosebank
Johannesburg
2001

South Africa
Contact: Head of Debt Capital Markets
Tel: (011) 378 7032

JSE DEBT SPONSOR

**Nedbank Limited,
acting through its Corporate and Investment Banking division**

(registration number 1951/000009/06)

135 Rivonia Road
Nedbank 135 Rivonia Campus
Fourth Floor, Block F
Sandton, 2196
South Africa
P O Box 1144
Johannesburg, 2000
South Africa

Contact: Debt Sponsor Team
Tel: (010) 234 8710

TRANSFER AGENT, CALCULATION AGENT AND ISSUER AGENT

**Nedbank Limited,
acting through its Corporate and Investment Banking division**

(registration number 1951/000009/06)
135 Rivonia Road
Nedbank 135 Rivonia Campus
Fourth Floor, Block F
Sandton, 2196
South Africa
P O Box 1144
Johannesburg, 2000
South Africa
Contact: Head of Debt Capital Markets
Tel: (010) 234 8710

PAYING AGENT AND SETTLEMENT AGENT

**Nedbank Limited,
acting through its Nedbank Investor Services division**

(registration number 1951/000009/06)
Lakeview Campus
16 Constantia Boulevard
Constantia Kloof
South Africa
PO Box 1144
Johannesburg, 2000
South Africa
Contact: Senior Manager: Client Services
Tel: (010) 534 6553

LEGAL ADVISERS TO THE ISSUER, GUARANTORS, ARRANGER AND DEALERS

Bowman Gilfillan Incorporated

(registration number 1998/021409/21)
11 Alice Lane
Sandown
Sandton, 2196
South Africa
P O Box 785812
Sandton, 2146
South Africa
Contact: Mr C van Heerden
Tel: (011) 669 9354

AUDITOR TO THE ISSUER

PricewaterhouseCoopers Incorporated

(registration number 1998/012055/21)
4 Lisbon Lane
Waterfall City
Jukskei View, 2090
South Africa
Private Bag x36
Sunninghill, 2157
South Africa
Contact: Audit Partner
Tel: (011) 797 4884



TSOGO SUN GAMING LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1989/002108/06)

jointly and severally, unconditionally and irrevocably guaranteed by

TSOGO SUN CASINOS PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1995/012674/07)

and

TSOGO SUN KWAZULU-NATAL PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1997/014551/07)

and

AKANI-EGOLI PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1996/006910/07)

and

SILVERSTAR CASINO PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1995/000369/07)

INFORMATION STATEMENT

in respect of the

ZAR20,000,000,000

DOMESTIC MEDIUM TERM NOTE PROGRAMME

Tsogo Sun Gaming Limited (**Tsogo Sun Gaming**, or the **Issuer**) intends from time to time to issue notes (the **Notes**) under the ZAR20,000,000,000 Domestic Medium Term Note Programme (the **Programme**) on the basis set out in the Programme Memorandum dated 5 December 2019, as amended and restated from time to time (the **Programme Memorandum**).

The Notes may be issued on a continuing basis and be placed by one or more of the Dealers specified in the section headed "*Summary of Programme*" under the Programme Memorandum and any additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis.

The specific aggregate nominal amount, the status, maturity, interest rate, or interest rate formula and dates of payment of interest, purchase price to be paid to the Issuer, any terms for redemption or other special terms, currency or currencies, form and denomination of Notes, information as to financial exchange listings and the names of the dealers, underwriters or agents in connection with the sale of Notes being offered at a particular time will be set forth or referred to in the terms and conditions contained in the Programme Memorandum (the **Terms and Conditions**), read together with the pricing supplement applicable to any Notes (the **Applicable Pricing Supplement** and this **Information Statement**).

Availability of Information

This Information Statement is also available on the Issuer's website at <https://www.tsogosun.com/gaming>.

Information on the Issuer's website, other than in this Information Statement and the Programme Memorandum, is not intended to be incorporated by reference into this Information Statement, save for those documents which are incorporated by reference

in the section headed “*Documents Incorporated by Reference*” in the Programme Memorandum.

Recipients of this Information Statement should retain it for future reference. It is intended that the Programme Memorandum read together with the Applicable Pricing Supplement in connection with the issuance of Notes, will refer to this Information Statement for a description of the Issuer, its financial condition and results of operations (if any) and investor considerations/risk factors, until a new information statement is issued.

Information Statement dated 5 December 2019.

TABLE OF CONTENTS

	<i>Page</i>
GENERAL	4
INVESTOR CONSIDERATIONS/RISK FACTORS	7
DESCRIPTION OF TSOGO SUN GAMING LIMITED	13
DESCRIPTION OF THE GUARANTORS	35
GENERAL INFORMATION	37

GENERAL

Capitalised terms used in this section headed "General" shall bear the same meanings as defined in the Terms and Conditions in the Programme Memorandum, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer certifies that to the best of their knowledge and belief there are no facts that have been omitted from Information Statement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made, and that this Information Statement contains all information required by law and the Debt Listings Requirements of the JSE. The Issuer accepts full responsibility for the accuracy of the information contained in this Information Statement.

In addition, the Issuer, having made all reasonable inquiries, confirm that this Information Statement contains or incorporates all information which is material in relation to the issuing and the offering of the Notes, that all information contained or incorporated in this Information Statement is true and accurate in all material respects and that the opinions and the intentions expressed in this Information Statement are honestly held and that there are no other facts, the omission of which, would make this Information Statement or any of such information or expression of any such opinions or intentions misleading in any material respect.

The Arranger, the Dealers, the JSE Debt Sponsor or any of their respective subsidiaries or holding companies or a subsidiary of their holding companies (**Affiliates**) and the professional advisors have not separately verified the information contained in this Information Statement. Accordingly, no representation, warranty or undertaking, expressed or implied is made and no responsibility is accepted by the Arranger(s), Dealers, the JSE Debt Sponsor, their Affiliates or any of the professional advisors as to the accuracy or completeness of the information contained in this Information Statement or any other information provided by the Issuer. None of the Arranger(s), Dealers, the JSE Debt Sponsor, their Affiliates nor any of the professional advisors accepts any liability in relation to the information contained in this Information Statement or any other information provided by the Issuer connection with the Notes. The statements made in this paragraph are without prejudice to the responsibilities of the Issuer.

No person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Information Statement or any other information supplied in connection with the issue and sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger(s), the Dealers, the JSE Debt Sponsor, their Affiliates or the professional advisors. Neither the delivery of this Information Statement nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof, or that any other financial statement or other information supplied in connection with the Information Statement is correct at any time subsequent to the date indicated in the document containing the same.

Neither this Information Statement nor any other information supplied in connection with the Notes constitutes the rendering of financial or investment advice by or on behalf of the Issuer, the Arranger(s), the Dealers, the JSE Debt Sponsor, their Affiliates or any professional advisor.

This Information Statement and any other information supplied in connection with the Notes is not intended to provide the basis of any credit or other evaluation, and should not be considered as a recommendation by the Issuer, the Arranger(s), the Dealers, the JSE Debt Sponsor, their Affiliates or any professional advisor, that any recipient of this Information Statement should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Each potential investor should consult its own advisors to make its investment decision and to determine

whether it is legally permitted to purchase the Notes under Applicable Laws and regulations.

Neither this Information Statement nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer, the Arranger(s), the Dealers, the JSE Debt Sponsor, their Affiliates or the professional advisors to any person to subscribe for or to purchase any Notes.

This Information Statement does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. None of the Issuer, the Arranger(s), Dealers, the JSE Debt Sponsor, their Affiliates nor any professional advisor, represents that this Information Statement may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available there under, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger(s), the Dealers, the JSE Debt Sponsor, their Affiliates or the professional advisors which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Statement nor any advertisement nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and regulations. The Arranger(s) or the Dealers has represented that all offers and sales by them will be made on the same terms and in compliance with this prohibition.

The distribution of this Information Statement and the offer for the subscription or sale of Notes may be restricted by law in certain jurisdictions. Currently, the Notes are only available for subscription by South African residents. Persons into whose possession this Information Statement or any Notes come must inform themselves about, and observe, any such restrictions. In particular there are restrictions on the distribution of this Information Statement and the offer for the subscription or sale of Notes in the United States of America, the European Economic Area, the United Kingdom and South Africa.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and may not be offered or sold in the United States of America or to, or for the account or benefit of, US persons (as defined in Regulation S under the Securities Act (**Regulation S**)). The Notes will be offered and sold only in offshore transactions outside the United States of America in accordance with Regulation S and, subject to certain exceptions, may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, US Persons.

Information and opinions presented in the Information Statement were obtained or derived from public sources that the Arranger(s), the Dealers, the JSE Debt Sponsor, their Affiliates or the professional advisors believe are reliable but make no representations as to the accuracy or completeness thereof. Any opinions, forecasts or estimates (if any) herein constitute a judgment as at the date of this Information Statement. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates. Past performance should not be taken as an indication or guarantee of future performance and no representation or warranty, express or implied is made regarding future performance. The price, value of and income from any of the securities or financial instruments mentioned in this Information Statement (if any) can fall as well as rise. Any opinions expressed in this Information Statement are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of the Arranger(s), the Dealers, the JSE Debt Sponsor, their Affiliates or the professional advisors as a result of using different assumptions and criteria. Furthermore, the Arranger(s) or the Dealers (and their respective directors, employees, representatives and agents), the JSE Debt Sponsor, their Affiliates or any professional advisors accept no liability for any direct or indirect loss or damage incurred arising from the use of the material presented in this Information Statement, except as provided for by law.

All trademarks, service marks and logos used in this Information Statement are trademarks or service marks or registered trademarks or service marks of the Issuer. This Information Statement may not be reproduced without the prior written consent of the Issuer, the Arranger(s) or Dealers. It may not be considered as advice, a recommendation or an offer to enter into or conclude any transactions.

Copies of this Information Statement are available by request from the registered offices of the Issuer.

INVESTOR CONSIDERATIONS/RISK FACTORS

Capitalised terms used in this section headed “Investor Considerations/Risk Factors” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below. The value of the Notes could decline due to any of these risks, and investors may lose some or all of their investment.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information available to it at the Programme Date, or which it may not be able to anticipate at the Programme Date. Accordingly, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in this Programme Memorandum to reach their own views prior to making any investment decision.

References below to the “Terms and Conditions”, in relation to Notes, shall mean the “Terms and Conditions of the Notes” set out under the section of this Programme Memorandum headed “Terms and Conditions of the Notes”.

Factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme

Risks Relating to the Notes

The Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Programme Memorandum or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

There may not be an active trading market for the Notes

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the government of South Africa or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies that the Notes are redeemable at the Issuer's option in certain other circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Because uncertificated Notes are held in the CSD, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme which are listed on the Interest Rate Market of the JSE or such other or additional Financial Exchange and/or held in the CSD may, subject to Applicable Laws and the Applicable Procedures, be issued in uncertificated form. Unlisted Notes may also be held in the CSD in uncertificated form. Notes held in the CSD will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the CSD. Except in the limited circumstances described in the Terms and Conditions, investors will not be entitled to receive Individual Certificates. The CSD will maintain records of the Beneficial Interests in Notes and/or issued in uncertificated form, which are held in the CSD (whether such Notes are listed or unlisted). Investors will be able to trade their Beneficial Interests only through the CSD and in accordance with the Applicable Procedures.

Payments of principal and/or interest in respect of uncertificated Notes will be made to the CSD or the Participants and the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the CSD or the Participants for distribution to their account holders. A holder of a Beneficial Interest in uncertificated Notes, whether listed or unlisted, must rely on the procedures of the CSD to receive payments under the relevant Notes. Each investor shown in the records of the CSD or the Participants, as the case may be, shall look solely to the CSD or the Participant, as the case may be, for his share of each payment so made by the Issuer to the

registered holder of such uncertificated Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, such Beneficial Interests.

Holders of Beneficial Interests in uncertificated Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the CSD to appoint appropriate proxies.

Recourse to the JSE Debt Guarantee Fund Trust

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust. Unlisted notes are not regulated by the JSE.

Credit Rating

Tranches of Notes issued under the Programme, the Issuer, the Guarantors, and/or the Programme, as the case may be, may be rated or unrated. A Rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning Rating Agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme.

Any amendment in the Rating of the Issuer and/or the Guarantors and/or the Programme and/or a Tranche of Notes, as the case may be, after the Programme Date, will be announced on SENS.

Risks related to the structure of the particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to re-invest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index-Linked and Dual Currency Notes

The Issuer may issue Notes the terms of which provide for interest or principal payable in respect of such Notes to be determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a **Relevant Factor**) or with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- the market price of such Notes may be volatile;
- no interest may be payable on such Notes;
- payments of principal or interest on such Notes may occur at a different time or in a different currency than expected;
- the amount of principal payable at redemption may be less than the Nominal Amount of such Notes or even zero;

- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Variable Rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate may at any time be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes where denominations involve integral multiples: Individual Certificates

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive an Individual Certificate in respect of such holding and would need to purchase a Nominal Amount of Notes such that its holding amounts to a minimum Specified Denomination.

If Individual Certificates are issued, holders should be aware that Individual Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Modification and waivers and substitution

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Change of law

The Notes are governed by, and will be construed in accordance with, South African law in effect as at the Programme Date. No assurance can be given as to the impact of any possible judicial decision, change to South African law or administrative practice in South Africa after the Programme Date.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Risks relating to the Issuer's Business

Macro-economic environment

Growth in revenue continues to be negatively affected by macro-economic factors. All of Tsogo Sun Groups' operations are in South Africa and there is no geographic diversification. International geopolitics however impact on the South African economy. The Tsogo Sun Group has significant amounts of debt and funding costs may increase due to a potential ratings downgrade.

Regulatory change and compliance

There is significant policy uncertainty in South Africa and regulatory authorities have become more aggressive. The South African regulatory environment continues to become more complex with the ongoing introduction of new legislation, rulings, practices and policies including Protection of Personal Information Act (**POPI**), Consumer Protection Act and the Financial Intelligence Centre Act. The loss of gaming licences could have a material impact on the business. The main areas of regulatory risk are potential amendments to smoking legislation, regulations regarding the maximum number of casino licences granted nationally, amendments to casino licensing conditions, the proliferation of new bingo and other gaming licences, legal challenges to the awarding of bingo licences and the National Gambling Amendment Bill of 2018. Additional regulatory risks are the relocation of existing casino licences, changes in casino licensing conditions and changing Broad-Based Black Economic Empowerment (**B-BBEE**) requirements.

Adverse tax environment

There are risks of potential increases in national and provincial gaming taxes. The tax authorities have become more aggressive which increases the cost of compliance. There are ongoing risks of further increases in personal taxes, rates and property taxes and possible additional VAT increases, all of which impact on the disposable income of our customers.

Portfolio management and product relevance

Technology and social trends continue to change and our properties and services must remain relevant to their target markets as our customers can only experience our products while at the physical sites. There is an ongoing increase in alternative leisure options which our customers may choose. A lack of maintenance may lead to an obsolete product.

Capacity and market issues

The business has a high level of operational gearing due to the fixed nature of its costs. The proliferation of illegal gambling continues to impact on revenues. Additional gaming licenses or the relocation of gaming licences into the catchment area of the properties may impact on revenues.

Missed opportunities

Opportunities for new gaming investments may be missed or delayed and investments in expansions may not yield the expected returns. The integration of acquired businesses may be ineffective.

Human resources

Although significant progress has been made with regards to employment equity, challenges remain at senior levels of the organization which may impact on B-BBEE scores. The Tsogo Sun Group is exposed to the consequences of changes in labour legislation. Unrealistic expectations, social pressure and/or unresolved industrial relations issues in the country may lead to violent strikes and unrest which may disrupt business. There is a limited pool of qualified, trained and talented staff available to the business. Lifestyle diseases, including HIV/Aids, hypertension and diabetes impact on staff health and productivity.

Unreliable and costly utilities

Electricity and water supply have become unreliable and may result in disruption to operations and machinery breakdowns. Utility costs are increasing in excess of inflation.

Crime and security

Robberies at our premises and follow-home robberies of our guests remain a risk despite the security at our properties. Major violent incidents such as terrorist attacks may impact our properties. Despite the robust control environment fraud may be perpetrated by our employees or from external sources.

Cyber, IT and information management

Although it is not company specific, the risk of hacking and hacktivism is increasing. Information management is becoming more complex due to legislation such as the payment card industry data security standards and POPI. The widespread use of social media increases reputational risk.

DESCRIPTION OF TSOGO SUN GAMING LIMITED

Capitalised terms used in this section headed “Business Description of Tsogo Sun Gaming Limited” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1. INTRODUCTION

Tsogo Sun Gaming is Southern Africa's premier gaming and entertainment group.

2. BACKGROUND AND HISTORY

Southern Sun Hotels (**Southern Sun**) was founded in 1969, through the combination of hotel assets owned by The South African Breweries and Sol Kerzner, including the Beverly Hills in Umhlanga. Southern Sun expanded through the acquisition and development of hotels in South Africa and neighbouring countries, throughout the 1970s and early 1980s.

In 1983 the casino interests of Southern Sun, including the newly built Sun City operations, were separated from its hotel business into what later became Sun International. Southern Sun retained the South African hotel operations, during a difficult time for the hotel industry in South Africa as international sanctions against the Apartheid government resulted in a severe contraction in demand.

The 1990s saw a rejuvenation for Southern Sun as the hotel business was transformed through the introduction of the successful “*Jumbo Jet*” strategy, which changed the portfolio to concentrate on mid-market and economy hotels rather than deluxe products. This, combined with the opening of the South African economy post the end of Apartheid, saw a dramatic increase in occupancy rates and profitability.

In 1996 Southern Sun formed a joint venture with a consortium of B-BBEE investors to form Tsogo Sun, to pursue casino licence opportunities afforded through the enactment of the National Gambling Act which regulated gambling activities and promoted uniform standards in relation to gambling in South Africa. Early success saw the Tsogo Sun Group allocated casino licences in Mpumalanga (Emnotweni casino in Nelspruit and The Ridge casino in Witbank) and most importantly the Montecasino licence in Fourways, Johannesburg. These were followed by the successful applications for the Suncoast casino in Durban and the Hemingways casino in East London.

The Tsogo Sun Group also expanded its hotel operations into the rest of Africa, opening hotels in Maputo in Mozambique and Dar es Salaam in Tanzania, in addition to existing operations in Lusaka, Nairobi and the Seychelles.

In 2003 the Tsogo Sun Group entered into a landmark empowerment deal, through which the hotel and casino businesses were housed under one entity, Tsogo Sun, owned 51% by an empowerment consortium and 49% by SABMiller plc. Through a series of transactions and acquisitions Hosken Consolidated Investments Limited (**HCI**) acquired the various empowerment shareholders' interests in Tsogo Sun and remains the Tsogo Sun Group's controlling shareholder today.

In 2009 the Tsogo Sun Group acquired the Century Casinos' operations in Caledon and Newcastle and in 2011 it acquired the Gold Reef Resorts portfolio, consisting of seven casinos in South Africa, via a reverse listing. The Tsogo Sun Group then acquired the remaining 53% of the joint venture owning and operating the Formula 1 hotels in South Africa from Accor and rebranded these hotels as SUN1 properties. This period also saw the acquisition of eight hotels from Liberty Properties that were previously managed by the Tsogo Sun Group, as well as the Southern Sun Hyde Park and The Grace in Rosebank (relaunched as 54 on Bath) hotels from Hyprop.

In July 2014, SABMiller plc exited from its long-term 39.6% shareholding in Tsogo Sun through a fully marketed secondary placement.

2016 saw the acquisition of a controlling stake in HPF, through the injection of 10 hotel properties into HPF in an asset-for-share transaction. This stake was increased in 2017 through the addition of a further 29 hotel properties to HPF for a combination of shares and cash. The group also acquired a 20% interest in the GrandWest and Worcester casinos.

During 2017 the group acquired the VSlots and Galaxy Bingo businesses for a combination of shares and cash providing it with access to additional gaming markets and in July 2019 the group unbundled its hotel business to its shareholders leaving it as a focussed gaming business.

3. OWNERSHIP AND CONTROL

Tsogo Sun Gaming Limited is listed on the JSE.

The Top 10 shareholding at 31 March 2019:

Shareholder	Number of shares held	Shareholding %
TIHC Investments (RF) Proprietary Limited	415 182 027	36.28
Hosken Consolidated Investments Limited	102 727 643	8.98
Allan Gray Equity Fund	48 438 443	4.23
Citiclient Nominees No 8 NY GW	44 821 132	3.92
Tsogo Sun Gaming Proprietary Limited ⁽¹⁾	42 876 046	3.75
SBSA ITF Prud Core Val Fund	27 465 148	2.40
Old Mutual Life Assurance Co SA Limited	27 273 667	2.38
Tsogo Sun Expansion No 1 Proprietary Limited ⁽¹⁾	26 329 047	2.30
SSBTC Client Omni Non Lux Om01	20 265 866	1.77
Alexander Forbes Investments Limited	19 290 168	1.69

⁽¹⁾ Treasury shares

4. REVIEW OF OPERATIONS/DESCRIPTION OF BUSINESS

KEY FEATURES

Continuing Operations for the year ended 31 March 2019

Operations	Location	Revenue (R'm)	EBITDAR (R'm)
Montecasino	Gauteng	2 714	1 175
Suncoast Casino	KZN	1 734	720
Gold Reef City Casino	Gauteng	1 477	550
Silverstar Casino	Gauteng	691	210
Golden Horse Casino	KZN	409	176
Emnotweni casino	Mpumalanga	368	119
The Ridge casino	Mpumalanga	391	144
Hemmingways casino	Eastern Cape	304	84
Garden Route Casino	Western Cape	245	100
Mykanos casino	Western Cape	179	80
The Caledon Casino	Western Cape	181	49
Blackrock Casino	Eastern Cape	170	53
Goldfields Casino	Free State	137	35
Galaxy Bingo	Various	855	247
VSlots	Various	1 559	441

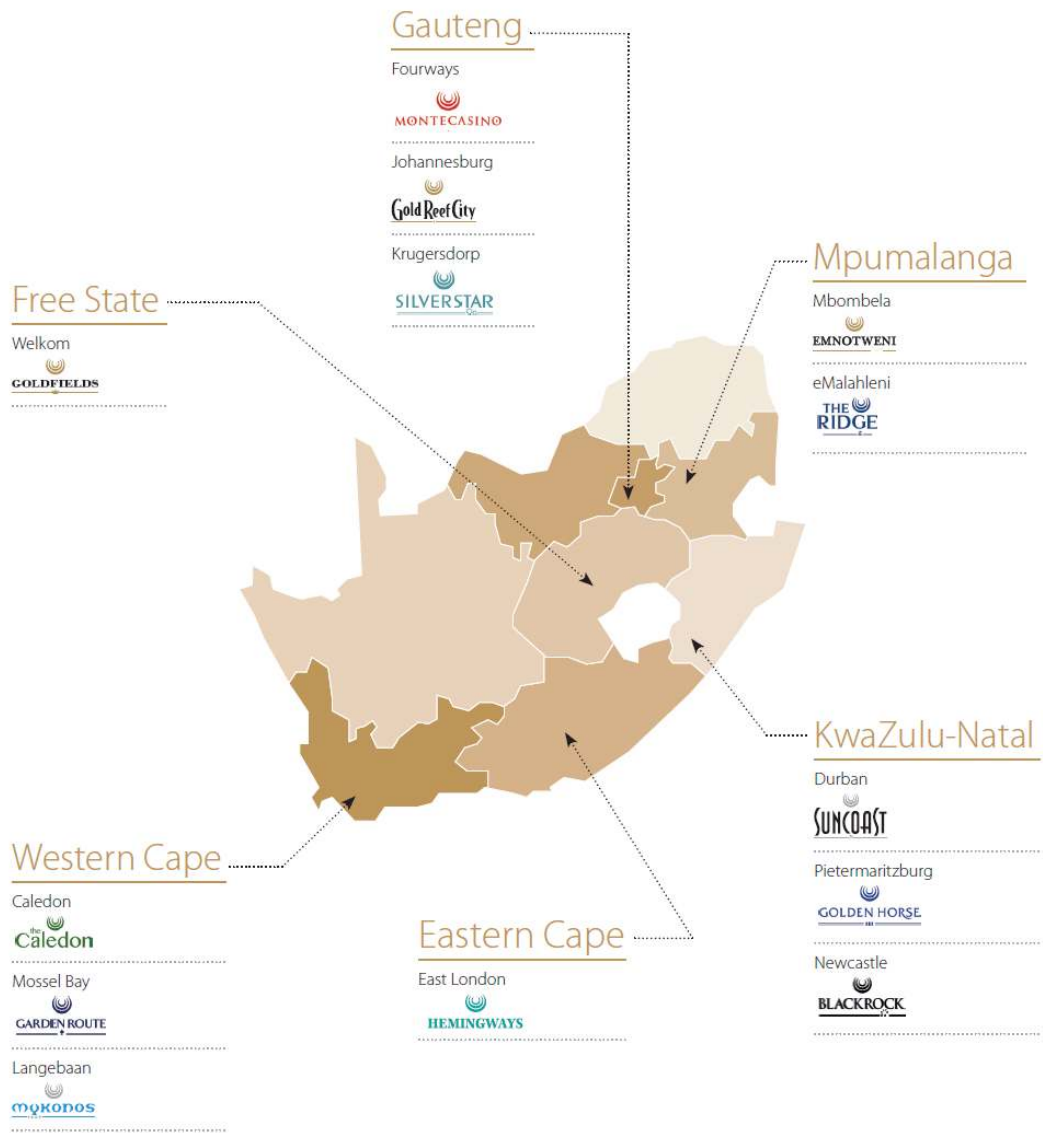
As at 31 March 2019, Tsogo Sun Gaming owned and operated 13 premier casino and entertainment destinations in six provinces of South Africa, 23 Galaxy Bingo sites (21 bingo, one casino and one ISO) in six provinces of South Africa, 1 144 VSlots Limited Payout Machine (**LPM**) sites with 6 058 machines across all provinces; theatres, cinemas, restaurants and bars; and over 60 operated conference and banqueting facilities, including the Sandton Convention Centre.

Casinos

Footprint as at 31 March 2019	Ownership %	Tables	Slots	Hotel rooms
Montecasino	100	83	1 700	619
Suncoast	100	71	1 847	165
Gold Reef City	100	51	1 600	113
Silverstar	100	31	900	34
Golden Horse	100	22	450	96
Emnotweni	100	19	425	224
The Ridge	100	19	436	175
Hemingways	65	16	507	108
Garden Route	100	12	412	43
Mykonos	100	6	320	–
The Caledon	100	8	318	95
Blackrock	100	10	300	80
Goldfields	100	9	250	–
Total 2019		357	9 465	1 752

The casino gaming division's preference is to wholly own its operations thus creating a clearer, simpler operating structure. Empowerment shareholding is achieved at the holding company level, enabling the Tsogo Sun Group empowerment shareholders to participate in all casino operations. The only exception is in the Eastern Cape where the licence conditions require local provincial based empowerment ownership where the Tsogo Sun Group has minority shareholders in Hemingways at 35%. In addition, the Tsogo Sun Group has a 20% equity interest in the GrandWest and Worcester casinos which are operated by Sun International. Security of tenure over the casino properties, which is critical, is retained through whole ownership of most of the casino precincts. The gaming and entertainment complexes are primarily located in urban areas and are the entertainment hubs for the communities they serve. The businesses are thus embedded within the local communities and their success is inextricably linked to the economic wellbeing of that community. Along with the creation of local jobs and the payment of taxes, the Tsogo Sun Group seeks to stimulate local enterprise and support economic development, collaborate with provincial and national government and others on shared challenges – all essential to our ongoing ability to trade. Significant focus is placed on the nature and quality of the facilities and experiences offered at each gaming and entertainment complex. With the vast majority of customers being locally based regular customers, an important component of our operating model is to ensure the properties remain fresh, attractive, and interesting to visitors on an ongoing basis.

Management of mutually beneficial relationships with quality restaurant, retail and entertainment tenants is key to retaining footfall at our properties against other leisure offerings. The customer rewards programme in the gaming division rewards customers with status, benefits and recognition. The rewards programme is important as 80% of gaming revenue is contributed by active reward club members. Compliance with gaming regulations is critical to the retention of the casino licences and is discussed in the regulatory compliance section on page 62 of the Integrated Annual Report (IAR). The IAR for the year ending 31 March 2019 is available on the company's website at <https://www.tsogosun.com/gaming/investors/financial-reports/2019>.



Galaxy Bingo

Footprint as at 31 March 2019	Galaxy EBT sites	Galaxy Casino site	Galaxy ISO site	Galaxy gaming win contribution %
Gauteng	4	–	–	36
Eastern Cape	6	–	–	25
Western Cape	–	–	–	–
KwaZulu-Natal	4 ⁽²⁾	–	–	11
Limpopo	3 ⁽³⁾	–	–	10
Mpumalanga	2	–	1	7
North West	2	–	–	7
Free State	–	–	–	–
Northern Cape	–	– ⁽⁴⁾	–	3
Total 2019	21	1	1	100

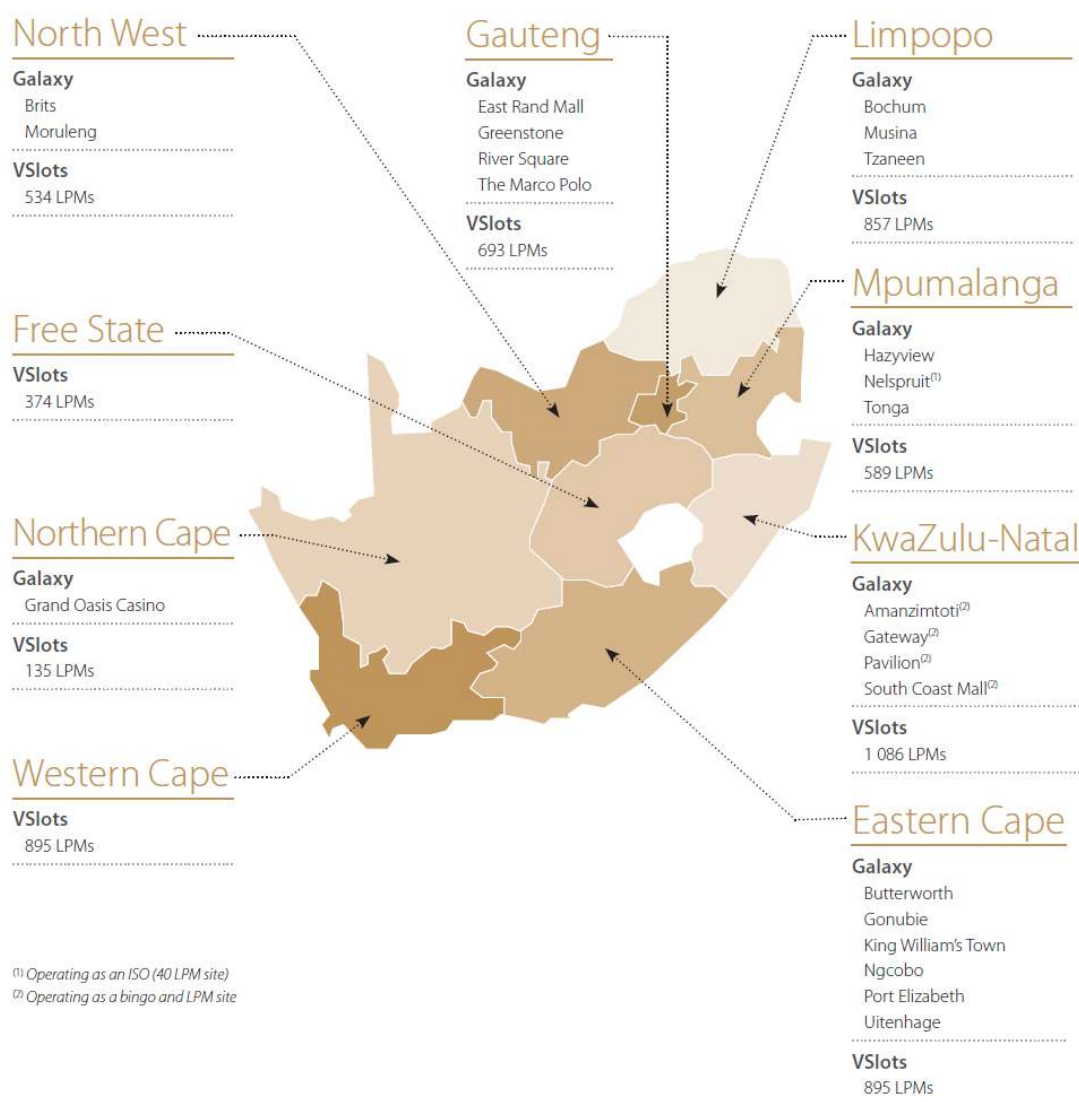
Galaxy offers bingo through EBTs and operates the Grand Oasis Casino located in Kuruman, Northern Cape. During each of the 2017 and 2018 financial years four new bingo sites opened with one site opening during the 2019 financial year in Tzaneen during April 2018. As at 31 March 2019, Galaxy operated and managed 23 sites including 17 bingo sites with EBTs, four sites with EBTs and LPMs, one ISO with 40 LPMs and one casino. Machines under management include 3 507 EBTs (2018: 2 900), 200 LPMs (2018: 200) and 162 casino gaming positions (2018: 154). During the year electronic bingo was rolled out at the four KwaZulu-Natal sites that previously offered LPMs and paper bingo. Post-year end, during April 2019, an additional site with EBTs and LPMs opened in Pinetown.

There are an additional two licences in KwaZulu-Natal that are not yet operational. Numerous court cases that may impact the bingo licences in KwaZulu-Natal, Eastern Cape and North West remain pending. Empowerment shareholding is at a site level which provides access to the licences and the group holds interests of between 29% and 100% in each site and runs the operations of all sites. The bingo sites and the associated food and beverage outlets operate mainly in leased premises at shopping centres. The majority of the EBTs are leased and these are being replaced with owned machines where appropriate.

VSlots

Footprint as at 31 March 2019	VSlots EBT sites	VSlots machines	VSlots gaming win contribution %
Gauteng	146	693	9
Eastern Cape	102	895	13
Western Cape	194	895	27
KwaZulu-Natal	244	1 086	19
Limpopo	143	857	13
Mpumalanga	117	589	9
North West	79	534	4
Free State	90	374	4
Northern Cape	29	135	1
Total 2019	1 144	6 058	100

VSlots offers LPM gaming services and manages 6 058 (2018: 5 894) LPMs at 1 144 sites (2018: 1 113) throughout all the provinces of the country. The sites are located in pubs, bars, clubs, hotels, taverns and bookmakers and the Tsogo Sun Group provides the sites with access to LPMs with a full support structure. The sites are monitored by a national central electronic monitoring system to maintain a well-regulated gaming industry for site owners and their customers. Growth is achieved through the roll out of additional sites and the optimisation of existing sites in terms of location and product mix. There are significant barriers to entry, including the stringent requirements and time delays in obtaining the necessary licences and a limited number of licences are available for each province.



The environment within which we operate

Regulatory

The South African regulatory environment continues to become more complex with the ongoing introduction of new legislation, rulings, practices and policies. Gaming legislation remains the Tsogo Sun Group's primary compliance focus, although this regulatory framework is well entrenched and remains relatively stable. The main regulatory areas of risk and opportunity are potential amendments to smoking legislation, regulations regarding the maximum number of casino licences granted nationally, Gauteng provincial gaming taxes, national gambling tax, amendments to casino licensing conditions, the proliferation of new bingo licences, legal challenges to the awarding of bingo licences and the relocation of casino licences to the Western Cape metropole.

During May 2018 the Minister of Health published a draft amendment bill prohibiting smoking in public places. The total ban on smoking in public places had a significant short-term impact on gaming win in other countries where it has been implemented, although the impact in South Africa may not be as severe due to the strict smoking restrictions that are already in place. No further developments have taken place.

Following the approval by cabinet of the National Gambling Policy in October 2015 the Minister of Trade and Industry published his intention to increase the number of casino licences from 40 to 41 to include an additional licence in the North West province and it was proclaimed in the Government Gazette during June 2016. The additional licence was challenged by CASA. Judgment was in favour of the Minister of Trade and Industry. CASA's appeal was dismissed, as was its petition to the Supreme Court of Appeal for leave to appeal. CASA has appealed to the Constitutional Court.

During May 2018 the Gauteng Department of Economic Development published a revision of the casino tax regime for comment where the current fixed rate of 9% would be replaced with a sliding scale with a maximum marginal rate of 15%. CASA objected to the proposed increase due to, among others, its procedural illegality, gross unfairness and excessive nature. An amended version of the regulation was then published in January 2019. CASA launched a review application to set aside the amendments to the regulations. The provincial government withdrew the regulations so as to enable it to start a fresh process to consider the possible increase of gaming levies. The 2012 national budget proposal of a 1% gambling tax was revived in the 2019 budget presented by the Minister of Finance with an indication that draft legislation will be published for public comment during 2019.

Various gaming boards are attempting to impose the achievement of a prescribed contributor status as a licence condition. The Tsogo Sun Group remains committed to enhancing its B-BBEE credentials in every commercially reasonable way and is currently a level 1 contributor measured against the revised codes of good practice – tourism sector scorecard. The group, however, cannot expose its licences to moving targets due to the uncertainty and the extent to which the levels to be achieved are moved out of the Tsogo Sun Group's control, and will continue to challenge the decisions.

During 2018 the Gauteng Gambling Board issued a draft request for proposal for comment for an additional 14 licences of 300 EBTs each. The maximum number of bingo licences is currently not regulated by the National Gambling Act which may result in the uncontrolled proliferation of licences by the provincial gambling boards which would not be good for the bingo industry. Numerous legal challenges to the award of bingo licences in KwaZulu-Natal, the Eastern Cape and the North West continue and the outcome remains uncertain. During February 2018 the Western Cape provincial treasury published a draft bill and regulations to permit the relocation of two outlying casinos to within the metropole. Due to a lack of any further progress the Tsogo Sun Group lifted the suspension of its High Court application to declare the policy limiting the metropole to one casino licence of no force and effect and to declare the board competent to consider a relocation application, and it will continue to pursue the opportunity.

The gaming industry in South Africa is highly regulated, both at national and provincial level, and thus, unlike the hotel industry, has high barriers to entry. The National Gambling Act sets the broad framework for the licensing and regulation of gambling in South Africa, and each province has its own legislation relating to casinos, gambling and wagering. The National Gambling Act currently limits the number of casino licences that may be granted to 41 for South Africa as a whole.

The table below sets out details in respect of the number of casino licences in South Africa which are authorised to be issued, have been issued and are available to be issued:

Province	Authorised to be issued	Issued	Tsogo	Available
Gauteng	7	7	3	-
Eastern Cape	5	5	1	-
Western Cape	5	5	3	-
Mpumalanga	4	3	2	1
Limpopo	3	3	-	-
Northern Cape	3	3	-	-
Free State	4	4	1	1
North West	5	4	-	1
KwaZulu-Natal	5	5	3	-
Total	41	39	13	3

The approval of an additional casino licence in the North West province potentially increases the risk of additional licences in other provinces, although assurances that this is a once-off special situation (due to the loss of the Morula licence to the North West province due to the change of provincial boundaries) was given by the Minister of Trade and Industry. The approval by the Gauteng Gambling Board of Sun International's relocation of its Morula licence to Menlyn in Pretoria potentially increases the likelihood of the relocation of other casino licences. With the exception of the group's Eastern Cape-based licences, casino licences are issued for an indefinite period, subject to payment to the relevant provincial board of the applicable annual licence fees and continued suitability and compliance with licensing conditions. The National Gambling Act does not currently limit the number of gaming licences except for casinos.

Economic

Disposable income growth, ongoing urbanisation, significant middleclass growth, developed infrastructure and an operating environment conducive to business have historically been long-term structural drivers of growth in South Africa and have increased the consumer base and spending power of the population. Disposable income in South Africa grew strongly since 2000 and millions of South Africans entered higher Living Standards Measure (**LSM**) brackets.

Global economic conditions have improved with economic growth across both the developed and emerging markets, although trade tensions and Brexit uncertainty increase volatility. South African-specific political, social and economic issues have constrained investment in the country relative to other emerging markets. The Rand weakened during the year as positive sentiment faded following the favourable political developments during December 2017, and this may result in an increase in interest rates and inflation which would not assist the current weak levels of economic growth. Business confidence is at record low levels, particularly due to energy supply concerns, political uncertainty, the land reform debate, low levels of economic growth and high levels of household debt. Above inflationary increases in municipal rates, electricity and water, in addition to the costs of mitigating the supply constraints, had an impact on the business and the consumer and consumer spending remains at low levels.

The underlying operations of the group remain highly geared towards the South African consumer (in gaming) and the corporate market (in hotels). The weakening of the Rand mainly impacts the capital cost of gaming machines.

The factors noted above mainly impact the group indirectly due to their impact on the consumer, corporate and government markets and have manifested in significant monthly trading volatility and reduced levels of growth over the past six years.

Industry

A gaming industry has existed in South Africa since it was partially legalised in the independent homelands during the 1970s. Following the introduction of the current regulatory framework in South Africa during the late 1990s, the industry was formalised and operates in line with global best practice. The formalisation of the industry has provided substantial benefits to the country through the collection of taxes and levies, the development of gaming and entertainment complexes, hotels and tourism infrastructure including roads, the creation of employment, Corporate Social Investment (**CSI**) initiatives and transformation.

The South African formal gaming market is made up of casinos, sports betting, LPMs and bingo, and generated annual revenues of approximately R29 billion during the 2018 financial year. In addition the national lottery generates revenues of approximately R3 billion.

The casino market reflected double-digit growth until 2008 when the impact of the global recession slowed growth. The industry proved to be resilient and although growth slowed to low single digits it never went significantly negative. Growth from 2010 has lagged nominal GDP but is expected to accelerate when economic conditions improve. Gaming taxes and levies vary by province on either fixed or sliding scales and average 22% of gaming win including non-recoverable VAT on gaming win.

Province	Total casino gaming win (R'm)	Tsogo share (%)
Gauteng	8 262	48
KwaZulu-Natal	3 595	58
Western Cape	3 006	35
Eastern Cape	1 175	20
Mpumalanga	735	80
Free State	471	28
Other	1 716	-
Total	18 961	42

Casino gaming accounts for approximately 66% of the gaming market and Tsogo Sun Gaming has a revenue share of 47% in the six provinces in which it operates and 42% nationally. As a result of their geographic distribution, casinos in South Africa mainly compete with providers of other leisure and entertainment activities for patronage, such as shopping centres, restaurants, sporting and concert venues, rather than with other casinos. Casinos operate in different markets, each with its own catchment area. The table below sets out the group's estimate of its share of the total casino gaming win per province:

LPMs continue to show double-digit growth and above inflationary growth is expected to continue until optimisation is complete. LPMs are principally located in bars, clubs, hotels, taverns and bookmakers. LPMs account for approximately 10% of the broader gambling market and growth will be driven by the roll out of additional sites and by the optimisation of individual site locations and machine mix within sites.

Bingo has shown strong double-digit growth which is expected to continue until the sites potential matures. Bingo accounts for approximately 4% of the broader gambling market and growth will be driven by expansion and improvement. Galaxy Bingo operates in six provinces.

Sports betting and horse racing make up approximately 21% of the broader gambling market and growth in sports betting is strong.

Online gaming remains illegal in South Africa and there is no indication as to when enabling legislation will be implemented.

Illegal land-based gambling sites are impacting casino, bingo and LPM revenues and impact government through reduced taxes and society through lost employment opportunities, reduced CSI initiatives, reduced economic growth and impaired consumer protection. Closing down illegal operators remains a significant challenge and more effort is required from the gambling board, the Department of Trade and Industry (**DTI**), the South African Revenue Services (**SARS**), law enforcement agencies and banking institutions in stopping illegal gambling transactions and raiding and closing down illegal land-based sites.

The proliferation of both licensed outlets and illegal sites could negatively impact the gaming industry through negative perceptions created by widespread access to gambling. What remains of concern to the EBT industry is if the roll out of licensed EBT outlets is on an uncontrolled basis and if the maximum bet and maximum payout limits for LPMs were substantially increased.

Technology

The use of technology is important in both the gaming and hotel businesses to deliver relevant experiences to customers and to drive business efficiencies. Key technology areas are casino management, hotel property management and hotel booking and reservation systems to enable the business, customer relationship management to provide relevant benefits and rewards to customers, business intelligence to drive efficiencies and digital platforms to interact with and provide connectivity to customers.

Technology remains a key business enabler for the group and technology operating models continue to evolve and require ongoing evaluation and investment. The key areas of priority include the ways in which we work and interact with customers (including touch points and adding value to their journey), making resources more productive, and deploying relevant technology more rapidly. Significant emphasis will continue to be placed on analytics, business intelligence and digital platforms.

Technology trends most relevant to our industry being:

- availability of robust broadband;
- advanced and secure mobile functionality for transacting and communication (customers and operational staff);
- integrated tools to ensure customers are rewarded equitably based on spend/value;
- improving staff productivity and reducing costs; and
- more cost-effective IT business models.

Consumer Preferences

In order for gaming and hotel businesses to deliver quality experiences, facilities and services must be relevant to what customers want and are prepared to pay for. Consumer preferences range from the technology preferences noted previously to the look and feel of the physical product, the location of buildings, concepts of restaurants and bar offerings, types of

entertainment and travel patterns. Public recognition of brands and their associated reputation are important in attracting and retaining customers.

Societal Issues

The weak economic environment, along with political factors and energy supply concerns, continues to fuel disruption and uncertainty which discourages investment and impacts the high-unemployment level and low-growth rate in South Africa. The impact of labour disruptions in the gaming and hotel businesses in the markets in which the group operates is limited due to the high level of employee engagement and the location of the majority of the properties in urban areas. The group is, however, indirectly impacted through the adverse effect on the economy.

The gaming industry is exposed to anti-gaming sentiment, which increases the risks of excessive taxation and regulation. The reality, however, is that issues such as problem gambling are well managed and are substantially exceeded by the benefits in the highly regulated industry through significant tax contributions, infrastructure development, creation of employment, wealth distribution to black economic empowered businesses and PDI shareholders and social investment in the communities that are served. These benefits are, however, not provided by illegal land-based or online gambling sites and more effective policing and prosecution is required to achieve the benefits. In addition, the illegal sites are not regulated and the issues of problem gambling and the proliferation of gambling is not controlled.

Environmental Issues

The business poses limited risks to the environment due to the service nature of the industry. Tsogo Sun operates predominantly in urban areas, which further reduces the biodiversity impact. The main environmental impacts of the group are the consumption of energy and water, the production of waste and travel of guests to our properties.

Although customer choices are not yet significantly impacted by environmental performance, behavioural changes are being driven by social responsibility. The environmental focus areas are the reduction of consumption through innovative physical property and behavioural changes and the responsible management of the supply chain and waste.

The greater challenges to the gaming and hotel industries currently are the rising utility costs and uncertainty of the current supply of energy and particularly the future supply of water. The severe drought and water shortages in the Western Cape was a significant challenge, and while the group's hotels are prepared for water supply interruptions through reverse osmosis plants, boreholes, water treatment plants and sufficient storage capacity, there was no practical solution in the event of no water availability in the region and this risk must be addressed by provincial or national government.

5. FINANCIAL HIGHLIGHTS

Refer to the Chief Financial Officers review in the IAR and the Consolidated Financial Statements for the year ending 31 March 2019 available on the company's website at <https://www.tsogosun.com/gaming/investors/financial-reports/2019>.

6. MANAGEMENT STRATEGY

Strategic priorities

Sustainability

- Deliver to our beneficiaries:
 - Current shareholding, corporate social investment and enterprise development programmes are effective.

- Regulatory compliance:
 - Day-to-day compliance excellent; and
 - High awareness of potential regulatory risks.
- Financial strength and durability:
 - Strong cash flow, judicious use of gearing and adequate facilities; and
 - Own our assets.
- Human resources:
 - Adequate resources and skills; and
 - Engaged workforce.
- Product relevance to customer experience:
 - Adequate maintenance capex;
 - Strong development skills in-house; and
 - Proactive marketing of products and brands.

Growth

- Organic:
 - Significant focus on getting more out of our existing businesses;
 - Continued cost focus; and
 - Systems and values.
- Inorganic:
 - New projects.

Future Growth Drivers

- Significant upside potential from economic recovery:
 - Growth in gaming win as economy improves;
 - Growth in Revpar as economy improves through improved occupancies and the resultant rate increase and yielding opportunities; and
 - Focus on costs to protect margins.
- Expansion / Refurbishment should drive additional growth:
 - Suncoast expansion and refurbishment completed in December 2018;
 - Additional licensed positions available at most casinos;
 - Refurbishment and expansion of bingo sites; and
 - Optimisation of VSlots sites and machines.
- New gaming opportunities:
 - Western Cape metropole/Mpumalanga fourth casino licence;
 - Potential additional Bingo licences in provinces where it is not yet licensed; and
 - Growth in number of VSlots sites.

For more detail refer to the Sustainability strategy in action and Growth strategy in action sections in the IAR for the year ending 31 March 2019 available on the company's website at <https://www.tsogosun.com/gaming/investors/financial-reports/2019>.

7. **BOARD OF DIRECTORS**

Governance structure

The board maintains full and effective control over the company and is accountable and responsible for its performance and compliance. The board reviews the strategic priorities of the group, determines the investment policies and delegates to management the detailed planning and implementation of the objectives and policies in accordance with appropriate risk parameters. The board monitors compliance with policies and achievement against objectives by holding management accountable for its activities through quarterly performance reporting and budget updates.

The board charter codifies the board's composition, appointment, authorities, responsibilities and processes and sets out the fiduciary duties of the directors of the company. It provides the board with a mandate to exercise leadership, determine the group's vision and strategy and monitors operational performance.

The board governs through clearly mandated board committees. Each committee has written terms of reference approved by the board and adopted by the committee. All committee chairmen report orally on the proceedings of their committees at the board meetings. The board retains accountability and is satisfied that it has fulfilled its responsibilities in accordance with the board charter during the year.

Board composition

The composition of the board and of the audit and risk, remuneration and the social and ethics committees is determined by the major shareholder. The board exercised its prerogative to appoint John Copelyn as the Chairman. As a compensating control, a lead independent director was appointed. The lead independent director is Busi Mabuza who serves on all of the committees of the board, and is therefore well placed to influence the governance of the company and meet her obligations. The independent directors who have served for more than nine years are Marcel Golding and Elias Mphande who have served for 14 years and 15 years respectively. The average length of service of independent directors is eight years. The board considers a director independent where the director considers themselves independent and they had no other executive role within the group for a period of three years. One-third of the non-executive directors retire by rotation each year in line with the memorandum of incorporation. Self-evaluation of the board is entrenched in the board charter and terms of reference.

The remuneration committee reviews and assesses board composition on behalf of the board and recommends the appointment of new directors. All board appointments are made on merit, in the context of skills, experience, independence, and knowledge, which the board as a whole requires to be effective. Factors that are taken into consideration are differences in skills, regional and industry experience, background, race, and gender. The board considers that there is an appropriate balance of skills, experience, independence, and knowledge among the independent directors. The board has approved a diversity policy incorporating race and gender. No specific targets have been set in relation to the board diversity policy but, while 67% of the board members are black, the board recognises that, while it has made progress during the year, it does not have an adequate representation of female members at 22%.

The roles of the Chairman and the Chief Executive Officer (**CEO**) are separate, with responsibilities divided between them to ensure a balance of power and authority. The Chairman is responsible for providing overall leadership of the board and ensuring that the

board performs effectively. The CEO is responsible for the execution of the strategic direction, which is approved by the board, through the delegation of authority.

The CEO's employment contract includes a three-month notice period unless varied by agreement and there are no specific contractual conditions related to termination. The CEO has no other external professional commitments. Succession planning is not formalised but executive director appointments have historically been internal.

As at the Programme Date, the Board of Directors of the Issuer comprises:

<p>John Anthony Copelyn (68) <i>BA (Hons), BProc</i> Non-executive Chairman Date appointed: 24 February 2011</p>	<p>John Copelyn joined HCI as Chief Executive Officer in 1997. He was previously General Secretary of the Southern African Clothing and Textile Workers Union from 1974 before becoming a member of parliament in 1994. He currently holds various directorships in companies within the HCI group.</p>
<p>Christiaan Gerrit du Toit (49) <i>CA(SA), FCMA</i> Executive Director – Chief Executive Officer Date appointed: 1 June 2019</p>	<p>Chris du Toit completed his articles at PricewaterhouseCoopers (PwC) in 1996. After three years in the financial services industry in the UK he joined the HCI group in 2001, served as Financial Director of Mettle Limited from 2003 and moved to the gaming and entertainment sector in 2009 as CEO of Galaxy Bingo. His operational experience over the past decade includes the bingo, LPM, casino and F&B industries. He was appointed to the board on 1 June 2019 and as Chief Executive Officer of the Tsogo Sun Gaming group from 1 June 2019.</p>
<p>Robert Brian Huddy (50) <i>CA(SA)</i> Executive Director – Chief Financial Officer Date appointed: 31 October 2011 Date of resignation: 22 November 2019, effective as at 31 July 2020.</p>	<p>Rob Huddy served his articles at PwC and joined Tsogo Sun in 1997. He held various management positions prior to being appointed Financial Director – Hotels Offshore in 2006 and Financial Director – Hotels South Africa in 2009. On 30 September 2011 he assumed the role of Chief Financial Officer.</p>
<p>Yunis Shaik (61) <i>BA (Law), BProc</i> Non-executive Director Date appointed: 15 June 2011</p>	<p>Yunis Shaik is an admitted attorney of the High Court of South Africa. He is a former Deputy General Secretary of the Southern African Clothing and Textile Workers Union and a director of Workers' College. He has served as a Senior Commissioner to the KwaZulu-Natal Commission for Conciliation, Mediation and Arbitration. He is an executive director of HCI.</p>
<p>Mahomed-Salim Ismail Gani (66) <i>CA(SA)</i> Independent Non-executive Director Date appointed: 11 August 2016</p>	<p>Mohamed Gani is a Chartered Accountant with over 30 years' experience in the accounting and audit profession. He was a founding partner of MSGM Masuku Jeena Inc., a partner of Saboor Gani & Co and a partner of PwC until 2013. He is a non-executive director on a number of boards including HCI and Dis-Chem Pharmacies Limited and is on the investigating committee of the Independent Regulatory Board of Auditors.</p>

<p>Marcel Jonathan Anthony Golding (59) <i>BA (Hons)</i> Independent Non-executive Director Date appointed: 24 February 2011</p>	<p>Marcel Golding runs a family investment office. Prior to this he was Chairman of HCI and Chief Executive Officer of e.tv. He was a member of parliament and Deputy General Secretary of the National Union of Mineworkers.</p>
<p>Busisiwe Abigail Mabuza (55) <small>ASR</small> <i>BA (MBA)</i> Lead Independent Non-executive Director Date appointed: 1 June 2014</p>	<p>Busi Mabuza has held various positions in the financial services and energy sectors and is currently a non-executive director at Development Bank of Southern Africa, Nehawu Investment Holdings, the non-executive chairperson of the Industrial Development Corporation and the head of the South African BRICS Business Council.</p>
<p>Velaphi Elias Mphande (61) <i>Elec Eng (Dip)</i> Independent Non-executive Director Date appointed: 24 February 2011</p>	<p>Elias Mphande has served as the National Organising Secretary of the Southern African Clothing and Textile Workers Union, Marketing Director of Viamax Fleet Solutions, Chief Executive Officer of AUTA and the Vukani Group and Chairman of Golden Arrow Bus Services. He was appointed to the HCI board in 2010 as a non-executive director and as non-executive Chairman in 2015 and serves on the board of e.tv.</p>
<p>Rachel Doreen Watson (60) Independent Non-executive Director Date appointed: 1 June 2019</p>	<p>Rachel was employed for 33 years within the clothing industry, serving as a trade union representative in various organizational positions for the last 14 years of her tenure. She currently holds a position as manager at a regional broadcaster. Rachel was appointed to the HCI board in March 2014 and is a nonexecutive director of eMedia Holdings, Niveus Investments and Deneb Investments.</p>

8. COMPANY SECRETARY AND REGISTERED OFFICE

Mr Graham Tyrrell

Date of resignation: 22 November 2019, effective as at 1 March 2020.

Tsogo Sun Gaming Limited
(formerly Tsogo Sun Holdings Limited)
(Registration number: 1989/002108/06)

Palazzo Towers East
Montecasino Boulevard
Fourways, 2055
(Private Bag X200, Bryanston, 2021)

9. CORPORATE GOVERNANCE AND REGULATORY FRAMEWORK

Reporting Approach

King IV applied to the Tsogo Sun Group from the 2018 financial year and the integrated governance section of the IAR contains most of the disclosures required by King IV, in addition to references in other relevant sections of the IAR which contain additional disclosures required

by King IV, but which have not been repeated in the integrated governance section to avoid repetition.

An assessment of King IV was completed during the prior year utilising the Institute of Directors of South Africa's Governance Assessment Instrument. Supporting evidence was collated for the numerous practices within each principle and, based on the assessment, the Tsogo Sun Group substantially applies the 16 principles.

Although the Tsogo Sun Group substantially applies the principles work is still required on several of the practices. Practices which are not applied or where insufficient supporting evidence was available were presented to the Audit and Risk Committee by principle with recommendations.

The most significant of these practices include board diversity targets, board, and executive succession planning, formal and transparent process for the appointment of board members, board assurance of non-financial information in reports, formal letters of appointment for board members, independence of the chairman of the remuneration committee and a formal stakeholder relationship policy. The board charter and individual committee terms of reference documents have been updated and adopted to incorporate the required amendments.

The disclosure in the IAR relates to Tsogo Sun Holdings Limited which was renamed Tsogo Sun Gaming Limited when Tsogo Sun Hotels Limited was unbundled during June 2019. The IAR for the year ended 31 March 2019 is available on the company's website at <https://www.tsogosun.com/gaming/investors/financial-reports/2019>.

Effective and Ethical leadership

Ethics

The Tsogo Sun Group has an ethics policy and a code of conduct which guides its business practices. The ethics policy seeks to reinforce the company's many policies, principles and practices through providing clarity on expectations and underlying matters of principle.

The key aspects of the ethics policy are how business is conducted, the group's societal contribution and handling of people, the need for employees to speak out about wrongdoings, conflicts of interest, the legitimate interests of the business, application of law, policies and procedures, corporate governance matters and individual accountability.

The code of conduct provides guidance on matters such as conflicts of interest, acceptance and giving of donations and gifts, compliance with laws and the dissemination of confidential information.

The board has ultimate responsibility for the ethical culture of the business. The social and ethics committee has oversight over the Tsogo Sun Group's ethical matters and the roles and responsibilities are set out in the terms of reference of the committee. All senior employees are required to sign an annual declaration confirming no conflicts of interest and compliance with laws and regulations. Board members are required to disclose conflicts of interest at each meeting. The ethics policies are included in the information directors are provided with on appointment.

The Tsogo Sun Group has an independent whistle-blower line and all reported matters are investigated by appropriate employees and the results reported to the audit and risk committee. Unethical behaviour is not tolerated within the Tsogo Sun Group or its business partners and all criminal behaviour is reported to the police.

Responsible Corporate Citizenship

The social and ethics committee has oversight over the Tsogo Sun Group's social matters and the roles and responsibilities are set out in the terms of reference of the committee.

The key areas of focus are social and economic development of the industry, state and partners, corporate citizenship within the community, the natural environment and relationships with customers and employees.

Refer to the deliver to our beneficiaries section on pages 47 to 55 of the IAR, the product relevance to customer experience section on pages 58 to 61 of the IAR, the regulatory compliance section on page 62 of the IAR and the human resources section on pages 63 to 65 of the IAR for information as to how the group manages its social outcomes.

Value creating and reporting

Our approach and philosophy of integrated reporting and assurance over the report is documented in the IAR on page 01.

The IAR is purposefully structured around the strategy of the group in order to illustrate how we create value. Our material risks and opportunities reported in the IAR on pages 27 to 29 and key relationships on pages 30 to 32 inform the strategy which is documented in our strategy in action on pages 08 to 10. Our strategy and performance highlights against the strategy are summarised on pages 06 to 07 and our business model on pages 12 to 24 provide the context and link between the capitals we utilise and the outcomes linked to our strategic priorities.

All information presented in the report is utilised within the business and there are processes in place to ensure its accuracy. Although elements of the report are assured internally and other information is provided by external sources assurance is an area that requires further formalisation as guidance in this area matures.

10. **BOARD COMMITTEES**

Committee	Composition	Summary of function
Audit Committee	Three independent non-executive directors: <ul style="list-style-type: none"> - MSI Gani (Chair) - BA Mabuza - RD Watson 	Provides effective governance over reporting, the effectiveness of the internal financial controls and the external and internal audit functions and ensures that there is an effective risk management process that identifies and monitors the management of the key risks.
Remuneration Committee	Five non-executive directors of whom three are independent: <ul style="list-style-type: none"> - JA Copelyn - Y Shaik (Chair) - MSI Gani - BA Mabuza - RD Watson 	Ensures the adoption of remuneration policies that attract and retain top talent, are aligned to the company's strategy, are market-related and drive performance in the short and long term.
Social and ethics committee	Four non-executive directors of whom three are independent <ul style="list-style-type: none"> - Y Shaik - MSI Gani (Chair) - BA Mabuza - RD Watson 	Assists the board to ensure that the transformation strategy is appropriate and integrated into the business. It performs the social and ethics functions required by the Companies Act, 2008, as amended.

Key Objectives

Audit and Risk Committee

The provision of effective governance over the appropriateness of the Tsogo Sun Group's financial and integrated reporting including the adequacy of related disclosures, the performance of both the internal audit function and the external auditor, and the management of the group's systems of internal control, business risks and related compliance activities.

Remuneration Committee

The board empowers the committee to assess and approve the broad remuneration strategy for the Tsogo Sun Group, the operation of the company's short-term and long-term incentives for executives and senior management across the Tsogo Sun Group, and sets short-term and long-term remuneration for the executive directors and members of the executive committee.

Social and Ethics Committee

The purpose of the committee is to regularly monitor the company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice and, in particular, to monitor the Tsogo Sun Group's compliance with the applicable requirements of Regulation 43 of the South African Companies Act in relation to matters pertaining to social and economic development, good corporate citizenship, environment, occupational health and public safety, labour and employment and the group's code of ethics and sustainable business practice.

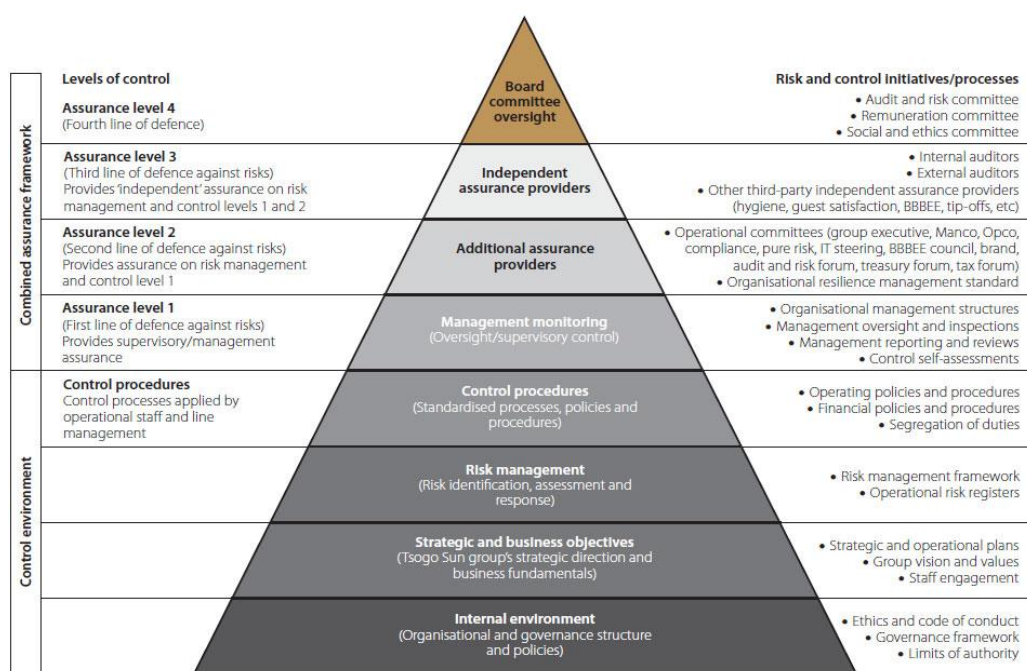
For more detail refer to the Sub-committee structure and report back section in the IAR for the year ending 31 March 2019 available on the company's website at <https://www.tsogosun.com/gaming/investors/financial-reports/2019>.

11. RISK MANAGEMENT

The Tsogo Sun board recognises that the management of business risk is crucial to our continued growth and success and this can only be achieved if all three elements of risk – namely threat, uncertainty and opportunity – are recognised and managed in an integrated fashion.

The audit and risk committee is mandated by the board to establish, coordinate and drive the risk process throughout the Tsogo Sun Group. It has overseen the establishment of a comprehensive risk management system to identify and manage significant risks in the operational divisions, business units and subsidiaries. Internal financial and other controls ensure a focus on critical risk areas, are closely monitored and are subject to management oversight and internal audit reviews.

The systems of internal control are designed to manage rather than eliminate risk, and provide reasonable but not absolute assurance as to the integrity and reliability of the financial statements, the compliance with statutory laws and regulations, and to safeguard and maintain accountability of the Tsogo Sun Group's assets. The board and executive management acknowledge that an integrated approach to the total process of assurance improves the assurance coverage and quality in addition to being more cost-effective and the combined assurance framework is as follows:



In addition to the risk management processes embedded within the Tsogo Sun Group, the Tsogo Sun Group executive committee identifies, quantifies and evaluates the Tsogo Sun Group's risks annually utilising a facilitated risk assessment workshop. The severity of risks is measured in qualitative (eg zero tolerance for regulatory risks) as well as quantitative terms, guided by the board's risk tolerance and risk appetite measures. The scope of the risk assessment includes risks that impact shareholder value or that may lead to a significant loss, or loss of opportunity.

The risk profiles, with the risk responses, are reviewed by the audit and risk committee at least once every six months. This methodology ensures that identified risks and opportunities are prioritised according to the potential impact on the Tsogo Sun Group and cost-effective responses are designed and implemented to counter the effects of risks and take advantage of opportunities.

An independent assurance of the effectiveness of the risk management is carried out on a periodic basis and was last completed during the 2016 financial year. There were no significant matters noted.

The objectives of assurance are to assess whether the internal control environment is effective, there is sufficient integrity in the information used for internal decision-making and to support the integrity of external reports.

The combined assurance framework has been applied to both internal and external reporting in the risk management, control environment, compliance and financial reporting functional areas. Although there is internal review of all external reporting, non-financial information contained in external reports is currently not independently assured.

The directors are responsible for the Tsogo Sun Group's systems of internal control. The systems of internal control are designed to manage rather than eliminate risk, and provide reasonable but not absolute assurance as to the integrity and reliability of the financial statements, the compliance with statutory laws and regulations, and to safeguard and maintain accountability of the Tsogo Sun Group's assets. The directors have satisfied themselves, based on the combined assurance framework, that adequate systems of internal control are in place to mitigate significant risks identified to an acceptable level.

Internal audit is outsourced and reports to the Chief Audit Executive and independently to the

audit and risk committee. The outsourced function is provided by GRIPP Advisory (**GRIPP**), which is a subsidiary of HCI. GRIPP Advisory also provide internal audit services to the HCI group. Internal audit forms part of the combined assurance framework. Internal audit is subject to internal quality reviews annually and independent quality reviews every five years. The last review was carried out during the 2014 financial year. They are also subject to professional ethics and independence standards. The audit and risk committee approves the approach and scope of the internal audit plan on an annual basis. The audit and risk committee is satisfied with the effectiveness of the internal audit function.

12. **RECENT MATERIAL DEVELOPMENTS**

On 14 June 2019, the Issuer listed its wholly-owned subsidiary, Tsogo Sun Hotels Limited (**THL**), and unbundled its entire shareholding in THL to the Issuers' shareholders. It is anticipated that this will unlock value to shareholders. THL owned and/or managed the hotel businesses the Tsogo Sun Gaming Limited group.

DESCRIPTION OF THE GUARANTORS

Capitalised terms used in this section headed "Description of the Guarantors" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1. TSOGO SUN CASINOS PROPRIETARY LIMITED

Registration Number: 1995/012674/07

Address: Palazzo Towers East, Montecasino Boulevard, Fourways, Johannesburg, 2055

General business: Tsogo Sun Casinos is a gaming and entertainment entity operating the Montecasino in Johannesburg Fourways area, The Ride casino in eMalahleni and Emnotweni Casino in Nelspruit.

Directors: Zibusiso Janice Kganyago, Glenn Aidan Jospheh and Gregory Lunga

2. TSOGO SUN KWAZULU-NATAL PROPRIETARY LIMITED

Registration Number: 1997/014551/07

Address: Palazzo Towers East, Montecasino Boulevard, Fourways, Johannesburg, 2055

General business: Tsogo Sun Kwazulu-Natal is a gaming and entertainment entity operating the Suncoast Casino in Durban.

Directors: Glenn Aidan Joseph and Gregory Lunga

3. AKANI-EGOLI PROPRIETARY LIMITED

Registration Number: 1996/006910/07

Address: Palazzo Towers East, Montecasino Boulevard, Fourways, Johannesburg, 2055

General business: Akani-Egoli is a gaming and entertainment entity operating the Gold Reef City Casino in Ormonde, Johannesburg.

Directors: Zibusiso Janice Kganyago, Glenn Aidan Joseph and Gregory Lunga

4. SILVERSTAR CASINO PROPRIETARY LIMITED

Registration Number: 1995/000369/07

Address: Palazzo Towers East, Montecasino Boulevard, Fourways, Johannesburg, 2055

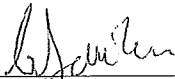
General business: Silverstar Casino is a gaming and entertainment entity operating the Silverstar Casino in Krugersdorp.

Directors: Zibusiso Janice Kganyago, Glenn Aidan Joseph and Gregory Lunga

SIGNED at Johannesburg on this the 5th day of December 2019.

For and on behalf of

TSOGO SUN GAMING LIMITED



Name: CHRIS DUTOIT

Capacity: Director

Who warrants his/her authority hereto



Name: ROBERT HUIDY

Capacity: Director

Who warrants his/her authority hereto

GENERAL INFORMATION

ISSUER

Tsogo Sun Gaming Limited
(registration number 1989/002108/06)
Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

GUARANTORS**Tsogo Sun Casinos Proprietary Limited**

(registration number 1995/012674/07)

Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

Tsogo Sun Kwazulu-Natal Proprietary Limited

(registration number 1997/014551/07)

Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

Akani-Egoli Proprietary Limited

(registration number 1996/006910/07)

Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

Silverstar Casino Proprietary Limited

(registration number 1995/000369/07)

Palazzo Tower East
Montecasino Boulevard
Fourways
Johannesburg
South Africa
Private Bag X200
Bryanston, 2021
South Africa
Contact: Mr G Tyrrell
Tel: (011) 510 7840

ARRANGER

**Nedbank Limited,
acting through its Corporate and Investment Banking division**

(registration number 1951/000009/06)
135 Rivonia Road
Nedbank 135 Rivonia Campus
Fourth Floor, Block F
Sandton, 2196
South Africa
P O Box 1144
Johannesburg, 2000
South Africa
Contact: Head of Debt Capital Markets
Tel: (010) 234 8710

DEALERS

**Absa Corporate and Investment Bank,
a division of Absa Bank Limited**

(registration number 1986/004794/06)
15 Alice Lane
Sandton, 2196
South Africa
Private Bag X10056
Sandton, 2146
South Africa
Contact: Head of Debt Capital Markets
Tel: (011) 895 6000

**Nedbank Limited,
acting through its Corporate and Investment
Banking division**

(registration number 1951/000009/06)
135 Rivonia Road
Nedbank 135 Rivonia Campus
Fourth Floor, Block F
Sandton, 2196
South Africa
P O Box 1144
Johannesburg, 2000
South Africa
Contact: Head of Debt Capital Markets
Tel: (010) 234 8710

**Rand Merchant Bank,
a division of FirstRand Bank Limited**

(registration number 1929/001225/06)
1 Merchant Place
Cnr Fredman Drive
& Rivonia Road
Sandton, 2196
South Africa
PO Box 786273
Sandton, 2146
South Africa
Contact: Head of Debt Capital Markets
Tel: (011) 282 8000

**The Standard Bank of South Africa Limited,
acting through its Corporate and Investment
Banking division**

(registration number 1962/000738/06)
30 Baker Street
3rd Floor East
Rosebank
Johannesburg
2001
South Africa
Contact: Head of Debt Capital Markets
Tel: (011) 378 7032

JSE DEBT SPONSOR

Nedbank Limited,
acting through its Corporate and Investment Banking division
(registration number 1951/000009/06)
135 Rivonia Road
Nedbank 135 Rivonia Campus
Fourth Floor, Block F
Sandton, 2196
South Africa
P O Box 1144
Johannesburg, 2000
South Africa
Contact: Debt Sponsor Team
Tel: (010) 234 8710

TRANSFER AGENT, CALCULATION AGENT AND ISSUER AGENT

Nedbank Limited,
acting through its Corporate and Investment Banking division
(registration number 1951/000009/06)
135 Rivonia Road
Nedbank 135 Rivonia Campus
Fourth Floor, Block F
Sandton, 2196
South Africa
P O Box 1144
Johannesburg, 2000
South Africa
Contact: Head of Debt Capital Markets
Tel: (010) 234 8710

PAYING AGENT AND SETTLEMENT AGENT

Nedbank Limited,
acting through its Nedbank Investor Services division
(registration number 1951/000009/06)
Lakeview Campus
16 Constantia Boulevard
Constantia Kloof
South Africa
PO Box 1144
Johannesburg, 2000
South Africa
Contact: Senior Manager: Client Services
Tel: (010) 534 6553

LEGAL ADVISERS TO THE ISSUER, ARRANGER AND DEALERS

Bowman Gilfillan Incorporated

(registration number 1998/021409/21)

11 Alice Lane

Sandown

Sandton, 2196

South Africa

P O Box 785812

Sandton, 2146

South Africa

Contact: Mr C van Heerden

Tel: (011) 669 9354

AUDITOR TO THE ISSUER

PricewaterhouseCoopers Incorporated

(registration number 1998/012055/21)

4 Lisbon Lane

Waterfall City

Juyskei View, 2090

South Africa

Private Bag x36

Sunninghill, 2157

South Africa

Contact: Audit Partner

Tel: (011) 797 4884