

APPLICATION FOR A SITE LICENCE

WANEJO TECHNOLOGY – REG No: 2016/038364/09

T/A

WANEJO BETS

**ADDRESS: SHOP 18 COMMERCIAL CENTRE, COMMERCIAL
ROAD**

PORT ELIZABETH



**PUBLIC
INSPECTION**

APPLICATION

for a Type-C gaming machine license

WB22
WANEJOBETS

Wanejo Technology (Pty) Ltd
trading as Wanejo Bets

in co-operation with:



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SECTION A: EXECUTIVE SUMMARY

1. APPLICANT AND PROJECT TEAM:

The Applicant, Wanejo Technology (Pty) Ltd, trading as Wanejo Bets (“Wanejo Bets”), being an Eastern Cape-based company held by a by a white owned company (74%) and a Black Female shareholder (26%), wishes to apply for a Type C Gaming Machine Site, offering a total of 10 limited payout machines (“LPM’s”) for play by the public at the site located at Shop 18, Commercial Centre, Commercial Road, Sidwell in Gqeberha.

The Route Operator of choice will be Vukani Gaming Eastern Cape (Pty) Ltd.

2. DEVELOPMENT AND OPERATING EXPERIENCE:

(a) Summary of qualifications, experience and ability of applicant to manage the primary business

The shareholders, Syressia (Pty) Ltd (represented by Mariano Riccardo Bruni) and Nomonde Maseko, have been a site owner (with Pioneer Slots) for this Type A site and have extensive business and gambling knowledge and experience in running operations successfully.

Mr Bruni and Ms Maseko will be assisted in the day-to-day operation of the business by well-trained staff. Together this team will be well-equipped to manage the primary and secondary business on an ongoing basis.

The primary business offers the locals and visitors a licensed Betting business.

(b) Details of route operator- name, company registration number, address and details of contract

The Applicant’s route operator of choice is Vukani Gaming Eastern Cape (Pty) Ltd (“Vukani”), a private company with Registration Number 1997/009974/07, which has held a route operator licence in the Province since October 2004, and currently operates from offices located at 13A Pickering Street, Newton Park, Port Elizabeth.

Through its various provincial subsidiaries, Vukani Gaming Corporation (Pty) Ltd holds interests in licensed route operations in all the provinces of South Africa in which LPM operations have been authorised to commence. Vukani, which is the Applicant’s route operator of choice, has not only developed the required knowledge and skills to provide full operational support to the Applicant, but also benefits from ready access to the ever-expanding skills base of the Vukani Group as a whole.

The experience gained from the conduct of licensed LPM operations in the various operational provinces of South Africa regarding the geographic distribution of LPM's, the financial viability of sites and appropriate measures to prevent the over-concentration of machines is of indisputable value to any prospective site operator. Vukani possesses the required expertise to assist the Applicant to achieve a realistic and feasible establishment, backed by solid management, on-going access to swift and reliable maintenance and support services, business sustainability and the co-ordinated execution of its LPM operations within a socially responsible framework. In addition, Vukani's National Contact Centre provides 24/7 access to a technical helpline and will co-ordinate technical assistance to the site.

The services to be provided to the Applicant by Vukani for the purposes of the licensed operation on the Applicant's site will be regulated by the Standard Site Operator Agreement between Vukani and the Applicant, which is subject to Board approval.

3. SUMMARY OF PROJECT CONCEPT:

(a) Exact location of the Site, including the magisterial district where it is situated.

The site is located at Shop 18, Commercial Centre, Commercial Road, Gqeberha forming part of the Nelson Mandela Bay Metropolitan municipality. The site forms part of a retail and commercial building. The GPS co-ordinates of the site are: -3392039, 25.59183 (Google maps currently shows this site as Marshalls World Of Sport, but as Marshalls World of Sport closed down in 2024, Wanejo Bets signed a lease for this very same premises in July 2025)

<https://maps.app.goo.gl/qwEZnZqU9tHBG7Mv9>



(b) Outline of the project concept and the development schedule.

The site is well positioned in Sidwell, Gqeberha to accommodate LPM operations on the scale proposed and is situated in an existing retail and commercial area. Wanejo Bets has submitted an application to ECGB to move its current business based in Grahamstown to this location in Sidwell, Gqeberha, and this will then provide a successful mix of Betting and LPM entertainment to the local inhabitants of Sidwell, with its licensed Betting business complemented by a licensed Type C gaming machine venue with 10 LPM's available for play, all in a relaxed setting. The above is subject to Board approval.

Wanejo Bets offers a safe, clean, well maintained, and informal venue which meets the entertainment needs of both the local community of Sidwell and visitors, as well as the various requirements of the Request for Proposal issued by the Board. Its locality already makes it a popular entertainment destination within the community.

Wanejo Bets will be a vibrant business located in the retail and Commercial Park and is flanked by other commercial enterprises with which it shares the same centre and surroundings, collectively forming a business hub in the relevant community. The area itself offers the ideal venue for licensed Type-C gaming machine activities, as it is in an area consisting of commercial enterprises and outlying residential components. Residents of this area typically fall into the high-income bracket. In addition, the location has a sound trading history, which has been marked by the gradual development of the business to meet the leisure and entertainment needs of the surrounding community and visitors.

The socio-economic circumstances of the surrounding community and the site location, relative to other similar facilities, all conclusively demonstrate that the area can comfortably accommodate further LPM's without over-stimulating the latent demand for gambling. From a socio-economic perspective, the positive impacts of the project will outweigh any possible negative effects.

Capital investment to accommodate specifically for the increase in the number of LPMs will pertain only to the gambling area and this cost will be carried by Vukani. The Applicant plans to undertake a capital investment of around [REDACTED] during the 2025 financial year to further enhance the appearance of the site. These enhancements will be made irrespective of the Type C approval or not and will be funded by reserve cash flow in the operation.

The significant contribution of the business towards the economic wellbeing of the community in which it is located is further evidenced by the fact that Wanejo Bets already created direct, permanent positions for 11 persons performing dual functions in both the primary and secondary business. Furthermore, if the licence applied for is granted, the enterprise will offer a further 8 employment opportunities, of which the majority will be reserved for local black residents of Sidwell and surrounding areas.

Because of the expected positive revenue generation capacity of the entertainment offerings to be provided by the primary business, especially once the investments planned for the 2025 financial year have been implemented, the operation of LPMs as a secondary form of business on the site on the scale proposed can be easily accommodated without any undue delay. The total site area is 196m² in extent, of which the designated gaming area will comprise 30m².

There will be an innovative and well-balanced mix of games available at the site. In addition, the designated gaming area will be monitored by a state-of-the-art surveillance system and dedicated security personnel will be always on hand during business hours to ensure the protection of both the business and its patrons.

(c) Highlights of the key features of the project and the impact of the proposed operation on the surrounding environment and society.

The Project is destined to have a pronounced positive impact on the surrounding environment and community, as it offers the following key components –

- the introduction of 10 LPMs to the site, enhancing the Applicant's gaming machine site to 10 LPM's;
- an investment in the new business by Vukani, which will be applied towards the renovation, upgrading and furnishings of the gambling operations, rendering the overall businesses appealing to the surrounding community;
- the company already created 11 permanent employment opportunities, taken up mainly by PDI's drawn from the surrounding communities. A further 8 permanent employees will be appointed with the introduction of the additional LPMs (2 cleaners, 2 security and 4 cashiers);
- significant ongoing skills transfer to the Applicant's workforce through focused training interventions;
- the flow of increased revenues to the Applicant in its capacity as a local SMME (held 26% directly by a local Female PDI), which can be expected to enhance the sustainability of the Applicant's business;
- increased investment in corporate social investment projects, aimed at making a positive and sustainable contribution towards the wellbeing of the surrounding communities;
- investment in selected sports, art and culture initiatives and/or projects in the surrounding communities; and
- additional taxes to the provincial fiscus.

(d) An outline of plans for a temporary site, if applicable, and for the transition from temporary to permanent site.

No temporary site will be required.

4. PROJECT VIABILITY AND FINANCIAL RETURNS:

(a) Summary of the sourcing, level and nature of financing and the ability to meet financial obligations.

The site does not expect to incur any costs in terms of site upgrades or renovations because of the increase in the number of LPMs, other than the investment in the gambling area to be borne by Vukani.

The planned investments to enhance the primary business in the 2026 financial year of an estimated [REDACTED] will be made irrespective of the increase in the number of LPMs and it will be funded from available cash flow in the business.

(b) Summary of the estimated financial returns to the Applicant from the project over the licence period.

The financial projections confirm that the project will deliver a healthy return over a fifteen-year period. The average revenue projected to accrue to the site owner by play on limited payout machines over a fifteen-year period stands at [REDACTED], while the revenue projected to be generated by the primary business over the same period stands at [REDACTED]. In addition, the Applicant projects that the Project will deliver revenue in the amount of [REDACTED] to the provincial government in respect of gambling taxes relating to the secondary business over a fifteen-year period.

5. BENEFITS TO THE ECONOMY:

Summary of the key benefits (other than direct financial benefits) to the economy and citizens of the Province.

The current and further proposed business of the Applicant has and will involve further pronounced benefits to both the provincial economy and the citizens of the Eastern Cape, by:

- enabling the Applicant to employ 16 persons in its business, of which 50% (8 positions) of the workforce will be as a result of the introduction of the additional LPM machines;
- augmenting the Applicant's business offering, and in so doing, increasing its attractiveness to members of the surrounding community;

- provide an expanded entertainment offering of the business;
- promoting the introduction of critical skills to the Applicant's new employees;
- creating increased potential for the development and growth of small businesses in the area, including employment opportunities to be created during the refurbishment and upgrade of the Applicant's business, and
- enabling the Applicant to invest in sustainable corporate social investment projects in surrounding communities which may include initiatives to promote sports, art and culture.

Please refer to **Section 8: Detailed Proposal** for more comprehensive information regarding the proposal and the significant benefits which it will deliver to the large range of stakeholders who will share in its success, if the licence applied for is granted.



SECTION B: DETAILED PROPOSAL

INTRODUCTION:

“The role played by small businesses is being increasingly recognized all-over the world. The perceived potential of small businesses to create employment has caused governments in many countries to pay the small business sector more attention. Although, almost everywhere, results have not matched expectations, available evidence indicates that the sector contributes meaningfully to economic growth, social development, and employment provision. In the European Union, for example, the small business sector accounts for much of total employment, and a large portion of the total gross domestic product (Ntsika, 1998).

A factor of major importance, for the transformation of South African society, is job creation, wealth generation and improved standards of living for all South Africans. High unemployment rate and poor socio-economic conditions have highlighted the need for reconstruction and development. The existing large firms and public sector have been unable to cope with solving these problems and hence the focus has been placed on the small business sector as an intricate part of solving the economic crisis.”

Integrated SMME Strategy of the Nelson Mandela Metropolitan Area¹

The Type-C licensing process in the Eastern Cape provides a compelling and immensely effective vehicle for the promotion of SMME development in the province. These objectives have been at the forefront of the compilation of this application.

If granted by the Board, the current application will provide a springboard for the further promotion of SMME development in the area in which it is located, by:

- Creating the opportunity for the development of the Applicant’s proposed Type-C site, which will be held 26% by a local Female PDI;
- Generating permanent and sustainable employment opportunities at site level;
- Promoting increased skills development; and
- Promoting investment in CSI projects with initiatives to promote sports, art and culture in the community.

The Applicant therefore takes great pleasure in submitting this application to the Board for its consideration.

¹ https://www.google.co.za/?gws_rd=cr&ei=bmzeUujPDITZtAbG3IFl#q=smme+promotion+eastern+cape

TYPE-C SITE LICENCE APPLICATION:

I, Mariano Riccardo Bruni, on behalf of the Applicant hereby apply in terms of the Eastern Cape Gambling Act, 1997 (Act 5 of 1997) for a Type C gaming machine licence in the Nelson Mandela Bay Metropolitan district and confirm being aware of and understanding the provisions of the said Act and Regulations made thereunder, insofar as they pertain to this application.

Full name of Applicant: Wanejo Technology (Pty) Ltd

Registration Number: 2016/038364/07

Physical Business Address: Shop 13, Commercial Centre
Commercial Road,
Sidwell, Gqeberha
Eastern Cape

Postal Address: As above

Telephone Number:



Facsimile Number: N/A

Physical address of the site

In respect of which the

Application is made: Shop 13, Commercial Centre
Commercial Road,
Sidwell, Gqeberha
Eastern Cape

For and on behalf of the Applicant:

(who warrants his authority)

DATE

Capacity of Signatory

PART 1: EMPOWERMENT AND COMMUNITY ASPECTS:

1.1. Provision of Sustainable Employment:

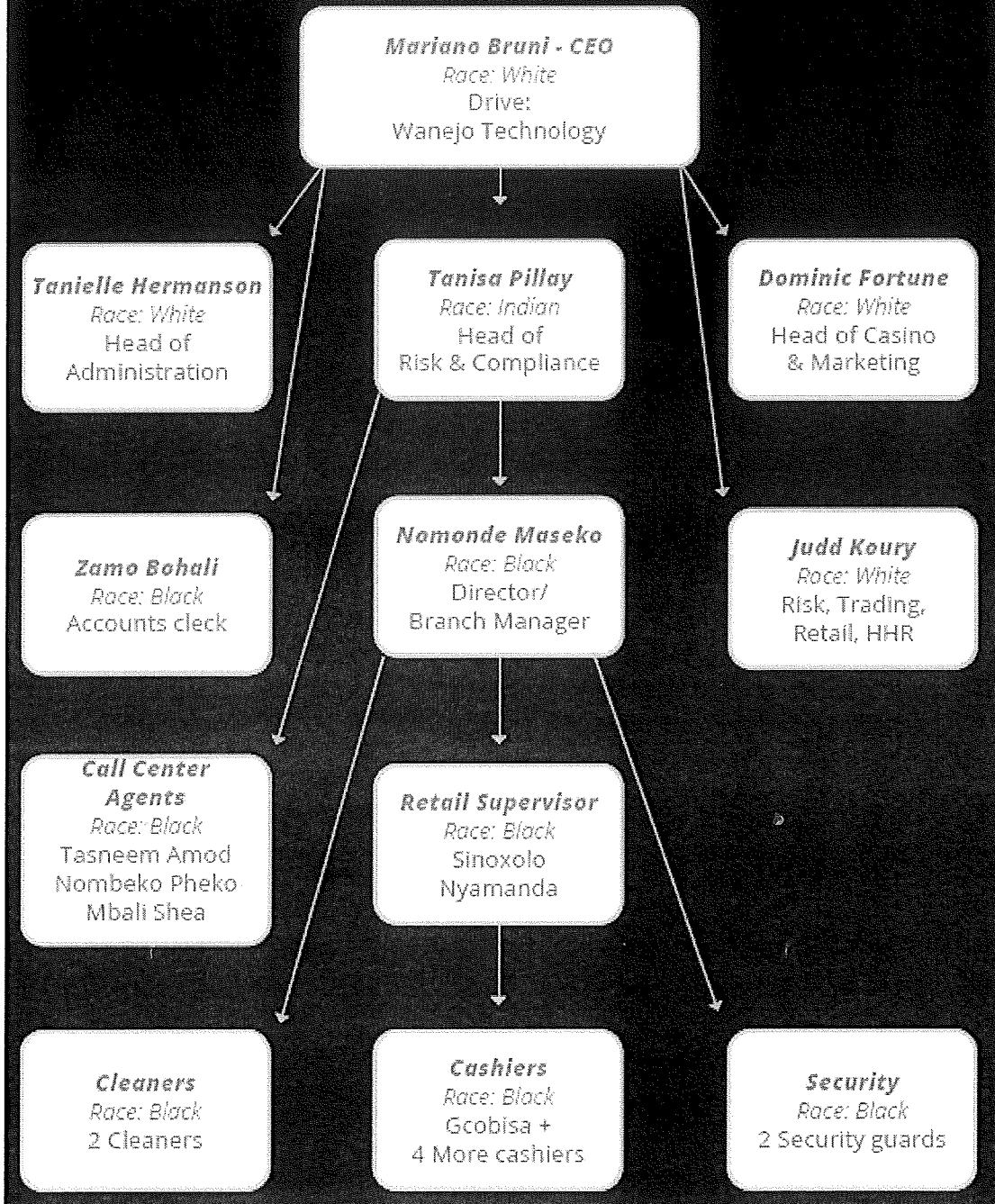
The Applicant has been trading for a number of years and has to date created 11 permanent positions of which more than 80% are from previously disadvantaged communities.

The proposed addition of 10 LPMs to the current primary operation, will provide 8 further permanent employment opportunities (augmenting the Applicant's primary workforce significantly), which will be taken up by previously disadvantaged persons drawn from the surrounding communities, as reflected in the organogram below:

Every effort will be made to provide jobs for persons with disabilities. This will be dependent on the availability of suitable interested persons with disabilities from the area, taking into consideration firstly the level of skills required and secondly the job specifications of the various categories of duties to be performed.

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COMPANY STRUCTURE



1.2. Provision of training and skills to employees:

A. Training:

The Applicant acknowledges the critical role played by sound skills development policies in the success of a business enterprise in South Africa. Effective skills development starts with a commitment to training, and the Applicant's approach is accordingly premised on the acknowledgement that a variety of training programmes are appropriate at various levels in the operation. The Applicant has therefore developed a comprehensive Skills Transfer Plan, which is attached as per Annexure "A" hereto.

Accordingly, the Applicant will make a sound economic investment in the province through the provision of training on a variety of levels, equipping its employees to build upon their existing skills levels, and, in so doing, augmenting the value of the Applicant's core business.

The Applicant recognises the opportunity to exploit the synergies between its own training methodology and the training initiatives formulated by its route operator, Vukani. In this regard, the extensive national presence of Vukani has led to the creation of a substantial skills base in all the provinces in which it is currently licensed. All employees of Vukani Gaming Corporation in key positions hold national employee licences, enabling them to perform licensed functions throughout the country. In the context of the LPM arm of the operation, these skills can therefore readily be called upon and utilised when the need arises. The Applicant has further identified several permanent focused new positions which will solely focus on the expanded secondary business and these staff will be given extensive training, especially on the technical and customer support side.

In accordance with this approach, the Applicant will offer comprehensive training interventions to its employees, which will be designed:

- To enhance a sense of responsibility and loyalty in the workplace.
- To create a competitive advantage and achieve the highest possible standards through our people.
- To promote the development of positive attitudes towards work, coupled with prospects for advancement.
- To foster a spirit of diligence, self-help, and co-operation between staff.
- To create opportunities for workers to upgrade their skills.
- To empower employees to improve efficiency, while continuously maintaining high standards.

- To optimise the productivity of each member of the workforce.
- To improve the quality of service and work.
- To offer the maximum equal opportunities to all employees within the framework of lifelong learning as part of learning organization, with a view to realizing their full potential by exposing them to the relevant development programmes.
- To improve the quality of life of employees, their prospects of work and labour mobility.
- To provide employees with the opportunities to acquire new skills.
- To improve the employment prospects of persons previously disadvantaged by unfair discrimination and to redress those disadvantages through education, training, and development.
- To facilitate the implementation of the applicant's Skills Transfer Plan.

The Applicant's planned training initiatives include the following:

(i) Individual Training Courses:

Various industry specific training courses have already been developed by the route operator in respect of particular positions. These will be harnessed, to the extent possible to ensure that the applicant's employees are familiar with the responsibilities and requirements of the position to which they have been appointed.

(ii) Induction Training:

It is important for all employees to understand the LPM industry and its dynamics. It is for this reason that they will be taken through a period of induction training, where they will be introduced, and some re-introduced, to the route operator and the nature of the business, its vision and mission as well as to the policies and procedures that have been or will be implemented by the route operator.

(iii) Role-Based Training:

After induction training, employees will be provided with role-based training. This training will prepare the employee for the tasks that lie ahead. The employee will be given the tools to manage his/her position both effectively and efficiently.

(iv) Cross-Training:

Cross-training will be carried out on a frequent basis to ensure that all staff become multi-skilled and gain a thorough understanding of all aspects of the business. This promotes awareness between the various components of the business and creates a better-informed and more co-operative working environment for all staff members. Cross-training also provides individuals with the skills to grow with the company and the ability to function in various roles within the organisation.

(v) Site Owner Training:

The Technical Component of the Vukani Group (including provincial technicians) and the Compliance Officer will carry out site operator training in the form of workshops as well as on-the-job training exercises. It should be noted that the site operator already successfully operates a Type A site, therefore minimal further training should be required. Customer Relations Managers and Technicians will be deployed to service the proposed site in accordance with their particular field of expertise. Their responsibilities will be to:

- ensure on-the-job operational training,
- ensure that the site complies with all applicable statutory and regulatory requirements, and
- ensure, to the extent required, that the National Responsible Gaming Programme is maintained in all its facets.

(vi) Responsible Gambling Training:

Vukani will provide formal training to the site owner and its employees on responsible gambling practices. Vukani's Customer Relations Managers will also supply continued advice, assistance, and training to site owners regarding the promotion of responsible gambling.

B. Relative positions in the organisation of each category of employment and the management training programmes to be implemented for the advancement of locally recruited staff.

In this respect also, the Applicant's route operator of choice has and will further play a significant role in laying the foundation for the success of the proposed business. The Vukani Group of Companies has created a unique position of Customer Relations Manager in each province. The person chosen to occupy this position will have extensive sales and marketing background and will be responsible for supporting the primary business of the site.

The focus will be on the further development of the site as an entertainment destination in its own right. Not only will business training be provided in terms of acceptable administrative

practices, financial management and general sales and marketing aspects, but ongoing management services will be provided as an additional tool to enhance the overall performance of the site.

The primary business and the gambling operation operate in close association with one another, and this cross-pollination will result in higher profits, leading to economic stimulation which will benefit both the site owner and the broader community.

C. Career and succession planning strategies, considering gender representation.

As appears from the organogram provided, the Applicant's projected workforce will consist of at least 80% Eastern Cape-based PDI's. Accordingly, most of the training interventions to be conducted by the Applicant, as described above, will benefit PDI's in the ordinary course, while all management training will also benefit PDIs. The training presented will be designed to ensure that PDI staff reach their full potential in their careers.

1.3. Sourcing of Labour, Goods and Services:

The Applicant has developed a detailed three-year Preferential Procurement Plan, which is attached as per Annexure "B". Key features of this Plan are as follows:

The Applicant will request at least two quotations from locally-based SMME's for all its procurement requirements and will advance ongoing support to SMME's throughout the life of the project. The identification of possible service providers will take place and this will be followed by the gradual development of a dedicated supplier database. SMME's will be further assisted in that payments are effected weekly.

The policy is to provide opportunities for SMME's within the province and, wherever possible, procurement will be pursued by purchasing equipment and/or obtaining services from companies that –

- have 51% or greater black-owned shareholding;
- are able to provide equipment and products that meet the required standards in terms of quality and price;
- are capable of working within a highly regulated environment, and
- wherever possible, are based in, or have representation within, the borders of the Eastern Cape Province.
- Procurement contracts will be evaluated using –
 - the 80:20 system for purchases above [REDACTED] but below [REDACTED] and
 - the 90:10 preference point system for contract values above [REDACTED]

- in the following manner:

Points for contracts with a value of between R5, 000 – R250, 000:

Price: 80 points for lowest price

Black ownership: 10 points proportionately for ownership declared.

Black woman equity: 5 points proportionately for black women ownership declared

Disabled persons: 2 points proportionately owners with disabilities declared

Provincial local preference: 1.5 points proportionately for Eastern Cape-based enterprises

Municipal local preference: 1.5 points proportionately for enterprises based within municipal area where work needs to be delivered.

Points for contracts with a value of more than R250, 000:

Price: 90 points for lowest price

Black ownership: 5 points proportionately for ownership declared.

Black woman-equity: 2 points proportionately for black women ownership declared

Disabled persons: 1.5 points proportionately owners with disabilities declared

Municipal local preference: 1.5 points proportionately for enterprises based within municipal area where work needs to be delivered.

Points and Percentage Black Ownership:

Black Ownership: 10 points proportionately for ownership declared.

50.1% - 8 points for ownership

45.1% - 50,0% - 6 points for ownership

35.1% - 45.0% - 4 points for ownership

25.1% - 35.0% - 2 points for ownership

An additional 2 points will be awarded to enterprises owned by black women.

- Payment Cycles
 - Shorter payment cycles will apply to Eastern Cape-based SMME's registered on the Applicant's SMME supplier database.
 - Special provisions will apply for COD orders.

- SMME's will be paid electronically within a 7-day payment cycle from the date of signing off of an invoice.

1.4. Participation by PDIs in ownership and profits:

The promotion of black economic empowerment through ownership of a stake in the business and/or profit sharing is achieved through a 76% interest by a local Female PDI. Real empowerment will therefore take place.

1.5. Facilities for/contributions to needy communities:

The Applicant is committed to and undertakes to engage in locally-based social investment projects, and will make an annual contribution to the value of 1% of the site owners' share of net GGR generated by its licensed gaming operations. This commitment will be implemented on an ongoing basis for the duration of the licence term.

1.5.1. Community needs (community-specific)

The Applicant and one or more identified members of its staff will work together to determine community needs. The Applicant is of the view that to ensure that the most pressing of community needs are met, the most useful approach will be to consult regularly with its route operator, which is constantly engaged in CSI initiatives in the Province, with a view to identifying possible synergies between its investments and those planned by the route operator. The Applicant anticipates that it may be possible for it to supplement the investments of the route operator into deserving, community-based projects, thereby adding to their scope and sustainability.

1.5.2. Measures which are practical and sustainable

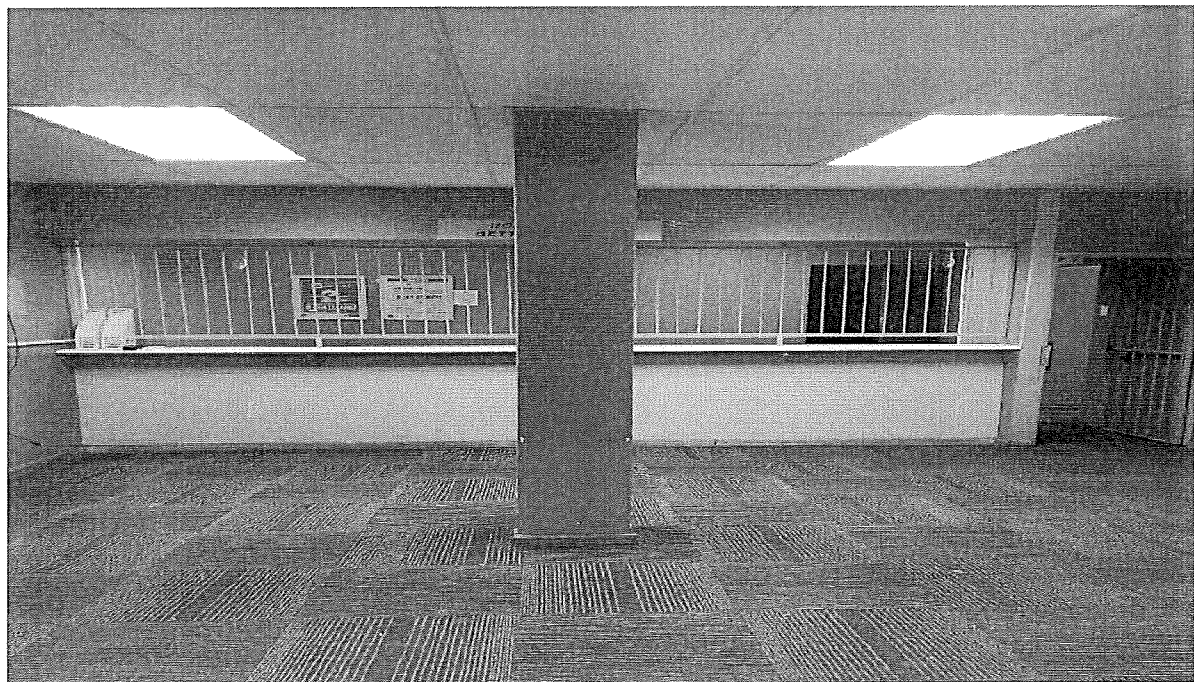
As a key policy, the Applicant will focus on projects which will not pose undue challenges in their practical implementation and which will create sustainable developmental opportunities for the beneficiaries, as opposed to the mere provision of financial assistance.

1.6. Demographic profile:

At least 80% of all staff is PDIs and it is foreseen that this position will remain or improve for the duration of the licence. Furthermore, a dedicated Employment Equity Plan (Annexure C) has been formulated to ensure that the demographic profile of South Africa is appropriately represented, as well as a Preferential Procurement Plan, designed to ensure that SMME's participate to the fullest in the business opportunities arising at site level. Measures to assist sub-contractors and or suppliers are fully articulated in paragraph 1.3 above and fully described in the attached Preferential Procurement Plan.

1.7. Empowerment of PDIs:

In terms of the revised Codes of Good Practice, Royal Aces Bistro having a 26% Female PDI shareholding component, is rated at a Level 4.



PART 2: ECONOMIC CRITERIA

2.1. Maximisation of New Investment in the Eastern Cape:

There are currently 8 permanent employment positions, and it is expected that a further 8 employment opportunities will be created at site level should the expansion to a Type C be approved.

In addition, the Route Operator will provide and maintain the LPM's and undertook to provide the funding for any upgrades, renovations and furnishing specifically relating to the gambling area, if required.

With the number of LPM's exposed for play on the site will come gross gaming revenue ("GGR"). The portion of the GGR allocated to the site owners will enable the site owners to extract guaranteed, tangible benefits from the project on an ongoing basis.

2.2. Promotion of Tourism

The Applicant considers the promotion of tourism to be a vital part of the economy of the Eastern Cape and will contribute an amount of 0.25% of its share of net GGR per annum to the nearest Eastern Cape Tourism body for the latter to use in promoting the town and the surrounding areas as a tourist destination.

2.3. Opportunities for SMME's:

The Applicant's carefully formulated Preferential Procurement Plan has been specifically designed to ensure that PDI-owned SMME's will extract the maximum benefit possible from commercial relationships entered with the Applicant enterprise. The Plan makes provision for a range of procedural measures to ensure a focused and disciplined approach to procurement, as well as added benefits to BEE suppliers. In this regard, the Applicant commits to procuring at least 40% of its goods and services from black persons/enterprises in the Eastern Cape. In particular, beverages, packaging, cutlery, crockery, cleaning materials and glassware supplies, among others, will be sourced from local businesses in the Eastern Cape where and when-ever financially feasible.

PART 3: SOCIAL CRITERIA

3.1. Social development and upliftment:

Against the backdrop of the challenging economic landscape and the high governmental priority placed on promoting economic conditions which support the growth of small businesses, it is not feasible for the Applicant to implement additional specific measures to promote the welfare of its staff outside the workplace. As indicated in paragraph 1.5.2, over and above creating sustainable employment opportunities in an affirming environment which will promote the development of staff, the Applicant will contribute towards deserving causes within the area of Sidwell to the benefit of the community. Furthermore, the award of the licence applied for will enable the Applicant to create additional employment opportunities, which in itself will have a direct positive impact on the families of its new employees, and therefore also the communities within which they reside.

3.2. Protection of Public Interest:

3.2.1. Quantifying Negative Impact:

In the National Prevalence Study on Gambling and Problem Gambling in South Africa commissioned by the National Gambling Board, of which the findings were released in 2006, the status of gambling as an important leisure activity was confirmed. Noteworthy findings emanating from the study were that participation in gambling had declined substantially, if compared with the frequency of gambling behaviour during the initial establishment of South Africa's fledgling gambling industry. This study also confirmed, as other similar studies have

"In short, the answer to the question: "Does Increased Availability of Gambling Opportunities lead to an Increase in the Prevalence of Problem Gambling?" is "it depends on how a society regulates the increase and what else it does when it authorizes the increase?"

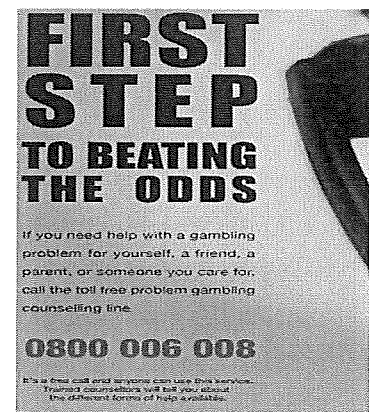
In South Africa the introduction of new forms of legal gambling has been carried out in such a way as to minimize the temptation to gamble on impulse, especially at casinos. More importantly, the South African National Responsible Gambling Programme (NRGP), supervised by national and provincial governments through the South African Responsible Gambling Trust and paid for by the gambling industry, has carried out extensive campaigns to make people aware of the dangers of gambling and how to avoid them. It is, therefore, not in fact as surprising as might initially appear that we have witnessed over the past two years in South Africa a decline in problem gambling numbers despite the authorization of a considerable increase in legalized gambling."

suggested, that South Africans are better educated today about gambling and have come to understand that it is ideally approached as a form of recreation and entertainment. In addition, ongoing educational and related initiatives regarding the subject have had the effect that the expectations of the public today are much more realistic in respect of the chance of winning prizes.

As is pointed out on page 6 of the above Study, the mere introduction of further forms of legalised gambling will not in itself, lead to a greater percentage of problem gambling related behaviour within the relevant community. The key, however, is the development and implementation of programmes designed to educate and inform the public, so that the risks associated with gambling activity, and the randomness upon which that activity is based for its outcomes, can be properly understood and informed choices made on that basis.

The findings of the above study were confirmed in the Socio-Economic Impact of Gambling in South Africa commissioned by the National Gaming Board during 2017. The 2017 report indicated a decline in gambling by South Africans from 56.8% in 2002 to 30.6% in 2017.

As part of its sustained efforts to limit, wherever possible, the possible negative impact of gambling, the Applicant will implement all the measures referred to herein (over and above the ongoing contributions made by the route operator towards and its active participation in the National Responsible Gambling Programme). Greater detail in respect of these initiatives, as well as other measures proposed by the Applicant to address this issue proactively, can be found later in this paragraph.



3.2.2. Public Education:

The importance of sustained public education in combating the incidence of problem gambling is borne out in the 2006 National Prevalence Study conducted by the National Centre for the Study of Gambling and commissioned by the National Gambling Board of South Africa, which yielded, *inter alia*, the following significant finding:

“If a jurisdiction introduces new forms of gambling and does nothing else it will most likely experience an increase in the incidence of problem gambling, However, if the jurisdiction combines the introduction of new forms of gambling especially with an effective public awareness campaign about the dangers of gambling and how to avoid them, it is likely to experience a decrease in problem gambling numbers and even in the numbers of people who gamble regularly as well.”

National Prevalence Study 2006, The National Centre for the Study of Gambling

In keeping with the above key finding, the Applicant commits to taking proactive steps, in conjunction with Vukani, to undertake public awareness measures directed at ensuring that the public is informed regarding –

- The random manner of operation of gambling machines;
- How gambling machines work;
- How to identify signs of a possible gambling problem;
- Where and how to seek help, and
- The nature of the help which is available.

This initiative will involve the production of posters and pamphlets, prominently displayed throughout the site, containing the above information, to be submitted to the Board for its approval of their content and format. In addition to the above, the applicant will ensure that all the further collateral material and warning signage required in terms of national and provincial legislation and referred to in greater detail below, is available on an ongoing basis on the site.

As is evident from the above, the applicant recognizes South Africa's pioneering and internationally acknowledged National Responsible Gambling Programme (NRGP) as an effective vehicle for ensuring that licensed gambling is conducted within a socially responsible framework. In keeping with the aims of this programme, the following initiatives to promote responsible gambling will be consistently implemented at site level:



- In all demarcated areas within the site, under-age gambling restrictions will be enforced through clearly demarcated signage.
- Particular attention will be paid to ensuring that appropriate access control measures are in place and consistently enforced, to preclude designated gambling areas from being accessed by persons under the age of 18 years.
- All staff performing gambling-related functions will receive formal training on all aspects germane to the promotion of responsible gambling.

3.2.4. Publicity and signage:

Pamphlet stands situated in the designated gaming area of the site will contain NRGP pamphlets (available in all official languages of the province) and NRGP helpline business

cards in the format reflected alongside, or such other format as the Board may require or approve.

3.2.5. Availability of Collateral Material:

NRGP prescribed signage and posters featuring the slogan "**Winners know when to stop**" and the NRGD toll-free helpline number will be situated in gaming areas. A sticker will be prominently affixed to each LPM in a substantially similar format.



In all demarcated areas within the sites, underage gambling restrictions will be enforced through clearly demarcated signage such as: "**LICENSED GAMING SITE**" and "**NO PERSONS UNDER 18 YEARS PERMITTED**"

As stipulated in the National Gaming Regulations, signage will be attached next to the entrance of the site, warning the passing public that licensed gambling activities are taking place within the premises. Wherever alternative entrances are available, the relevant signage will also be attached to such site entrances.

The Applicant recognizes the significant extent to which access to and availability of accurate information concerning gambling contributes towards public awareness of the risks inherent in gambling behaviour. In this regard, it is interesting to note the conclusions reached by the National Prevalence Study conducted in 2006, to which reference has been made above, regarding the projected incidence of problem gambling in the country.

The above information has been usefully supplemented by the further data emanating from the Survey into the Socio-Economic Impact of Gambling in South Africa, commissioned by the National Gambling Board in 2017. Importantly, the Survey, which canvassed the views of no less than 4 008 respondents on a countrywide basis, revealed the following regarding the most preferred gambling activities:

“3.7 MOST PREFERRED GAMBLING ACTIVITY BY GAMBLING MODE

To the question of the most preferred gambling activity (licensed or unlicensed) of gamblers:

- 67.8% preferred National Lottery
- 5.4 % preferred sports betting
- 4.4% preferred Fafi/iChina/mo-China/fhafee
- 3.8% preferred card games for money but not at a licensed casino and not on the internet or electronic devices
- 3.2% preferred lucky draws
- 3.2% preferred slot machines at a licensed casino
- 3.1 % preferred scratch cards
- 2.8% preferred dice games for money but not at a licensed casino and not on the internet or electronic device
- 2% preferred betting on sport, horse racing and other contingencies but not at a licensed racecourse, bookmaker or totalizator (betting) outlet in person, on the telephone and/or via internet
- 1.2% preferred Bingo (traditional bingo and/or electronic bingo) at a licensed bingo venue
- 0.7% preferred gambling games for money not at a licensed venue that provide gambling on computer equipment
- 0.6% preferred card games for money at a licensed casino
- 0.5% preferred dice games for money at a licensed casino
- 0.5% preferred roulette at a licensed casino
- 0.4% preferred slot machines not at a licensed casino or LPM site and not on the internet or electronic devices
- 0.3 % preferred LPMs at a licensed site
- 0.1% preferred roulette for money but not a a licenced casino and not on the internet or electronic devices”

The above data provides compelling support for the view that play on LPM’s does not *per se* attract many patrons and cannot be found to contribute materially, if at all, to the incidence of problem gambling in South Africa, w, which is confirmed by the following research findings as per Table 4.3 Distribution of problem gamblers by gambling mode:

GAMBLING MODE	NUMBER OF INCIDENCES	% OF INCIDENCES
National Lottery	50	70.4%
Scratch cards	20	25.2%
Casinos	19	26.8%
Lucky draws	17	23.9%

Horse/Sports Betting	16	22.5%
Bingo	10	14.1%
LPMs	0	0.0%
All illegal modes	42	59.2%

3.2.6. Promotional Items:

Promotional items used by the applicant will include awareness messages and information, as well as reference to the contact details, functions, and programmes of the NRGPs.

3.2.7. Training of Site Owners and support by Customer Relations Managers:

Vukani has and will continue to provide formal training to the site owner and employees on responsible gambling practices. The site owner training is addressed in greater detail in Paragraph 1.2.A of the Detailed Proposal.

Vukani's Customer Relations Managers will also supply continued advice, assistance and training to the site owners regarding additional measures suggested to promote responsible gambling.

3.2.8. Additional measures proposed for the advancement of public awareness and participation:

As a socially responsible corporate citizen, the Applicant is acutely aware of the need to ensure that the LPM industry in the province lives up to the high standards of vigilance and awareness with which the implementation of the licensed gambling industry has been approached in the country, which is set forth as follows in the 2006 Prevalence Study referred to above:

"In South Africa the introduction of new forms of legal gambling has been carried out in such a way as to minimise the temptation to gamble on impulse, especially at casinos. More importantly, the South African National Responsible Gambling Programme (NRGP), supervised by national and provincial governments through the South African Responsible Gambling Trust and paid for by the gambling industry, has carried out extensive campaigns to make people aware of the dangers of gambling and how to avoid them. It is, therefore, not in fact as surprising as might initially appear that we have witnessed over the past two years in South Africa a decline in problem gambling numbers despite the authorisation of a considerable increase in legalised gambling."

The Applicant unconditionally commits to playing whatever role it can towards ensuring that the above trend continues in the province of Eastern Cape.

3.3. Culture, art and sport promotion:

The Applicant will contribute at least 0.25% of its share of net GGR to the promotion of Arts, Sports and Culture in the immediate area as part of its CSI undertaking.

PART 4: FINANCIAL CRITERIA

4.1. Financial Control

The Applicant is held 26% by a local Female PDI shareholder, Nomonde Maseko.

4.1.1. Signed shareholders' agreements between all shareholders in the Applicant, all shareholders in any empowerment entity and any other major participant in the application.

Shareholders agreement between

4.1.2. Full names, addresses and identity numbers (if an individual) or registration numbers (if a juristic person) of all shareholders in the Applicant and effective shareholdings in the Applicant.

Private companies with more than 5% financial interest in the Applicant are indicated in the Table below:

NAME AND IDENTITY NO	ADDRESS OF MEMBER	FINANCIAL INTEREST
Nomonde Maseko ID [REDACTED]	[REDACTED]	26%
Syressia (Pty) Ltd 2021/495412/07	[REDACTED]	74%

4.1.3. Full names, addresses and identity numbers of all directors and managers in the Applicant and their effective shareholdings in the Applicant.

The Directors of the applicant are:

Nomonde Maseko, ID [REDACTED]

Mariano Riccardo Bruni, ID [REDACTED]

4.1.4. Memorandum of Incorporation, rules of company and or Memorandum of Association or Founding Statement of Applicant, whichever is applicable. Complying with the provisions of, in particular, section 19 of the Act.

The Memorandum of Incorporation of the company is attached as Annexure E2.

4.1.5. Full names, addresses and identity numbers or registration numbers of all shareholders of shareholders in the Applicant (i.e. once removed from the Applicant), effective shareholdings in excess of 5% in the Applicant and full names of directors.

The shareholders is are listed in 4.1.2

4.1.6. Full details of all circumstances and/or agreements affecting the control of the Applicant by either the shareholders or the directors, or both.

The overall control of the Applicant vests in the shareholder of the Applicant.

4.1.7. Significant recent changes in management or ownership of any of the financially and/or operationally responsible shareholders.

This section is not applicable.

4.1.8. Full details of any anticipated future changes in the shareholdings, including the listing, of the Applicant or any shareholders thereof.

No changes are anticipated currently.

4.1.9. Articles of association, founding statement, association agreement and/or shareholders' agreements in respect of the Applicant must set out clearly how many directors are to be appointed, by whom, who appoints the chairman and whether the chairman has a casting vote.

The relevant information is attached as per Annexure E2.

4.1.10. Full details of any employees' share incentive scheme or other beneficial shareholdings in any of the shareholders.

No employee share incentive scheme or other beneficial shareholdings exist.

4.1.11. With regard to shareholders (essentially the empowerment grouping), details of any arrangements by which the voting rights differ from those for ordinary voting shares (e.g. voting (O) and non-voting (N) shares, preference share arrangements, voting pools and conversion rights attaching to shares).

The Shareholders, Syressia (Pty) Ltd and Nomonde Maseko hold voting rights.

4.2. Financial Strength

The Applicant has been operating since 2022 and the Annual Financial Statements is attached as Annexure "F2".

Any capital investment required to enhance the gaming area will be funded by the Route Operator. There will be no capital investment required for the primary business to accommodate the increase in number of LPMs, although the Applicant plans to do some renovations irrespective of the approval of the additional LPMs. This investment will be funded from available funds in the company.

Furthermore, all that will be required for the rollout of the Project will therefore be the fitment of the designated gaming area (which will be 30m² in extent) with the 10 LPM's

authorised to be exposed in terms of the licence and the installation of the required route operator infrastructure.

Moreover, as the route operator will own, operate, and maintain all the LPM's proposed to be exposed for play on the site, the Applicant itself has no financial exposure in relation to the LPM component of the operation. This lack of risk to the site owner, seen in conjunction with the proven financial strength of the route operator as well as the resources to which it has access, is a key strength of the bid.

4.3. Financing Structure and Access to Capital Resources

The Applicant will embark on some upgrades to the site in the 2026 financial year, irrespective of the approval or not of the LPMs. These upgrades will be funded from available cash in the business. There will be no capital investment required from the Applicant in the primary business specifically to accommodate the additional LPMs.

Any capital investment required for the gambling area will be funded by the Route Operator. As indicated above the Applicant has no financial exposure in relation to the LPM component of the operation.

4.4. Financial Viability and acceptability of assumptions

The following assumptions have been used in the financial model:

- Inflation: 6%
- Value Added Tax: 15%
- Company Tax: 27%

Annexure "F.1" hereto reflects details of financial projections in respect of both the primary and the secondary business, calculated from the date of commencement of such operations, reflecting the various sources of revenue, calculated over a 15-year period.

From the budget, as well as the other information provided in this application regarding the nature of the primary business, it will be readily apparent that, from a financial perspective, the operation of LPM's will qualify as a secondary business to the primary business, taking into account, *inter alia* -

- the investment in the operation of the limited payout machines, as compared with the investment in the primary business;
- the average revenue projected to accrue to the site by play on LPMs over a 15-year period (which stands at ██████████ in total) as compared with the revenue

projected to be generated by the primary business over the same period (which stands at [REDACTED]), and

- the fact that an insignificant portion of the financing of the business as a whole will be provided in exchange for the right to operate LPMs on the premises, as the route operator will retain ownership of the LPMs and attend to the maintenance and support of same, at its own, cost, occasioning no capital outlay on the part of the Applicant.

4.5. Suitability of Funders

It will not be necessary to procure any funding other than the funding by the Route Operator for the upgrading, renovation and furnishing of the gambling area of the site to accommodate the additional LPMs. Vukani will provide at its own cost the necessary infrastructure and equipment to enable the additional LPMs to become operational.

PART 5: MANAGEMENT CRITERIA

5.1. Propriety and Integrity

The Route Operator has already been subjected to the stringent probity requirements of the Eastern Cape Gambling Board and was found suitable to hold a licence in the Eastern Cape.

The Applicant, being a holder of a valid Bookmakers licence, has already been found suitable to hold a Gambling Licence.

An organisational chart as per Annexure G provides information in respect of the persons responsible for the activities of the primary and secondary businesses. From the chart it is clear that the day-to-day management of the business is mainly in the hands of a local PDIs. The requirement that 80% of management should constitute PDIs has already been met and all efforts will be put in place to maintain 80%.

5.2. Access to Expertise and Experience

The Applicant has entered into a standard Site Operator Agreement with Vukani Gaming Eastern Cape, of which a copy is attached as Annexure “H” hereto.

The directors, Mariano Bruni and Nomonde Maseko, have extensive business knowledge and experience in running operations successfully. As an existing Bookmaker license holder, they also have knowledge of and experience in the gambling industry. They will be assisted in the day-to-day operation of the business by well-trained staff. Together this team are and will be well-equipped to manage the primary and secondary business on an ongoing basis.

The Applicant will further be backed by Vukani. The route operator licence issued to it authorises the company to expose a maximum of 1 000 LPMs for play by the public on carefully selected licensed sites located in the Eastern Cape. Drawing on several centralised support services which it receives from its holding company, Vukani Gaming Corporation, for the effective and streamlined management of its route operator business, the company manages an efficient network of licensed sites that operate within a strictly regulated framework and espouses a culture of responsible gambling.

The potential viability and operational success of a Type C site hinges significantly on the extent to which the route operator with which that site is linked can provide focused, swift, knowledgeable, and effective support and related facilities to the site on an ongoing basis by ensuring, *inter alia*, that –

- The mix of gaming machines offered for play on the site is attractive, balanced and appropriate, based on a knowledgeable assessment of site requirements and access to a wide variety of games;

- The site has access to all required technical expertise and ongoing support through a National Contact Centre which is operational on a 24/7 basis;
- Machine malfunctions can be attended to promptly within minimum downtime;
- Queries and/or complaints by patrons can be referred to a 24-Hour Contact Centre;
- Proper training is provided, both prior to the commencement of licensed operations, and on an ongoing basis thereafter, and
- Meaningful skills transfer from the route operator to the site is effected.

The Site extracts material benefits from its relationship with the route operator, not only in terms of its enhanced ability to attract patrons by the addition of new entertainment options bearing a publicly recognisable industry brand, but also in terms of the revenue generated from gambling operations.

In this case, the Site Owner has selected Vukani as its preferred route operator for the purposes of this application. The Vukani Group has made a substantial investment in the industry in each province in which route operator licences have been called for. In the process the Vukani Group has contributed significantly to the development of the relevant provincial economies, infrastructural and small business development, job creation and the empowerment of previously disadvantaged members of the communities in which it operates. Vukani has held a route operator licence in the Eastern Cape for more than a decade.

The Vukani Group is committed to the expansion of its business interests in a socially responsible fashion. Its experience in the market, as well as the sound business philosophies underpinning its operations, will add real and lasting value to the small and medium business landscape in Eastern Cape, while meeting, and in some respects exceeding, the requirements of the Eastern Cape Gambling Board set forth in the RFP.

Over and above the extensive business experience built up in the relevant fields and specifically route operations, the Vukani Group has, since its establishment, become not only the largest LPM Route Operator, but also offers the following unique features:

- Vukani Gaming Corporation is proud to be 100% South African-owned and operated.
- The company operates more LPMs in South Africa than all other operators combined.
- The experience gained from the conduct of licensed LPM operations in the various operational provinces regarding the geographic distribution of LPM's, the financial viability of sites and appropriate measures to prevent the over-concentration of machines is of indisputable value to any prospective site operator. Vukani possesses the required expertise to assist the applicant to achieve a realistic and feasible

establishment, backed by solid management, business sustainability and the co-ordinated management of its limited payout machine operations in the Eastern Cape Province within a socially responsible framework.

- Vukani staff command an excellent knowledge base of the industry in South Africa and an unparalleled track record: Vukani has been involved in the LPM industry since the opening of the first site in South Africa.
- Vukani can call upon a range of inter-provincial facilities and skills, which can be applied to assist Site Owners in growing and improving their businesses.

The Applicant is familiar with the requirements of operating a gambling business and will conduct its operations in strict compliance with the Internal Control Standards approved by the Board in respect of the LPM sites operated by Vukani. It is noted that the Board is to adopt minimum requirements for internal controls, and the Applicant undertakes to comply with these in the conduct of its new licensed operations.

In the context of the prevention of money-laundering, the route operator has developed a comprehensive set of Internal Rules through its Risk Management and Compliance Programme, made pursuant to the provisions of section 42 of the Financial Intelligence Centre Act, Act 38 of 2001, as amended ("FICA"), which have been made available to the Applicant and are referred to for the purposes of its operations. The objectives of these Internal Rules are:

- to familiarise Company Stakeholders with the nature of money laundering activities and the provisions of anti-money laundering legislation in force in South Africa which are relevant to their day-to-day operations;
- to comply with the provisions of section 42 and Part 3 of Chapter 3 of FICA;
- to set forth Rules and to provide for related procedures and areas of responsibility designed to promote compliance with all applicable legislative provisions and the compliance-related conditions of the licence by the Company and the Company Stakeholders;
- to ensure the proactive detection and early correction of instances of non-compliance by the Company and the Company Stakeholders, and
- to promote transparency and provide for the prompt and accurate provision to the Financial Intelligence Centre ("FIC") of information required to be made known to it pursuant to its Internal Rules.

The Internal Rules contain comprehensive definitions designed to assist stakeholders in understanding the nature of the activities to be guarded against in the context of money laundering, guidelines to be followed regarding the identification of suspicious or unusual

transactions and procedures for the disclosure of these to the FIC, as well as the provision of such further information as the FIC may require in relation to reported transactions. In addition, the Internal Rules assign clear lines of responsibility for the performance of the various functions for which they make provision.

5.3. Access to experience and expertise of other site operators:

The Primary Business has been successfully operated for more than two years. The Type A licence and LPMs (with Pioneer Slots) were also implemented in 2022.

The directors, Mariano Bruni and Nomonde Maseko, has extensive business knowledge and experience in running operations successfully, including gambling operations. He has therefore sufficient experience in managing an operation of this size.

This will be further enhanced by the assistance that the Applicant's members and employees will receive from the Route Operator, all of which will ensure the ongoing success of the business.

PART 6: DEVELOPMENT CONCEPT:

6.1. Site location and size:

The Primary Business is located at Shop 13, Commercial Centre, Commercial Road, Sidwell in Gqeberha. The shop is situated in a retail and commercial area. The established Primary Business offers a Betting Business and will be complimented by 10 to offer a variety of gaming options.

The proposed site spans 196m², of which 30m² will be assigned to the designated gaming area, in which ultimately 10 LPM's are proposed to be exposed for play.

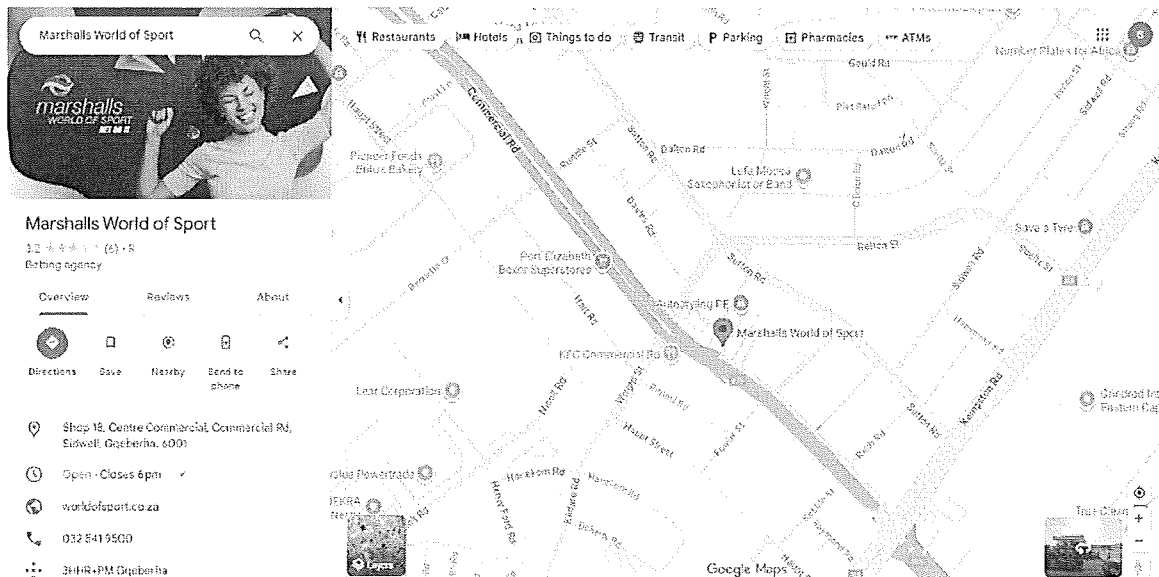
The site is located in the heart of an existing retail and commercial complex with some residential components in the outlying surrounding area. The proximity of these residential pockets however poses no material concern from a social responsibility point of view, as the residents are in the main drawn from the high income bracket.

In addition, the site will not allow access to persons under the age of eighteen years. Access control arrangements on the site will be developed and refined and will be actively and effectively enforced by dedicated personnel.

Wanejo Bets – Site Location Plan

-33.92045350650117

25.592978324487966



Proximity to other facilities:

The location of the proposed site falls within approximately 10.6 kilometres of the nearest licensed casino (Boardwalk Casino).

It is noted that Item 8 of the most recent version of the National Guidelines issued by the National Gambling Board of South Africa in respect of Type C sites, which were released on 11 October 2010, provides as follows:

"8. SUITABILITY OF LOCATION

The site must not be located near a casino and must at least be away from any educational institution and places of worship as contemplated in the provincial legislation, policy and/or Request for Proposals.

The site must be considered for suitability of the location and the site operator must consider employment contribution in the area. The site must specifically outline the creation of "additional/new" employment opportunities in the area by the business both directly and indirectly.

The site must further specify the per capita income of the families/persons in the area and ensure that the wages paid are not just a minimum wage but are in line with the per capita income and are market related to salaries in the area.

The site must specify the value add of the business in this area will offer."

The Applicant notes that the most recent National Guidelines depart from the previous approach of setting defined radii in respect of the proximity to the site of educational institutions or places of worship. However, in conformity with the inherent interest of the Board in determining the suitability of the location, as set forth in the Guidelines, the Applicant wishes to submit the following motivation for consideration of the site for the consideration of the Board, in the first instance, and ultimately, the National Gambling Board.

Proximity of place of worship:

- (i) There are no places of worship located within a 5km radius from the proposed site

Proximity of educational institution:

- (i) There are no places of education within a 5km radius from the proposed site.

Proximity of Shopping Centres:

The site is situated in a commercial and retail area in Sidwell with the closest shopping centre, Greenacres Mall which is 4.3 kilometres away.

6.2. Site layout and design of features:

The significant expertise and know-how to which reference has been made above has been fully harnessed in the preparation of this application. The total of 10 LPM's proposed to be exposed for play on the site will be comfortably accommodated within 43m² of allocated floor space, with the designated area having been specifically configured to ensure adequate space for patron movement and a comfortable gaming experience, while having due regard to the requirements of the Board in respect of the surveillance system already installed on the site.

The site is an ideal venue for a successful Type-C LPM operation. Spanning a total of 130m², the venue brings together under one roof a balanced mix of entertainment options which will be harmoniously integrated, with the emphasis falling on natural flow as between the various entertainment components. Upon entering the premises, the visitor will find the bar area to the right and various seating options for the restaurant. Further on, behind a closed-off area, the visitor can enter the gambling area where 10 LPMs will be located. A surveillance system has been installed in compliance with the requirements set forth in the RFP to always ensure proper supervision of the gaming area.

The venue will be designed in such a manner that none of the LPMS exposed for play on the site will be visible from the outside and persons under the age of eighteen will also not be allowed on the premises.

In addition, the site offers well maintained toilet facilities for the comfort and convenience of patrons.

For further information regarding the site layout and configuration, please refer to –

- Sketch Plan to scale of the premises, indicating the proposed positioning of LPM's and reflecting the placement of machines with reference to supervision and the compliance of the proposed designated area layout with the regulatory requirements specified in the RFP [attached as per Annexure "1.1" hereto];
- Site photographs [attached as per Annexure "1.2" hereto];
- Site location plan [attached as per Annexure "1.3" hereto];

As previously indicated, the proposed site will not be accessible to patrons under the age of eighteen years. Effective access control will be in place in the day-to-day operation of the business, which will actively be enforced and policed by personnel in the employ of the Applicant. Accordingly, the designated gaming area will not be accessible to minors. Access to the site is actively policed, and site security in general will be actively enhanced by an alarm system that is linked to an armed response facility.

6.3. Parking availability:

The area around the site provides for ample parking.

As experience has shown that the presence of gambling facilities does not in itself attract patrons to a site, the parking facilities provided for are considered to be well in excess of the requirements of the business.

6.4. Internal and external security:

Access to the site will be actively controlled and dedicated personnel will be tasked with ensuring the safety of patrons and site property alike will be provided.

The hours of operation of the site are to be in the region of 08h00 to 20h00 on Mondays to Saturdays and 08h00 to 15h00 on Sundays (but this will be confirmed upon receipt of site license)

6.5. Compliance with planning and other policies or regulations of various authorities:

The premises are appropriately zoned by the Nelson Mandela Bay Municipality for the conduct of both the primary and secondary business. The zoning certificate is attached as Annexure "J". Every aspect of the business conducted on the proposed site is lawful. Please refer to the attached documents submitted in relation to approvals given in respect of the conduct of various aspects of the primary business.

Regarding the provisions of national legislation, the Applicant has familiarised itself with, and will continuously ensure compliance with:

- **The Eastern Cape Liquor Act (Act 10 of 2003):**

The Applicant has a valid liquor licence, and will ensure that all management and staff are familiar with requirements of the Liquor Act and that it is correctly and consistently enforced.

- **The Tobacco Products Control Act (Act 83 of 1993, as amended):**

The Applicant is familiar with the founding, as well as the more recent amending legislation in this context, and will put in place procedures to ensure compliance with the applicable provisions.

- **The Occupational Health & Safety Act (Act 85 of 1993, as amended):**

All the prescribed procedures in respect of this legislation will be scrupulously applied in the workplace and will similarly be brought to the attention of employees in the prescribed manner.

- **The Financial Intelligence Centre Act (Act 38 of 2001, as amended):**

The Applicant is familiar with the requirements of FICA and will ensure that management and staff alike are provided with training in relation to the required measures regarding the identification of suspicious transactions and money laundering techniques.

- **The National Gambling Act (Act 7 of 2004, as amended):**

The Applicant will ensure full compliance with the provisions of this Act, as well as the regulations made in terms thereof which will have an impact on the conduct of its licensed operations.

In addition to the above, the proposed Site furthermore complies with all applicable local authority health and safety regulations.

6.6. Suitability of premises:

The location of the site and the socio-economic circumstances of the surrounding community are such that the addition of 10 LPM's to the Betting business, will not pose any potential threat to the wellbeing of the citizens of the immediate environment.

6.7. Security of tenure:

The premise is leased by the Applicant. A copy of the Lease Agreement is attached as Annexure "K". The Applicant is not aware of any potential legal or physical impediments to the site occupation and or the development set forth in this application.

PART 7: ADDITIONAL INFORMATION:

7.1. Disqualification:

The Applicant declares that it has no interest which may cause its project to be disqualified in terms of the provisions of section 49, 50 or 55 of the National Gambling Act, 2004.

7.2. Proof of registration:

The Applicant is duly registered for Income Tax and VAT with proof of registration attached as per Annexure L.

7.3. Company profile/personal history and development information:

The Applicant, being a current Bookmaker owner, has been licensed by the Eastern Cape Gambling Board for the conduct of Betting operations.

7.4. Licence Preconditions:

The Applicant confirms that there are no confirmations or clearances, permissions, or approvals necessary to be met before being issued a licence.

CONCLUSION:

The Applicant submits that its proposal presents a compelling case for the establishment of a Type-C Gaming Machine Site on the proposed premises, and it meets, and in some respects exceeds, the criteria for the licensing of such sites stipulated in the Request for Proposal, and, if successful, will complement a new business enterprise in delivering real and lasting benefits to the community within which it is located.

ANNEXURES

Annexure A:	Skills Transfer Plan
Annexure B:	Preferential Procurement Plan
Annexure C:	Employment Equity Plan
Annexure D:	BBBEE Certification
Annexure E1:	Shareholders Agreement
Annexure E2:	Memorandum of Incorporation
Annexure F1:	Budget for LPM operations on Site
Annexure F2:	Annual Financial Statements
Annexure G:	Site Organogram
Annexure H:	Agreement between Site Owner and Route Operator
Annexure I.1:	Sketch Plan to Scale of Premises
Annexure I.2:	Site Photographs
Annexure I.3:	Site Location Plan
Annexure J:	Zoning Certificate
Annexure K:	Lease Agreement
Annexure L:	Proof of Registration for Income Tax
Annexure M:	Tax clearance certificate

APPENDICES

Appendix E	Notice of Lodgement
Appendix L	Affidavit