



PUBLIC INSPECTION COPY

2026 Bid Proposal
Casino Licence -
Zone 2 Eastern Cape

HEMINGWAYS

TSOGO SUN

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Executive
Summary

HEMINGWAYS

TSOGO SUN

EXECUTIVE SUMMARY

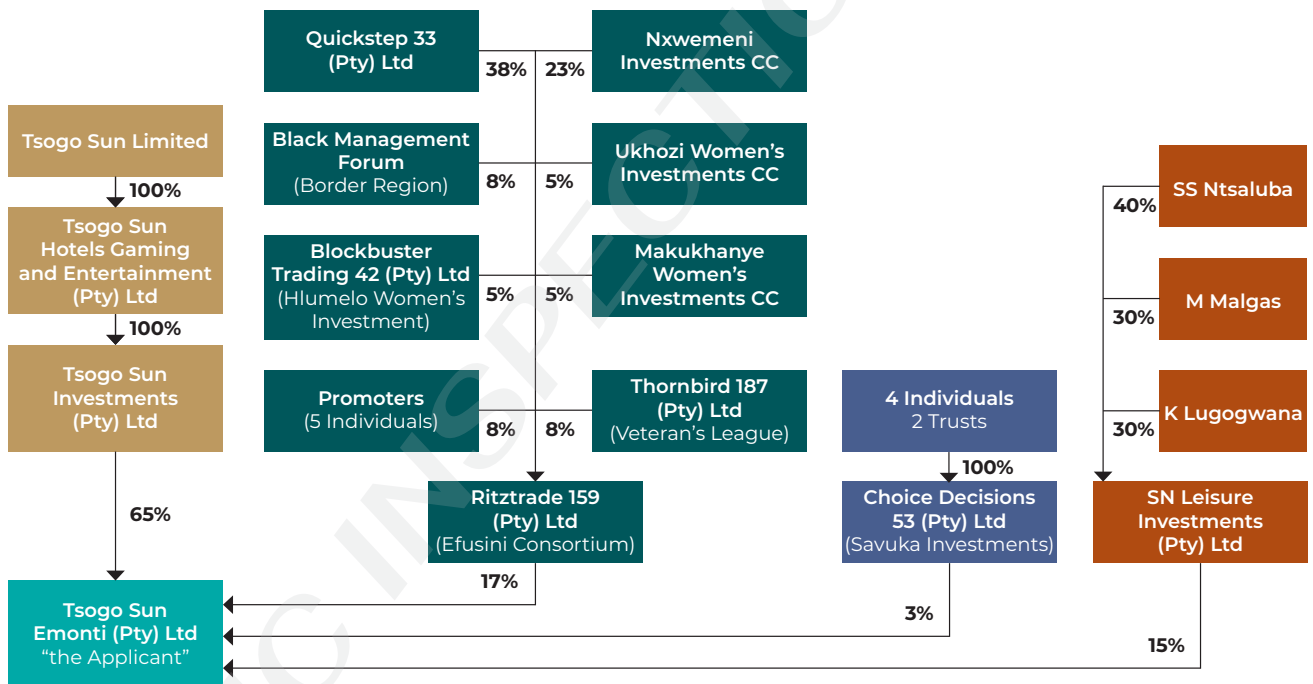
Applicant and Project Team

Identities of an Applicant's key parties (developer(s), operator(s), financier(s), consultant(s), etc.), including a detailed organisational chart of the Shareholder structure depicting both the direct and effective shareholdings in an Applicant as well as PDI Shareholders

The Applicant is Tsogo Sun Emonti (Pty) Ltd, a private company established and registered in South Africa with Registration Number 1998/017777/07. The Applicant, trading as Hemingways Casino, has been operating an entertainment precinct comprising of a licensed casino, 4-star 108-room luxury hotel, conferencing, two restaurants, a bar and movies conveniently located off the N2 on the corner of Western Avenue and Two Rivers Drive in East London since September 2001.

The Applicant herewith submits its bid application in response to the Final Request for Proposal in respect of the Zone 2 Casino Licence made available by the Eastern Cape Gambling Board from 13 October 2025 ("the RFP").

The greater shareholding structure of the Applicant is reflected as:



65% of the interest in the Applicant is held by Tsogo Sun Investments (Pty) Ltd, a company that forms part of the Tsogo Sun Gaming Limited group of companies. The remaining 35% of the interest in the Applicant is collectively held by local PDI companies Ritztrade 159 (Pty) Ltd, SN Leisure Investments (Pty) Ltd and Choice Decisions 53 (Pty) Ltd.

The Applicant boasts a truly meaningful Broad-Based Black Empowerment Shareholding with an effective 76% of its current interests being broadly held by Previously Disadvantaged Individuals ("PDIs"). 35% of its interests are directly held by local PDI companies, Ritztrade 159 (Pty) Ltd, SN Leisure Investments (Pty) Ltd and Choice Decisions 53 (Pty) Ltd, which cumulatively include more than 100 local PDIs who indirectly hold interests in the Applicant, of which almost half are local PDI women.

Applicant and Project Team...

A copy of the resolution of the Board of Directors of the Applicant authorising the preparation and submission of this Application, and appointing its Lead Applicant, is attached as Appendix E to this bid.

Proof of payment of the following compulsory fees relating to this Application is attached under cover of Annexure O to this bid:

- Purchase of the Draft RFP,
- Attendance of the Bidders' Conference (held on 16 July 2025 where the Applicant was represented),
- Purchase of the Final RFP,
- Licence Application Fee, and
- Initial Investigation Deposit.

The Applicant herein consents to the extension of the validity of its Application for a further period of 90 days should the licensing process be delayed beyond the initial validity period.

Project Team

The Applicant's project team comprises of the following individuals who collectively possess a wealth of knowledge and experience in all functions to successfully operate a casino, hotel and other operations:

Charlton Kerridge
General Manager:
Eastern Cape

Lead Applicant

Charlton is a qualified Chartered Accountant who completed his articles with KPMG South Africa in 2004, before spending four years with PwC in the United Kingdom. Charlton has in excess of 13 years experience in the gaming industry. He joined the Tsogo Sun group in 2014 as General Manager to its gaming operations in the Eastern Cape (one Casino and four Bingos), focusing primarily on the companies' performance, operations and compliance.

Egbert Loubser
Financial Director:
Tsogo Sun Ltd

Egbert is a qualified Chartered Accountant who completed his articles with KPMG South Africa before joining KPMG Bermuda in the financial services practice. He joined the Tsogo Sun group in 2018 through one of its subsidiaries as Financial Manager, taking on various head office responsibilities including Finance, Treasury, Risk, Insurance, Internal Audit, Employee Benefits, B-BBEE and other corporate governance roles. Egbert was appointed to the Tsogo Sun board and as Financial Director of the Tsogo Sun group in September 2025.

Santha van Vuuren
Director of Operations:
Tsogo Sun Ltd

Santha has 23 years of experience in the Hospitality Industry, including Operations Management, Food and Beverage Management, Strategic Human Resource Management, Strategy Implementation and Management, Learning and Development, Payroll, Industrial Relations and Customer Services. She joined the Tsogo Sun group in 2017 through one of its subsidiaries and currently serves as Group Operations Director (including Human Resources). Santha was appointed to the Tsogo Sun board in September 2025.

Project Team...

Philip Kruger
Commercial Manager:
Tsogo Sun Ltd

Philip is a qualified attorney who completed his articles in 1995. He practiced law in Johannesburg and acquired a diverse experience base with a unique set of skills, consulting extensively to listed and large property holding companies. He proceeded to co-found a multi-faceted property investment company in 1999 and ultimately joined the Tsogo Sun Group, one of the company's then clients, in 2011 when it listed on the JSE.

Avishkar Sivenarain
Complex General Manager

Avishkar has over 23 years of experience in the casino and hospitality industry. He joined the Tsogo Sun Group in 2003 through Gold Reef Resorts and throughout his career, has progressed through the ranks and currently serves as the Complex General Manager at Hemingways Casino & Hotel. He successfully completed the Management Development Program (MDP) through Stellenbosch University Business School in 2015. With a strong background in surveillance and compliance, Avishkar has developed expertise in risk management, leadership, and team development, driving operational efficiency and revenue growth while ensuring regulatory compliance.

Carmen Economou
Financial Manager

Carmen is a qualified Chartered Accountant who completed her articles with PwC South Africa in 2011, where she remained for ten years, gaining experience from a broad range of clients and industries. Carmen joined the Applicant as its Financial Manager in 2018 and is responsible for the financial recording, reporting and compliance.

Gloryanne Abrahams
Hotel Manager

Gloryanne is a highly experienced and dedicated hotel manager with a career spanning over 24 years, 16 of which have been in leadership positions within the 4-star and 4-star luxury hotel markets. Her extensive experience demonstrates a robust progression in the hospitality industry, from administrative roles to her current position as Hotel Manager of the 4-star luxury Tsogo Sun Hemingways Hotel in East London, a position she has held since 2022.

As can be noted, the Applicant boasts a diverse project team with established credentials and an enviable track record in the licensed casino sector, including seasoned gaming, hospitality and entertainment career professionals who collectively have overseen its ongoing management. The Tsogo Sun Gaming Limited Group, of which the Applicant forms part, is served by inter alia, established gaming and casino industry role players, many of whom have also contributed to the current application, and who collectively have overseen the rollout and ongoing management of a range of superior developments throughout the country over almost three decades.

Project Team ...

The services to be provided by the representatives of the local shareholders in maintaining the Applicant's pursuit of broad-based empowerment, and increasing the skills base will include, *inter alia*:

- Identifying potential local partners for the procurement of, or provision of, goods and services to the casino,
- Identifying local talented persons for recruitment and training and ensuring that such persons are nurtured to improve our employment equity,
- Being active, albeit non-executive, members of the Tsogo Sun Emonti Board of Directors,
- Identifying and assisting in the evaluation and implementation of SED projects, and
- Strategic liaison with local stakeholders, including but not limited to the municipalities and communities.

The Applicant's existing entertainment precinct comprises of a casino floor, 4-star hotel, conferencing facilities, restaurants, bar and cinemas, all of which is owned without any encumbrance. Its bid includes the refurbishment of its facilities utilising its own available reserves. Consequently, the Applicant's already impressive project team is augmented by the following consulting and related service providers:

Tartan Studios Consultants:
Construction & Development

Tartan Studios has successfully executed both franchise and one-off projects across eight provinces of the country. Key disciplines include Interior Design, Construction, Shop-fitting, Restaurant Designed, Project Management & Quantity Surveying.

AG Consulting CC Consultants:
Gaming Law & Compliance

Founded in 2007, AG Consulting is the leading gaming law and compliance consultancy in South Africa, with vast experience in all aspects of the gaming environment and a growing global footprint.

Development and operating experience

A summary of the qualifications, expertise, experience and ability of an Applicant to successfully manage a Project of this nature

The Applicant has been operating its existing development under a casino licence since 2001, and was again awarded the licence for a further 15 years in 2011. The Applicant's initial capital investment to develop its casino, hotel, restaurant and cinema in 2001 was R [REDACTED] million. In 2010, the Applicant further committed to spend an additional R [REDACTED] million by, among others, substantially extending its hotel, building its conferencing facilities, extending its gaming floor and improving its surrounding road infrastructure. The Applicant has therefore consistently demonstrated its capability in fulfilling its commitment since first being issued its licence in 2001 and will continue to do so as detailed in this bid.

The Applicant boasts a stellar compliance record throughout its tenure as a casino operator, ensuring that all statutory taxes and fees are paid on time and that all regulatory reporting and/or deadlines are met. The Applicant has consistently created a significant number of permanent employment opportunities for the people of the Province and continues to invest in the development and succession of its staff through many training programmes. The economic and gaming landscapes have changed significantly since 2020, but the Applicant intends to remain a significant employer in the Province by maintaining permanent employment opportunities for up to 220 staff in its operations, which may be direct and/or outsourced and/or direct job creation within the precinct of tenants from time to time, with a 20% threshold for market or economic conditions or staff movements, subject to the constant re-assessment of the environment in which it operates.

As a responsible corporate citizen to the Province, the Applicant has already spent in excess of R [REDACTED] million on sustainable Socio-Economic Development projects in the current licence term to enhance the lives of the people and communities of the Province, and will commit to spend 1% (one per cent) of its Gross Gaming Revenue throughout the new licence term, estimated at R [REDACTED] million. The Applicant has consistently dedicated a substantial portion of its procurement spend to local suppliers and SMMEs. The Applicant will ensure that 60% of its procurement spend goes to local suppliers with valid B-BBEE certificates, subject to quantity, quality and price on the products and services that are available in the Province (excluding gaming equipment and other items as included in this bid).

Summary of Project Concept

The exact proposed location of the Project

The Applicant's current entertainment offering is ideally located off the N2 on the corner of Western Avenue and Two Rivers Drive with GPS co-ordinates -32.970749619173915 and 27.901790218354403.

Outline of the Project concept and development schedule

The Applicant intends to invest a minimum of R130 million on the refurbishment of the facilities and new equipment within the first three years of the licence term, comprising:

- R [REDACTED] million on the redevelopment of its Salon Privé, facilities and other upgrades
- R [REDACTED] million on new gaming equipment
- R [REDACTED] million on installation of a 730 kWp solar PV system
- R [REDACTED] million on the hotel

The refurbishment is expected to generate approximately 169 temporary jobs, primarily from within the Province, during the development phases.

Highlights of the key features of the Project and the impact of the development on the surrounding environment and society

The Applicant's technical offering, independently valued in November 2025 at R [REDACTED] million, is uniquely positioned to offer an already established entertainment destination to the Province, having an existing precinct conveniently located off the N2 that currently includes:

- a gaming floor able to accommodate up to 500 slots and 16 table games all incorporated in dedicated non-smoking, smoking and Prive areas;
- a 108-room, 4-star luxury hotel;
- two restaurants;
- a bar; and
- conferencing facilities and breakaway rooms equipped to host up to 750 guests in a cinema-style or concert setting, 700 guests in a cocktail setting, or 400 seated guests in a banqueting setting.

Other auxiliary facilities currently made available in the Applicant's precinct are cinemas (the only ones in East London). The precinct is adjoined to the 75 000 square meter Hemingways Mall, where a servitude to over 667 parking bays exists for visitors to the Applicant's precinct to conveniently access the ample secured parking made available. Guests to the hotel have convenient exclusive access to a further 104 secured parking bays adjoining the hotel.

During 2023, the post-pandemic state of the economy resulted in the then owners of Hemingways Mall placing its operations into business rescue. In February 2024, a new consortium completed the acquisition of Hemingways Mall out of business rescue for a consideration of R [REDACTED] billion. The new owners, [REDACTED], had also considered the impact the casino and precinct offerings operated by the Applicant would have on the future of the mall when deciding on the acquisition. The Mall offers over 160 stores that currently employ a total of approximately [REDACTED] employees, with [REDACTED] itself employing a dedicated team of [REDACTED] staff to oversee the Mall's operations. We have included a letter from [REDACTED] as Annexure K in which the company emphasises the importance of having the casino adjoined to the Hemingways Mall.

Summary of Project Concept..

The existence of the Applicant's development was therefore a key motivator for Hemingways Mall being acquired out of business rescue in 2024, indirectly impacting the preservation of a R [REDACTED] billion investment in the Buffalo City Metropolitan Municipality and the resulting employment and other significant value chains created by the continued operations of the mall.

The Applicant's precinct has also ignited further developments in the immediate area in the form of a Shell Petrol Station, Spar, Vida-e-Café, Burger King and a planned residential development. [REDACTED], the owner and operator of the Shell Petrol Station and other offerings on the forecourt, currently employs [REDACTED] staff. [REDACTED] has also provided a letter of support included as Annexure L that states that "the casino and hotel draw steady visitors, benefiting local businesses and generating additional foot traffic" and fully endorsing the renewal of the Applicant's casino licence.

The non-award of the casino licence would leave the Applicant in a position where it would be constrained to consider disposing of the various infrastructural components of the precinct, leaving its shareholders bereft of the considerable value which currently attaches to their shareholding and its employees compelled to seek out new employment opportunities in a challenging economic market.

The continued operation of the Applicant's business will clearly have a significant impact on development and job creation or retention in the Buffalo City Metropolitan Municipality, where its presence can be accepted to contribute indirectly to other significant employment opportunities.

An outline of the plans for a temporary Casino, if applicable, and for the transition from temporary to permanent Casino, including timeframes

The Applicant already has a permanent operational casino in place. Therefore, if awarded the licence, provincial taxes in the form of gaming revenues will be collected from the first month of commencement of the new licence.



Project viability and financial returns (Appendices C & D)

Summary of the sourcing, level and nature of financing and the ability to meet financial obligations

The Applicant is expected to spend a minimum of R130 million on the refurbishment of its facilities and on new equipment within the first three years of the licence term, all of which will be financed from its own cash resources. No debt financing will need to be incurred. The shareholders in the Applicant will also not incur any debt.

Summary of the estimated financial returns to an Applicant from the Project over the Licence Period

The estimated financial returns to the shareholders over the licence term are:

(in millions)

Special dividend (once-off)	R [REDACTED]
- of which is paid to local PDI shareholders	R [REDACTED]
Dividends over the licence term	R [REDACTED]
- of which is paid to local PDI shareholders	R [REDACTED]

If awarded the licence, the total estimated dividends to be paid to the local PDI shareholders amount to R [REDACTED] million, of which R [REDACTED] million will be paid within the first quarter of commencement of the new licence. It is important to emphasise that as the Applicant, and therefore the local shareholders, will not incur any debt, shareholders will receive returns from the first year of operations.

Summary of the estimated revenue to the Government in respect of taxes and levies from the Project over the Licence Period

The key financial information estimated for the Fiscus over the 20 year period includes:

Taxes and levies to the Provincial Fiscus (in millions)

Gaming Tax	R [REDACTED]
Licence fees – Board	R [REDACTED]

Levies to the Local Municipality

Local Authority Rates and Taxes	R [REDACTED]
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Taxes and levies to the National Fiscus

Company Income Tax	R [REDACTED]
Value Added Tax (“VAT”)	R [REDACTED]
Pay As You Earn (“PAYE”)	R [REDACTED]

Project viability and financial returns.. (Appendices C & D)

Summary of the key market demand assumptions (population in catchment area, propensity to gamble, disposable income, etc.) used in the financial projections

The Applicant's financial projections has been prepared using its experience as an existing operator and supported by the Feasibility Study attached as Annexure A to this bid.

The key market demand assumptions extracted from the financial projections are:

Regional disposable income	R	██████████	million
% propensity to gamble		██████████	
Dilution factor		██████████	
Adult population in catchment area		██████████	
Average spend per visit		R	██████████
Expected visits per year	- Local	██████████	
	- Tourism	██████████	

In respect of any debt to be incurred by PDI Shareholders, the projected redemption of such debt per annum, the date such debt is to be fully redeemed and the projected cash flows to such PDI Shareholders (after payment of interest and debt redemption, over the duration of the Licence)

As noted above, no debt will be incurred by the PDI Shareholders. They will receive returns from the first year of operations.



Benefits to the economy

A summary of the key benefits (other than direct financial benefits) to the economy and to the citizens of the Province

Hemingways Casino has been an established committed corporate citizen and tourism destination to the Province and Buffalo City Metropolitan Municipality for almost 25 years. During this period it has empowered local PDIs, been a significant employer, has procured a substantial portion of its goods and services from local PDI SMMEs and has contributed extensively to Socio-Economic Development. The Applicant's project is poised to continue to deliver the following significant benefits to local communities:

Economic Benefits at a Glance

Empowerment and Local Empowerment

An effective 76% of the current interests in the Applicant are held by PDIs, with an effective 37.1% currently being held by women, youth, military veterans and/or people living with disabilities. 35% of the interest in the Applicant is held by local PDI companies, which currently cumulatively include more than 100 local PDIs who indirectly hold these interests, of which almost half are local PDI women. 12% of the current interests in the Applicant are effectively held by local PDI women. The Applicant commits to maintain the target group essential minimum requirements of the RFP throughout the licence term.

Infrastructure

An existing entertainment precinct valued at R [REDACTED] million currently offering a casino, 4-star 108-room hotel, conferencing facilities to host up to 750 guests, two restaurants, a bar and cinemas (only ones in East London), all of which are unencumbered. The Applicant commits to maintain the technical essential minimum requirement of the RFP throughout the licence term.

Employment

220 employment positions, with a 20% threshold for market and economic conditions, will continue to be made available for persons primarily from the Province. 169 temporary jobs are expected to be created during the development phases of the project.

Investment

The Applicant intends to invest a minimum of R130 million in total on the refurbishment of the facilities and new equipment within the first three years of the licence term.

Procurement

60% of the Applicant's procurement spend will go to local suppliers with valid B-BBEE certificates, subject to quantity, quality and price on the products and services that are available in the Province (excluding gaming equipment and other items as included in this bid).

Socio-Economic Development

1% of its Gross Gaming Revenue, estimated at R [REDACTED] million, will be invested in Socio-Economic Development utilising the needs of the Eastern Cape and the "CSI Framework" developed in conjunction with the Eastern Cape Gambling Board.

Local, Regional, National and International Tourism

The 4-star 108-room hotel and conferencing facilities regularly host local and provincial government departments, National and Provincial Sports Teams, and international delegations and tourists. The conferencing facility also regularly hosts world class performers entertaining audiences from East London and surrounding communities.

Environmental

Investing in the environment by spending R [REDACTED] million on the installation of a 730 kWp solar PV system.



Detailed
Proposal

HEMINGWAYS

TSOGO SUN



1

Empowerment &
Community
Aspects

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1. EMPOWERMENT & COMMUNITY ASPECTS

The proud track record of the Tsogo Sun Group, of which the Applicant forms part, demonstrates that it places the highest possible premium on using its various operations as a powerful springboard for Broad-based Black Economic Empowerment ("B-BBEE"), as evidenced by its Level One B-BBEE Contributor status (as of current verification effective 17 July 2025). This prestigious status is the product of the sustained application of the following significant components of its business model:

Ownership

Tsogo Sun's key shareholder, Hosken Consolidated Investments Limited (HCI), directly and indirectly owns 50.05% of the total issued shares in the Tsogo Sun Group (as at 2 January 2026). This substantial ownership stake contributes significantly to the group's B-BBEE credentials, extending the reach of the ownership-related benefits to B-BBEE stakeholders across the widest possible spectrum. This results in an effective 76% of the current interest in the Applicant being held by PDIs, with an effective 37.1% being collectively held by women, youth, military veterans and/or people living with disabilities.

Employment Equity

The Tsogo Sun Group has focused on improving employment equity within its workforce, ensuring a diverse and inclusive environment that supports the advancement of previously disadvantaged individuals. The significant strides which have been made in this regard will be explored in detail in this document.

Skills Development

The Tsogo Sun Group invests heavily in skills development programmes aimed at enhancing the capabilities of its employees, particularly those drawn from previously disadvantaged backgrounds.

Preferential Procurement

The Tsogo Sun Group prioritises procurement from B-BBEE compliant suppliers, promoting the ongoing growth and sustainability of the black-owned businesses with which it has dealings, subject to quantity, quality and price on the products and services.

Enterprise Development

Tsogo Sun Gaming has initiatives in place to support the development and promote the visibility and exposure of small and medium enterprises, particularly those that are black-owned, to integrate them into its supply chain.

These efforts reflect the Tsogo Sun Group's ongoing commitment to contributing to the economic transformation of South Africa in a tangible and meaningful way, a vision which has inspired and shaped this bid at every level.

1. Empowerment & Community Aspects

1.1. Provision of sustainable employment in the Province in general and the Zone in which the Casino is located

Introduction

At Tsogo Sun, we have a proud record of thinking laterally, being receptive to new ideas and acting as agents for positive change. We continue to choose to be participants, to try new things, to take calculated risks and to make a difference. We are proudly entrepreneurs in our own right.

The success of Tsogo Sun over the past decades speaks volumes about its gritty and innovative, yet humane approach to business. We have been guided by our philosophy of empowerment amongst others in engaging all relevant stakeholders (internally and externally) in creating a solid legacy of successful casino, leisure, hospitality and entertainment operations in South Africa. The strategic direction of the Group is informed by its commitment to meeting the highest standards in the facilities we build, the people we recruit and develop, the services we render, the experience we provide and the enormous pride we have in our brand. *Entertain. It's what we do.*

This section addresses the employment-related challenges faced in the National, Provincial and Local economies and details the pivotal and constructive role in which the Applicant's operations will continue to play in addressing these challenges if it is awarded the casino licence.

The Eastern Cape Provincial Economy

The Eastern Cape Provincial Economy comprises the Primary, Secondary and Tertiary Sectors, with the Tertiary Sector in which the Applicant operates remaining the dominant driver of the Provincial Economy. According to the Economic Review of the Eastern Cape compiled by the Eastern Cape Socio-Economic Consultative Council ("ECSECC") for April to June 2025 (2025Q2), the Eastern Cape's total gross value added ("GVA") of R336.0 billion comprised of:

- 82% from the Tertiary Sector, consisting of the Trade, Transport, Finance, Personal Services' and Government Services' industries;
- 15.7% from the Secondary Sector, consisting of the Manufacturing, Electricity and Construction industries; and
- 2.3% from the Primary Sector, consisting of the Agriculture and Mining industries.

The Provincial Economy had expanded in 2025Q2 when compared to 2025Q1, with growth recorded in eight out of the ten industries. The largest increases were recorded in the Mining (up by 4.5%), Agriculture (up by 2.7%), Manufacturing (up by 1.9%) and Trade (up by 1.9%), highlighting their role as key drivers of Provincial growth.

Pertinent employment statistics extracted from the Quarterly Review of the Eastern Cape Labour Market compiled by the ECSECC for 2025Q2 revealed that:

- 39.5% - the Eastern Cape official unemployment rate;
- 49.3% - the female unemployment rate;
- 47.5% - the youth unemployment rate;
- 47% - of those employed are females;
- 37% - of those employed are youth; and
- 81% - of those employed are low- to semi- skilled

At the sub-provincial level, Buffalo City Metropolitan Municipality's unemployment rate at 2025Q2 is 28.6%.

1. Empowerment & Community Aspects

Substantial, ongoing challenges have permeated the Eastern Cape Provincial Economy for some time and continue to do so. Not least of these is the high unemployment rate which, at around 41.2% in quarter 3 of 2025, is among the highest in the country. The unemployment rate had recently been exacerbated by job losses in key industries of the Provincial Economy, including Construction, Manufacturing and Mining, particularly following the recent introduction of higher trade tariffs by the United States on South Africa, with these businesses being the hardest hit by its introduction. A range of other factors, including the higher cost of living, the energy crisis, financial austerity and climate change are also found to have had a profoundly adverse impact on the Provincial Economy.

A number of projects have been spearheaded to address the numerous challenges facing the Provincial Economy. At the critical level of education and skills development, for example, the Eastern Cape Strategic Skills Project places the focus firmly on skills development among the youth. The Project brings practical work-based training and learning to various industry sectors, including automotive component manufacturing, welding and mechatronics. In addition, collaborative partnerships have been forged with various educational institutions to promote practical training and employability, while broadband expansion is being rolled out to enhance digital connectivity, and in so doing, increase the accessibility of online learning resources.

Over and above up-skilling the citizens of the Province and thereby boosting their knowledge, skills, stability and marketability, self-evidently, the creation of sustainable employment opportunities remains the most critical of provincial imperatives at the economic level.

It remains critical that the private sector continue to assist government to address these economic and resulting employment challenges. The Applicant, being a major employer in the Buffalo City Metro for almost 25 years, fully understands its role in a key sector of the National, Provincial and Local economies. If awarded the licence, the Applicant will continue to create sustainable and meaningful employment opportunities that actively address employment and related diversity challenges of the Province when determining its workforce.

Therefore, the preservation of its existing infrastructure, and ultimately the preservation of a significant amount of sustainable and meaningful diverse employment opportunities that have been in place for almost 25 years, is critical to maintaining the economic and employment stability in the key areas of the Province. As will emerge from this bid, the Applicant's proposed project will continue to address these challenges on a sustained and meaningful level.

Buffalo City Metropolitan Municipality: Regional Economy

The Buffalo City Metropolitan Municipality's Integrated Development Plan (IDP) identifies several key strategic challenges which impact the municipality's ability to deliver on its developmental mandate.

One of the most pressing of these challenges is infrastructure backlogs, particularly in water, sanitation, roads, and electricity. Many areas, especially informal settlements and rural zones, still lack access to basic services, which hampers socio-economic development and quality of life. Urbanization and housing demand also pose significant pressure. The municipality faces a growing population and increasing urban migration, which outpaces the current rate of housing delivery and strains existing infrastructure.

At the same time, unemployment and poverty remain deeply entrenched within the area of jurisdiction of the Municipality. Despite targeted economic development initiatives, the local economy continues to struggle to absorb the growing labour force, especially among youth and women. This is compounded by limited private sector investment and a narrow economic base.

Institutional capacity and governance are additional concerns. The IDP highlights issues such as skills shortages, high vacancy rates in critical positions, and inefficiencies in service delivery. These internal challenges affect the municipality's ability to implement projects effectively and maintain public trust.

1. Empowerment & Community Aspects

Environmental sustainability is another strategic concern. The municipality is vulnerable to climate change impacts such as flooding and drought, yet is simultaneously required to oversee the implementation and enforcement of environmental regulations and initiatives to promote green development.

Finally, financial constraints limit the municipality's ability to fund and sustain long-term development projects. Revenue collection inefficiencies and dependency on national transfers further exacerbate this issue.

Strategy for sustainable job creation in the licensed area & Province

As a responsible corporate citizen, the Applicant is committed to creating meaningful, rewarding jobs that are sustainable to help improve the lives of its employees. In this regard, the achievements of the Tsogo Sun Group across the country in relation to their various casino developments have been exemplary.

The core values which drive the Human Resource policies and practices of the Group are nowhere better articulated than in the implementation and bedding down of its iconic business ethos, appropriately called **TSOGO** (Teamwork/Service/Opportunity/Growth/Ownership). The underlying premise of this initiative is the fact that it is essential that there should be visible alignment between our brand promise and employee behavior.

The adoption and implementation of **TSOGO** will likewise be the Applicant's formula for continued success. It is a tried and tested way of doing business, which has been implemented by the Tsogo Sun Group and the Applicant itself for well over a decade. It has impacted almost every aspect of human resources within the Group, including policy manuals, standard operating procedures, letters of appointment, induction programmes and the training academy, and has resulted in significantly greater alignment between operational departments and human resources.

Core to the **TSOGO** initiative is a set of core values that shapes the very fabric of the Group's culture. Its purpose is to shape and consistently strengthen our corporate identity over time and to optimise the potential and capacity of employees to deliver positive, intuitive and superior customer experiences on a consistent basis.

1. Empowerment & Community Aspects

In aligning its operations with this broader vision and purposive methodology, the Applicant will not only remain an employer of choice which actively finds ways to provide meaningful and sustainable employment to its own staff, but will also extend its service offerings and initiatives to its service providers and other contractors. People want to work for the Tsogo Sun Group because of its co-operative and supportive culture, which creates opportunities for success. The Group defines and promotes teamwork using a number of initiatives, including the following:

- Open Days/Career Fairs, which will be conducted to expose students to the brand, the core values underpinning it, and the various employment opportunities at Hemingways Casino. This will assist in uplifting and empowering the community and helping those who attend to make informed decisions about their futures.
- Technical Skills Training streamlines technical skills knowledge, through sharing factual information, standards and documentation with all employees through a flexible self-help, tiered knowledge-based solution.
- The Group runs Learnership Pilot Programme and similar initiatives, which focus on technical skills and combine structured learning and practical work experience, resulting. This provides successful candidates with clear career pathways for future development within the organisation.
- Performance reviews are conducted and monitored in respect of employees to ensure that the necessary company targets and goals are understood and achieved.
- Regular skills assessments are conducted, and in-house or accredited third-party training are provided to selected employees.
- Compliance and regulation training are provided to ensure that the necessary employees remain in touch with the compliance and regulatory environment.
- Job opportunities are made available to staff within the Group, allowing staff the opportunity to apply for positions across different departments and locations.
- Heads of Department guide and mentor their staff creating enhanced scope for greater personal growth of the employees in question.
- The company places the highest premium on the full commitment of all staff members to act as the best possible springboard for the achievement of personal and company goals, rising above challenges and breeding success.
- Access to the Group's qualifying SMME suppliers (being QSEs and EMEs which are at least 25% black-owned) is also provided to the HCI Enterprise Club, for inclusion in the HCI Enterprise Club Directory. The core aim of this Directory is to act as an easily accessible virtual marketplace and learning hub for small, medium and micro enterprises in South Africa. HCI Enterprise Club Members are reliable, pre-approved, B-BBEE-compliant small businesses operating in various industry sectors, offering a wide selection of quality products and services. In turn, Members benefit from Club resources such as access to the skill-building LearnHUB, cost-saving discounts and game-changing finance and advertising opportunities – to support their growth and sustainability and to ensure customers can buy from them confidently.

All these initiatives are geared towards ensuring that employees use the workplace as an active learning and developmental environment. In this way, the Applicant will continue to build a talent pool which will ensure that it has the required technical and managerial capability and capacity for every facet of its operations.

1. Empowerment & Community Aspects

Maximising job creation in the Eastern Cape

The Applicant's proposal makes provision for the retention of 220 broad-based, sustainable job opportunities within the Eastern Cape on an impressive variety of levels. These may be direct and/or outsourced and/or direct job creation within the precinct of tenants from time to time, where outsourced positions may primarily include that for food and beverage, cleaning, landscaping, and security. In addition, the Applicant intends to create 169 temporary jobs by its proposed development.

The Applicant will maximise the number of job opportunities for residents of the Eastern Cape as a whole and the Buffalo City Metropolitan Municipality in particular, by implementing a number of proven strategies. In this regard, in the context of any vacancies required to be filled at any given time, the Applicant has, and will continue to:

- Provide a facility for local candidates to submit their curricula vitae to a dedicated Tsogo Sun recruitment database
- Form partnerships with various recruitment agencies from the Eastern Cape for recruitment of labour
- Use local media to advertise vacant positions
- Continue to use the group's Graduate Development Programme to give employment opportunities to unemployed black graduates
- Having already forged an association through SED initiatives with Disabled Persons Foundation, a local organisation that represent people with disabilities, the Applicant will also work with such and/or similar other local organisations to facilitate recruitment of people with disabilities, in line with the relevant position to reasonably accommodate them in terms of applicable legislative requirements
- For the purposes of the recruitment process, give preference to locals rather than to persons originating from outside of the Eastern Cape.

The Applicant's existing licensed casino operation in East London bears testimony to its commitment to creating as many as possible sustainable employment opportunities for the people directly from the surrounding community. The employment composition envisaged for the new licence term is depicted in the table below:

Tsogo Sun HEMINGWAYS: HEADCOUNT REBID											
GRADE	FEMALE				MALE				TOTAL FEMALE	TOTAL MALE	TOTAL
	A	C	I	W	A	C	I	W			
A&B Top Management											
C Senior Management											
D Middle Management											
E Junior Management											
F Semi-skilled											
G Un-skilled & Other											
TOTAL											220

PDI

PDI Female

PDI in Top & Senior Management

PDI Female in Top & Senior Management

█ of Total Female

█ of Total Female

92% of Total Headcount

█ of Total Headcount

█ of Total Headcount

█ of Total Headcount

1. Empowerment & Community Aspects

The Applicant is committed to giving preference to filling vacancies with individuals from within the Province, particularly from within the surrounding communities from the Buffalo City Metro in which it operates. This approach is based on a recognition that in some cases, particular positions may require rare or specialist experience and/or skills which may not be immediately available in the Eastern Cape. In such cases, the filling of these positions by people from other Provinces of the country is intended to serve as a springboard for direct and meaningful skills transfer to employees of the Applicant drawn from the Eastern Cape. In realising these objectives, the most important deliverable will be to reach the market served by the Applicant in a swift and effective manner. To this end, jobs will be widely advertised internally and in local media.

To facilitate the employment of people with disabilities, the Applicant will continue to engage with local organisations representing people with disabilities. The outcome of these meetings will direct the strategy for recruitment advertising.

The Applicant places the highest priority on the development of people, inter alia by embracing the premise that employees should be given every opportunity to acquire new knowledge and skills and gain the related work experience, thereby improving their overall employment prospects and their ability to contribute meaningfully to the economic regeneration of East London and the Buffalo City Metro as a whole.

The Applicant does not intend recruiting any of its employees from outside the borders of South Africa. The Tsogo Sun Group is proudly South African, and believes first and foremost, in the creation of opportunities for South Africans, and in this case, predominantly for Eastern Cape residents, who would have a unique understanding of the social, economic, cultural and behavioural profile of the community within which the Applicant's casino development is located.



1. Empowerment & Community Aspects

1.2. Provision of training and skills to employees

Overview of skills development philosophy

The Tsogo Sun Group is so much more than a gaming company; it is a Group that actively strives to grow its people to greatness. The Applicant and the Tsogo Sun Group are invested in providing their staff with an environment in which they can thrive and prosper; one where their health and wellbeing receive the attention they deserve and where opportunities for self-development, career progression and personal and professional fulfilment abound.

The overriding objective of the Tsogo Sun Group in the context of training is to create an environment in which its employees can discover themselves and unlock their true potential, talents and abilities. The Group pursues a policy of recruiting the best that there is in the market, while also creating opportunities for people who have never worked before, with a special emphasis on previously disadvantaged communities living in the applicable areas of operation.

The Applicant recognises that training and developing people to their full potential remains a critical gateway towards the development of a committed and motivated workforce, a positive customer experience, sustained commercial success and the ongoing evolution of quality product offerings and personalised service. Effective skills development begins with a commitment to training, and the Applicant's approach is accordingly premised on the recognition that a variety of training programmes will be appropriate, if not completely essential, at various levels of the operation.

Methodology

The Tsogo Learning and Development Strategy is a dynamic, living approach to skills development which recognises and responds to changing needs in an ever-evolving business environment, so as to keep the business, and its employees constantly at the cutting edge of technological progress, product quality and delivery and service excellence. A Business Needs Analysis ("BNA") is conducted on an annual basis across the Tsogo Sun Group of companies, through collaboration between General Managers, Operations Directors and Human Resources Managers, in order to identify Learning and Development priorities.

The central objective is to ensure that employees have the skills required to function effectively in the Group, and in so doing, to contribute towards the Group's overall business objectives and service delivery. A detailed procedure has been developed to meet these goals effectively, as set forth below:

- (i) The General Manager, HR Manager and HR Department of each business unit collaborate, by way of a focused Business Needs Analysis ("BNA"), to produce a comprehensive Business Planning document, setting forth the strategy of the company and identifying forces and factors that impact the business, as well as critically assessing its readiness to deliver on their strategy, from a managerial, supervisory, customer service and technical perspective.
- (ii) The Business Planning document is submitted to the Tsogo Academy, which is used for the purposes of formulating a Training Plan containing bespoke solutions to assist the relevant business unit in the successful implementation of its strategic goals.
- (iii) The Human Resources Development Practitioner coordinates the Training Plan, based on priorities, occupancy and business levels for the financial year.
- (iv) Coordination is based on recommendations in respect of:
 - Target population
 - Dates
 - Pre-course work/discussion
 - Post-course work/discussion
 - Logistics in relation to date, time and venue
 - Trainer/Facilitator
 - Required training resources

1. Empowerment & Community Aspects

Skills Development Plan

In the sphere of training and skills development, the Applicant's 65% shareholder, Tsogo Sun Investments (Pty) Ltd, benefits significantly from being part of a larger group of companies which have been licensed to operate licensed casinos in various provinces of the country. These companies have built up a substantial pool of expertise in relation to the successful management of developments of this nature, from which the Applicant is poised to draw, through its management structures. These skills can – and will – readily be drawn upon and utilised for the benefit of the Applicant's team of employees.

The Applicant's primary objective is that it should continue to stand out as an exemplary employer which fully subscribes to the national goal of skills development. It will provide full training, training materials, training venues, trainers and, where applicable, an allowance for use by trainees to fund travel from their place of residence to the training venues.

The Applicant's training and development budget will be aligned with the B-BBEE Skills Development scorecard as described in the Codes of Good Practice on B-BBEE.

Against the backdrop of the above, any employees to be recruited by the Applicant will undergo a number of focused, in-house training interventions which will enable the seamless continuation of casino operations. It should be noted that the information supplied in this training section is not merely theoretical, but has already been implemented with enormous success in the Tsogo Sun Group.

The Applicant's training interventions 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 attainable prospects for advancement.
- to foster a spirit of diligence, self-help and co-operation between staff.
- to create opportunities for employees to upgrade their skills.
- 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 organisation, with a view to realising their full potential by exposing them to the relevant development programmes.
- to improve the quality of life of employees, as well as 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.

1. Empowerment & Community Aspects

The track record of the Tsogo Sun Group in the above regard on a National basis speaks for itself, as demonstrated by the data in the table below:

Tsogo Sun GROUP: HEADCOUNT AS AT 31 DECEMBER 2025												
GRADE	FEMALE				MALE				TOTAL FEMALE	TOTAL MALE	TOTAL	
	A	C	I	W	A	C	I	W				
A&B Top Management												
C Senior Management												
D Middle Management												
E Junior Management												
F Semi-skilled												
G Un-skilled & Other												
TOTAL											7,358	

PDI 95% of Total Headcount
 PDI Female of Total Female of Total Headcount
 PDI in Top & Senior Management of Total Headcount
 PDI Female in Top & Senior Management of Total Female of Total Headcount

As can be seen from the above, the Tsogo Sun Group currently employs in excess of 7,300 employees, of whom 95% are PDI's, are PDIs employed in Top & Senior Management positions, and are PDI Females. In keeping with this overall philosophy, the Applicant has developed specific, long-term human resources development strategies to ensure that people from disadvantaged communities acquire the necessary skills vital to career progression.

The personnel composition of the Applicant's precinct bears compelling testimony to both its and the Group's delivery on their overall commitment to ensuring sustainable job creation for previously disadvantaged persons drawn from the local community, with specific attention being given to appropriate levels of gender representation in the employee mix.

In the case of new employees, following upon the successful appointment of candidates, each new employee will receive a complete company induction outlining all applicable company policies and procedures, as described below.

The next step will be job specific training, designed to ensure that each individual has been thoroughly trained to conduct his or her particular function within the company. Upon fulfillment of the job specific training criteria, employees will be cross-trained across various job levels to ensure a meaningful and ongoing transfer of skills and knowledge.

1. Empowerment & Community Aspects

The individual training interventions which will be available to staff of the Applicant will include, without limitation, the following:

Individual Training Courses

In respect of individual training initiatives, the options open for skills development within the Tsogo Sun Group are almost limitless. As will be seen from what follows, training courses range from those pitched, from the outset, at previously unemployed learners, particularly those drawn from the local community for potential employment in the Applicant's gaming operations, to practical hands-on training, to the development of advanced business and managerial skills. The extent of the training provided in any given case is determined by the chosen career path and self-development needs of the employee.

Various industry specific training courses have already been developed by the Tsogo Sun Group in respect of particular positions to be filled in the context of a casino operation. These will be harnessed as required to ensure that the employees of the Applicant are familiar with the responsibilities and requirements of the position to which they have been appointed.

Gaming-related training

In the context of previously unemployed persons drawn from the surrounding community for potential inclusion in the licensed gaming operations of the Applicant, these individuals are put through a six to eight week course in a dedicated training environment in respect of:

- cashiering
- slots, or
- tables.

Individuals having the level of mathematical skill required for the successful completion of the relevant course are awarded a certificate, and subject to vacancies and any other position-related requirements, as well as meeting the qualifying criteria for licensing, can be taken up in the relevant position. A similar course is also offered in respect of prospective waitrons.

Induction Training

It is important for all employees to understand the casino industry and its dynamics. For this reason, they will be taken through a period of induction training, where they will be introduced to the nature of the business as well as to the policies and procedures that will be implemented by the Applicant. The employees will be exposed to the Applicant's core value – livingTSOGO which drives the HR Policies and Practices. These core values allow for a visible alignment between the Applicant's brand promise and employee behaviour.

Role-based Training

After induction training, employees will be provided with role-based training. This training will prepare employees for the tasks that lie ahead. In this manner, employees will be given the practical tools to manage their positions both effectively and efficiently.

Cross Training

Cross-training will be carried out on a frequent basis, as dictated by prevailing requirements, to ensure that 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 Tsogo Sun Group and the ability to function in various roles within the organisation.

1. Empowerment & Community Aspects

Training Programmes

The widest possible range of training programmes, including short courses, can be offered to employees, which may be provided in-house, whether online or in the physical environment, or externally sourced, depending on requirements from case to case. Short courses are typically up to two days in duration, and may cover a large selection of subject matter and/or areas of expertise and pertain to either essential or business needs. Training programmes are too numerous to list exhaustively, but include:

- Customer Service for Employees (DICE)
- Customer Service for Managers (DICE for Managers)
- Cookery Work Integrated Learning
- R638 Training (food safety)
- SHE Rep
- First Aid
- Fire fighting
- COIDA
- Cherry Picker Novice
- Working at Heights Novice
- Cybersecurity
- Excel
- Microsoft
- Finance for Non-Financial Managers
- EQ Heart
- U-Shine
- Train the Trainer
- Win-win Conflict Resolution
- Health & Safety
- Grooming
- Waitron Functional Training
- Front Office Training

1. Empowerment & Community Aspects

Online Courses

Courses which can be made available to employees in the online environment include (without being limited to):

In relation to compliance:

- Cybersecurity
- POPIA Training
- Food Safety

In the context of on-the-job training:

- FICA
- Front Office
- Reservations
- Currency
- Induction
- Train the trainer
- Environmental Awareness
- Cashiering (Training School)
- Marketing
- Slots (Training School)
- Tables (Training School)
- Slots Technical
- VIP Services
- Waitron Training (Training School)
- Time Management (currently being developed)
- Conflict Management (currently undergoing development)

1. Empowerment & Community Aspects



The Tsogo Academy showcases the unwavering commitment of the Tsogo Sun Group to building a productive culture of learning across the workforce, throughout the country.

Among the primary objectives of the Academy are:

- To increase opportunities to learn by making a wealth of relevant learning material accessible to employees
- To grow employees' ability to learn, and
- To create shared ownership for learning and development within the workplace.

The Academy is a predominantly online platform for the steady accumulation of a diverse range of skills by employees. Courses made available include the following (in-house and outsourced) programmes:

Managers' Influencing Behaviour

The purpose of this course is to empower Broadbands D and E Managers and Supervisors with the modern leadership skills required to lead a new generation of employees. The programme focuses on improving everyday interactions, from the starting point of creating the right environment for quality conversations, and comprises six masterclasses in leadership and quality communication skills, culminating in a Team Build assignment.

Supervisory Development Programme

This programme is intended to equip new supervisors or Duty Managers or individuals in the Talent Pool identified for future supervisory programmes to develop the skills required to assume and manage leadership positions. The programme focuses on design thinking, managing the gaming environment, managing others by identifying brain-friendly approaches to giving feedback, and developing the tools required for self-leadership.

Skill Builder Manage Self

This programme is aimed at Broadbands E and F personnel who are not operating at full performance in their current layer, and focuses on developing tools for self-management, so as to gain the skills and confidence to deliver individual operational results through personal effort and skill. It advocates a mindset of seeking out opportunities to contribute to the success of a team, developing the required time management skills to improve performance, taking personal accountability for outputs, and respecting standards, policy and procedure.

Skill Builder Manage Others

Aimed at Broadband E employees in supervisory positions, this innovative programme, which comprises six sessions over six months, assists in the identification and development of the leadership and management skills needed to deliver frontline team results through enabling others. The five modules are designed to equip the trainee to develop their own skills through developing others.

1. Empowerment & Community Aspects

Skill Builder Manage Managers

This programme is divided into six sessions over six months, and aims to provide current managers (in Broadband D) with the advanced skills required to lead among leaders, and to grow in the management role by developing mentoring and coaching relationships.

Self-development & Succession Planning

Over decades, the Tsogo Sun Group has successfully focused on the development and implementation of a succession plan process that will systematically identify and effectively use the talent we have and close the gap between the talent we have and the talent we need, to equip us to respond to current and emerging business challenges successfully. Our succession planning strategy facilitates a strong understanding of the talent we have internally and entails the development of clear career pathways for the development of that talent through learning. In assessing the potential for growth and development of personnel, four critical factors are considered:

- **Competence:** Employees displaying high levels of competence in their current position are identified through Leadership Pipeline and management feedback.
- **Potential:** The potential of the employee to take on the next role is evaluated through assessments and practical application.
- **Motivation:** The attitudes and traits of the employee in respect of self-development are gauged through interaction.
- **Pay-off:** In this context, the talent, potential and willingness of the employee to develop are measured against considerations such as mobility, number of turns, and the investment required.

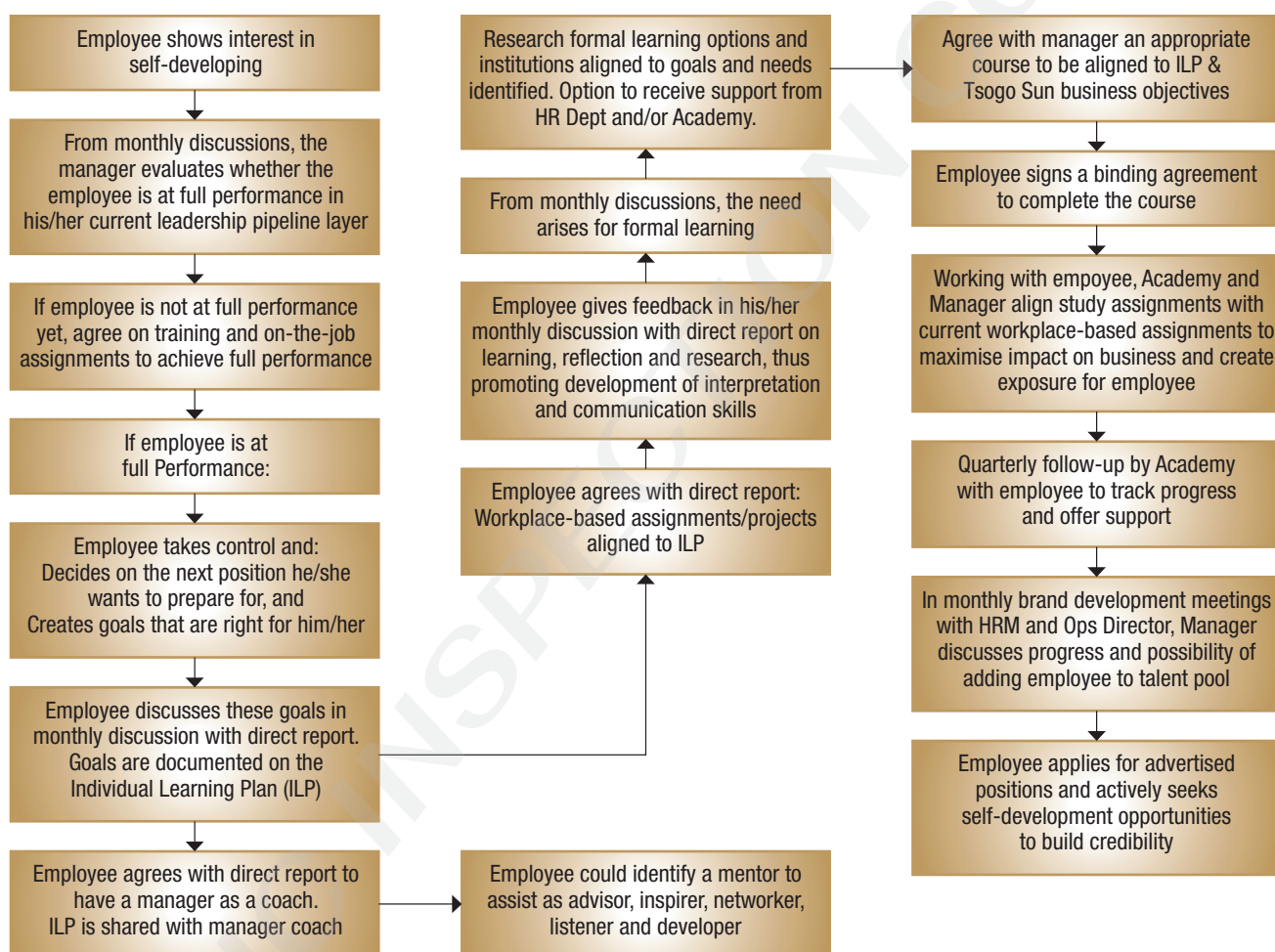


1. Empowerment & Community Aspects

Once high-potential leaders have been identified, their talent can be unlocked through appropriate focused training, mentorship programs, leadership workshops, cross-functional opportunities and more. The appropriate learning programme will be identified in line with the specific needs of the employee. For example, if the employee has a leadership gap, a leadership programme will be identified, whereas if technical skills are needed, a mentoring process would potentially yield the required benefits. In this manner, a bespoke approach can be moulded, which is centred on the development needs of the particular employee. The mechanics of the self-development process, and the support provided in this regard, can be represented as per the flowchart below:

General Development Process

The purpose of this flowchart is to assist employees who want to self develop



Specific pre-opening and related Training

The Applicant will put in place specific interventions to:

- ensure on-the-job operational training with specific reference to the critical pre-opening period;
- ensure that the operation complies with all applicable statutory and regulatory requirements, and
- comply with all prevailing requirements in the context of the implementation and maintenance of the National Responsible Gaming Programme in all its facets.

1. Empowerment & Community Aspects

Responsible Gambling Training

Responsible gambling practices will be ensured from the outset. This will be complemented by continuing refresher training, where necessary, as well as the training of new employees.

Workplace Skills Plan

On a yearly basis, a Workplace Skills Plan will be developed for the company, reflecting the interventions planned or proposed to ensure that skills are improved across all job levels.

In contributing to the National Skills Development Strategy, the Applicant has taken into account the requirements of inter alia the Skills Development Act 97 of 1998, the Skills Development Levies Act 9 of 1999 and the Codes of Good Practice on Black Economic Empowerment as per the Broad Based Black Economic Empowerment Act 53 of 2003 ("the B-BBEE Act").

Employment Equity Act, 1998 (Act 55 of 1998, as amended)

The Applicant is committed to achieving compliance with the Employment Equity Act, 1998 (Act 55 of 1998, as amended). Its objectives and goals in this regard are to put in place a long-term, institutionally entrenched framework for:

- The promotion of the constitutional right of equality and the exercise of true democracy
- The elimination of unfair discrimination in the workplace
- Redressing and reversing the adverse impact of unfair discrimination
- The achievement of a diverse workforce which is broadly representative of the country in general and of the economically active population of the Eastern Cape in particular
- The promotion of economic development and efficiency in the workplace

The Applicant's approach in relation to ongoing compliance with all applicable requirements in terms of Employment Equity will be a multi-faceted one with a broad and inclusive reach, and will include:

Appointments

The appointment of a Senior Employment Equity Manager and Employment Equity Manager (outlining their respective roles and responsibilities per position).

Employment Equity Committee

The appointment of an Employment Equity Committee in terms of section 16 of the Act, which represents all employment levels and conducts regular consultations and/or engagements with all affected stakeholders on a quarterly basis.

Workforce and Workplace Analysis

The conduct of a comprehensive, objective analysis, assessing the representation of designated groups (women, persons with disabilities, historically disadvantaged individuals, as per the requirements of the EEA12 reporting template) in the Applicant's employee corps, including an analysis aimed at identifying barriers to equity in recruitment, as well as promotion and development. The analysis focuses actively on the development and implementation of measures to address identified barriers (to enable the development and implementation of inclusive policies related to recruitment, promotion, job grading, skills development and training).

1. Empowerment & Community Aspects

Employment Equity Plan

As required by Section 20 of the EEA, the Applicant, as a designated employer, will compile and submit a detailed EE Plan, designed to achieve progress towards ensuring employment equity in the workforce, including provision for:

- Objectives for each year of the plan that meet the SMART principle;
- Affirmative action measures to implement;
- Numerical goals to achieve equitable representation of designated groups;
- A timetable for achieving goals;
- The duration of the plan, which must be five years (Act 55 of 1998, as amended);
- Procedures to monitor and evaluate the plan's implementation, and
- Procedures to resolve disputes about the plan.

Annual Submission

The Applicant will submit EEA2 and EEA4 reports to the Department of Employment & Labour, setting forth the workforce demographics, as well as detailing the progress made in relation to the achievement of employment equity targets.

Maintain Records

The Applicant will keep detailed records in respect of workforce demographics and consultations with stakeholders, as well as the progress made towards the achievement of EE targets.

Audit Preparedness

The Applicant's detailed processes will mean that it will consistently be prepared for audits (including DG Reviews) and site inspections from the relevant authorities, ensuring ongoing compliance with the recommendations made by the Department of Employment & Labour.

EEA1 Compliance

The Applicant will ensure compliance with all applicable voluntary declaration and demographic information.

Disabled Staff

Disabled staff will be provided equal opportunity in recruitment, retention and advancement. The Applicant will provide disabled staff with reasonable accommodation to enable them to perform their roles effectively.

In order to attain the stated goal of being representative of the economically active population of the Eastern Cape, and to reflect the requirements of the B-BBEE Codes, EE targets have been set in accordance with the Sector Targets as defined by the Employment Equity Act, No. 55 of 1998 (as amended).

Labour Relations Act, 1995

The Applicant is committed to the consistent application of fair labour practices, as entrenched in section 23(1) of the Constitution, at every level of its operations. In order to achieve this, the Applicant will –

- apply the Basic Conditions of Employment Act, 1997, in all its facets
- ensure the provision of an affirming, non-discriminatory environment to its employees, and
- provide training to its employees in such a manner as to allow equal access to opportunities and the prospects for career progression.

1. Empowerment & Community Aspects

The Applicant will place emphasis on a range of tools, interventions and values to facilitate and promote the effective management of its labour relations-related policies and obligations, including, without limitation, the following:

- The Tsogo Sun Group has the pronounced benefit of a designated Industrial Relations Department, staffed by carefully selected employees who are experts in labour legislation, which ensures that a detailed understanding of, and ongoing compliance with, all applicable legislation permeates the organisation at every level. Building upon this, all Group policies and procedures in the context of employment equity and human resources are drafted in full alignment with the regulations made under the primary legislation to eliminate the potential for non-compliance.
- The Industrial Relations Department will provide regular Industrial Relations training to Management and HR staff so as to ensure full compliance with the Act at all times
- The Industrial Relations Department and Applicant's HR Department will ensure that staff are fully aware of their rights in terms of the Act as well as the company's grievance and dispute resolution processes
- The Applicant will ensure that its policies, procedures, practices (including equal treatment of staff) and contracts of employment are fully compliant with the requirements of the Act
- The Applicant acknowledges and respects a registered Trade Union's right to represent employees, and this will be reflected in its labour relations policies
- The Applicant will maintain accurate employee records (i.e. contracts of employment, disciplinary actions)
- The Applicant will at all times comply with the Department of Employment & Labour audits and take any prescribed corrective action.



1. Empowerment & Community Aspects

In addition to the above, the Tsogo Sun Group has put in place a plethora of policies having direct application to the overall operational framework within which its employees perform their respective duties, which are aimed at enhancing the fairness, predictability and stability of the working environment, to which the Applicant will have access, including the following:

- Leave Policy
- Termination of Employment Policy
- Annual Bonuses and Salary Reviews Policy
- Confidentiality and Disclosure of Information Policy
- Alcohol and Drug Use and Abuse Policy
- Access to Property before and during clearance policy
- Disciplinary Code
- Disciplinary Procedure
- Company Electronic Transmission Policy and Guidelines
- Company Property Policy
- Training and Development Policy
- Retirement Procedure
- Smoking Policy
- Health and Safety Policy
- Right to Search and Investigate Policy
- Incapacity Procedure
- HIV-Aids Policy
- Language Policy
- Gambling Policy
- Remuneration and Company Benefits Policy
- Company Pool Vehicles Policy (I know this one would not apply in the casino context)
- Employment Equity Policy
- Business Communication Policy
- Performance Management Policy
- Recruitment Process Policy
- Workman's Compensation Assistance Policy
- Internal Privacy Policy
- WhatsApp / Instant Messaging Policy

1. Empowerment & Community Aspects

Auditing and monitoring of sound EE & HR practices

The Applicant will apply the following mechanisms in the context of the auditing and monitoring of EE and HR practices:

- **EE Targets & Workforce Analysis**
Constant monitoring of the Applicant's employment equity targets will be in place to ensure full compliance with the organisation's EE Plan. In addition, the Applicant will regularly collect and analyse workforce demographics, with a view to ensuring compliance with its EE targets.
- **Employment Equity Committee**
Through regular engagement, the EE Committee will oversee the implementation of EE targets and initiatives.

Employment Equity Management Structures

Through regular engagement, the EE Manager & Senior EE Manager will track progress and compliance with the organisation's employment equity goals.

Training

The Applicant will provide employment equity and diversity training to all EE Committee members and EE Managers.

Awareness

The Applicant will ensure that Department Heads and HR staff mitigate their unconscious bias in the recruitment and promotion processes.

Recruitment & Promotion

The Applicant's well-developed human resources policies and established business practices ensure fair, consistent, standardized and predictable selection and promotion practices.

Linkage of Employment Equity goals

The Applicant's EE goals are linked directly to the required performance output of all EE/HR Managers.

Staff Communication

EE Committee members will regularly provide staff with feedback regarding the EE Committee discussions, including compliance with EE targets.

Employee Feedback Platforms

An anonymous feedback platform will be made available to employees, which will enable them to report unfair employment practices, as well as discrimination in the workplace and provide suggestions for greater inclusivity in employment practices.

1. Empowerment & Community Aspects

1.3. Sourcing of goods and services from within the Province

The objectives underpinning the Applicant's Procurement Policy are:

- to increase the participation of Previously Disadvantaged Individuals ("PDIs") in procurement opportunities in the Province;
- to increase participation by small, medium and micro enterprises ("SMME's") in procurement opportunities in the Province;
- to promote the utilisation of local labour in the Province; and
- to support the creation of employment in the Eastern Cape Province, in particular in the immediate areas within which the Applicant operates.

Subject to the provisions of its Policy, the Applicant will procure the majority of its goods and services from Eastern Cape-based companies and individuals, with a focus on SMME's, subject to quantity, price and quality. A cornerstone of the Applicant's policy is to provide opportunities for PDI suppliers within the Province is that, wherever possible, in the context of operational procurement goods and/or services will be procured from suppliers which:

- are based in, or have representation within, the borders of the Eastern Cape Province;
- are able to provide equipment and products that meet the required standards in terms of availability, quality and price;
- are able to deliver the relevant goods and/or services within timeframes that match the business needs of the Applications;
- are capable of working within a highly regulated environment; and
- have the required statutory documentation in place.

Given either the specialised nature of certain products or services that may not be available in the Province, or the ability of the Applicant to leverage off the Tsogo Sun group procurement volumes, the following categories of products or services may not be procured locally:

- Gaming equipment ie. slot machines, table games
- Gaming monitoring equipment
- IT infrastructure
- Surveillance equipment
- Specialist plant and equipment

Considering its established operations in the Eastern Cape Province, the Applicant has in place a detailed database of service providers, as listed in Appendix B of its Preferential Procurement Plan, which is utilised in its operations. The suppliers are continually monitored and assessed, where opportunities for further suppliers are recorded on the supplier database.

1. Empowerment & Community Aspects

Given the nature of its operations, the Applicant categorises its supplier base into two categories:

- **Specialised Suppliers:** Specialised suppliers are those who supply a highly technical and/or specialised product or service that is not easily or readily available. They often have a deep understanding of their area of expertise which can lead to a more effective product or service. Their products or services are usually high in value, proportion or scale and often have long lead times due to their specialised nature. These suppliers and/or their employees often require a specific licence to operate and supply their product or service and may be separately regulated by their specific industry.
- **Other Suppliers:** Other suppliers are not specialised suppliers as their product or service is generally of a less technical nature and is more readily and easily available. Their products or services are usually also supplied in high quantities.

Against the backdrop of the experience and expertise of management in the Province, the Applicant commits to the following procurement methodology:

- Specialised Products or Services to be sourced locally include mainly Air-Conditioning/Refrigeration, Cleaning/Extraction, Electrical, Fuel/Diesel, Cash Collection, Training and Fire Protection;
- Specialised Products or Services to be sourced from outside the Province will include mainly Gaming Equipment, IT related, Monitoring Systems, Access Control, Surveillance and Standby Power Equipment;
- 60% of its other Products or Services to be sourced from local companies who have valid B-BBEE certificates.

The Preferential Procurement Plan developed by the Applicant is herewith included as Appendix J.

The policy details how it applies qualifying criteria for the purposes of selecting suppliers. This includes a scoring system based on quality, price, PDI ownership, PDI women equity, Disabled Persons and Youth, as well as the Provincial and Municipal location of the relevant company. The policy further details that, wherever possible, the Applicant will follow an open procurement process, but recognises that there will be cases where it may also be constrained to utilise a limited procurement process.

1. Empowerment & Community Aspects

Opportunities for small, medium and/or micro enterprises

Given the experience and expertise of management in the Province, the supplier database included in the Procurement Policy, the majority of whom are both Local, PDI-owned SMMEs, are expected to continue to be utilised for the bulk of the Applicant's period of operation, particularly in the context of the procurement of non-specialised products or services. The policy also makes provision for shorter payment cycles (within seven days) to be applied in respect of Eastern Cape-based SMME's and PDI-owned enterprises listed on the supplier database, subject to receipt of all supporting documentation and confirmation that the relevant services or products have been supplied correctly and in full.

In promoting opportunities for small business enterprises, the Applicant places a deliberate focus on the selection of projects which build on existing synergies between its business and the operations of its project beneficiaries. Prime examples are just some the following of the Applicant's collaborations:

The Hemingways VIP Car Wash – since 2011

Hemingways VIP Car Wash, an initiative which has been in place since October 2011, is managed by local entrepreneur [REDACTED]. Recognising that the car wash serves as a sustainable source of income for [REDACTED] and the staff he employs, the Applicant contributes to this enterprise development SMME beneficiary by providing the space in which the car wash operates, rent-free, together with a supply of water, all cleaning materials, consumables and uniforms for the car wash staff, at no cost.

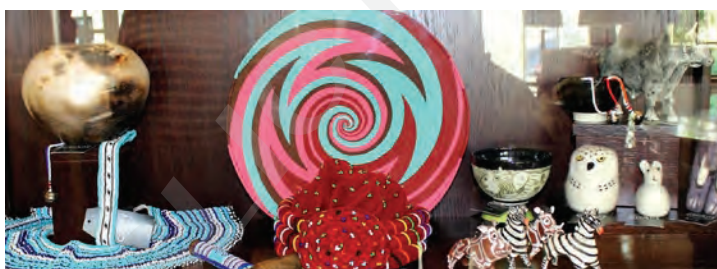


The support of the Applicant also includes a large portion of the clientele for the car wash being derived from the Applicant's patronage, where benefits to its patronage may sometimes include discounts to the car wash. The car wash is also conveniently located in the dedicated parking facilities for the Applicant's patrons.

The total value of supplies donated to the car wash since inception has already exceeded [REDACTED].

As part of its commitment to Socio-Economic Development, the Applicant shall continue to support the VIP Car Wash initiative if it is successfully awarded the licence, allowing [REDACTED] and the staff he employs to continue to earn an income as his business is largely dependent on the Applicant's support and its patronage.

The Eastern Cape Craft Collection – between 2018 and 2020



The Applicant's focus on enabling smaller businesses by maximizing synergies between its own business offering and that of its selected project beneficiaries goes significantly further than the above. With a view to developing unique skills, assisting small enterprises and promoting cultural awareness and development, the Applicant has ploughed significant investments into promoting and

showcasing local Eastern Cape arts and craft products on site. To this end, between 2018 and 2020, the Applicant partnered with a leading, highly qualified craft authority, [REDACTED] to spearhead a joint project under the banner of the Eastern Cape Craft Collection ("ECCC"). The ECCC was a project funded by the Applicant which assisted Eastern Cape craft enterprises with the marketing and selling of their products.

Stylish display cabinets were crafted for the pre-assembly area outside its conferencing facility and the hotel reception areas to showcase the various arts and crafts, carefully curated and specifically procured to bring the best handmade work from around the Eastern Cape Province into focus. With

1. Empowerment & Community Aspects

its high volume of foot traffic, the selected areas were thus well-positioned to ensure maximum exposure of the arts and craft items.

Displays were changed approximately every three months in order to sustain consumer interest. The displays were supplemented by promotional pamphlets directing potential buyers to the ECCC store in Nahoon, where the craft products could be purchased.

The Applicant invested [REDACTED] into this dynamic project and as expected, the project was highly successful, with sales for both the Eastern Cape Craft Collection's store as well as the selected crafters whose works were displayed achieving notable increases.

The Hope Factory Project - between 2018 and 2020

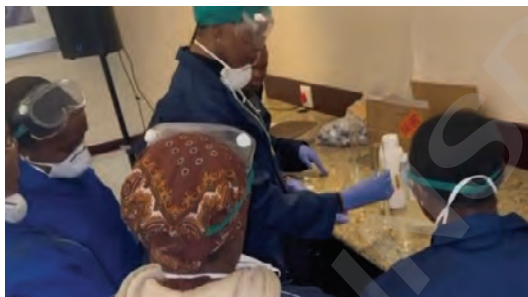
Further compelling evidence of the Applicant's concrete commitment to the proactive and hands-on development of small business enterprises is to be found in its 2021 collaborations with SAICA Enterprise Development and the Hope Factory, a registered non-profit company and PBO, which was established in 2001 to offer support interventions to Start-Up and Micro Business Enterprises, with a particular focus on women and youth.



The 2021 project involved the development and implementation of a flagship training and mentoring programme for black-owned businesses, and for the first time extended the reach of the programme into East London and surrounding areas.

The Applicant's contribution to the partnership was to provide the following supporting infrastructure for the rollout of the training by The Hope Factory:

- Training venues equipped with a computer, data projector, Wi-Fi connection and AV;
- Refreshments such as coffee/tea, water, snacks and lunch; and
- Overnight hotel accommodation for out-of-town facilitators.



The initial flagship training programme ran from June 2021 to December 2022. During Phase 1 of the project, the ten participants received entrepreneurial skills development training which focused on the key fundamentals needed to operate a successful start-up business, supplemented by Group Mentoring sessions. Phase 2 of the project provided one-on-one Finance Coaching sessions and Quarterly Training Workshops. The focus of Phase 2 was to assist the individual beneficiaries to generate their own income and formalise their businesses.

The ten participants (of whom 8 were women and 3 were youth) graduated from the programme in December 2022 at a graduation event sponsored by the Applicant.

Given the success of the flagship programme, the Applicant continued to provide the training infrastructure for two further training programmes implemented by The Hope Factory. These programmes were Small Business Support programmes, sponsored by The Chemical Industries Education and Training Authority (CHIETA). The first of these programmes ran from April to November 2023 and was completed by 13 start-up entrepreneurs in the chemical industry from East London and surrounds. The second, which ran from November 2024 to August 2025, gave ten small business owners (all women) the opportunity to gain experience on how to manufacture and sell their own perfumes. The programme was specifically designed for women and youth from the rural areas surrounding East London. It featured three weeks of accredited business training, with two days dedicated to perfume manufacturing. The Applicant again sponsored the graduations for both these programmes, to recognise and celebrate the achievements of the participants.

The Applicant's total contribution to The Hope Factory Project amounted to [REDACTED]

As part of its commitment to Socio-Economic Development, the Applicant shall continue to support The Hope Factory Project if it is successfully awarded the licence.

1. Empowerment & Community Aspects

Jeevan's Dry Cleaners – since 2012



Jeevan's Dry Cleaners is a small dry cleaners operated by [REDACTED]. The Applicant has been supporting [REDACTED] business since 2012 and has since aided his business to grow into a sustainable small enterprise that currently employs a dedicated team of [REDACTED] staff from the local community who have been trained over the years to handle high-volume hospitality laundry.

The total value of laundry requirements for Jeevan's Dry Cleaners since inception has amounted to R [REDACTED].

As part of its commitment to Socio-Economic Development, the Applicant shall continue to support Jeevan's Dry Cleaners if it is successfully awarded the licence, allowing [REDACTED] and the staff he employs to continue to earn an income as his business is largely dependent on the Applicant's uniforms needing laundry.

Norman's Shuttle Services – since 2012

[REDACTED], who was previously employed with the Applicant, had established a tourism shuttle-service business in 2012. The Applicant's initial moral and financial support had assisted Norman's Shuttle Services to establish the business. While, [REDACTED] had sadly passed away in 2023, his wife and daughter have continued with [REDACTED] legacy and today still shuttle airport transfers to most of the prominent hotels in East London, stretching as far as Mpekweni Resort.

The Applicant exclusively uses Norman's Shuttle Service for all its airport transfers and patron experiences.

The total value of services procured from Norman's Shuttle Services since inception has been almost [REDACTED].

The Applicant shall continue to support Norman's Shuttle Services if it is successfully awarded the licence, as his business is largely dependent on the Applicant's guests and patronage.

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1.4. Participation by PDI Shareholders in management, ownership and/or profits of the Applicant

Participation by PDI Shareholders in Ownership

The Applicant boasts a truly meaningful Broad-Based Black Empowerment Shareholding with an effective 76% of its current interests being broadly held by Previously Disadvantaged Individuals ("PDIs"). 35% of its current interests are directly held by local PDI companies, Ritztrade 159 (Pty) Ltd, SN Leisure Investments (Pty) Ltd and Choice Decisions 53 (Pty) Ltd, which cumulatively currently include more than 100 local PDIs who indirectly hold interests in the Applicant, of which almost half are local PDI women.

Further, an effective 37.1% of the current interest in the Applicant is collectively held by females, youth, military veterans and/or people living with disabilities. 12% of the interest in the Applicant is held by local PDI females.

Ritztrade 159 (Pty) Ltd, SN Leisure Investments (Pty) Ltd and Choice Decisions 53 (Pty) Ltd all currently have unencumbered ownership of their shares. There are no financial obligations relating to any of the interests held by PDI shareholders and there is no difference in the class of the interests held by any of the shareholders, or the rights attendant thereon.

In accordance with the above, the total effective, direct and indirect, PDI shareholding in the Applicant is as follows:

Shareholder	Economic Interest	PDI	Effective Local	Effective PDI	Effective Women, Youth, Military Veterans or People Living with Disabilities	Effective Women	Effective Local Women
Ritztrade 159	17%	17%	16.5%	16.9%	9.8%	7.9%	7.5%
SN Leisure	15%	15%	15.0%	15.0%	4.5%	4.5%	4.5%
Choice Decisions	3%	3%	2.5%	2.7%	-	-	-
Tsogo Sun	65%	65%	-	41.4%	22.8%	22.4%	-
TOTAL	100%	100%	34%	76%	37.1%	34.8%	12%

The most recent B-BBEE certificate for the Applicant issued by an accredited rating agency is included as Annexure J to this bid. The certificate confirms that 76.42% of the interests in the Applicant are held by PDI, with 25.38% being collectively held by Women, Youth, Military Veterans and/or People Living with Disabilities.

1. Empowerment & Community Aspects

Participation by PDI Shareholders in Management

Two of the three local PDI shareholders have held its interests in the Applicant since 2001 and the other since 2011. The entities are currently represented on the Board of Directors of the Applicant in a non-executive capacity by the following individuals who themselves already possess a wealth of knowledge and experience within various industries:



Sango Ntsaluba
Non-executive Chairman

Mr. Ntsaluba is a qualified Chartered Accountant and the founding CEO of investment holding company Aurelian Capital. He was a founding partner of SNG Grant Thornton, one of the largest auditing firms in South Africa. He has extensive experience in leadership positions in operations, investment and finance.

In addition, he has extensive board experience in listed, public sector, and unlisted companies in South Africa and abroad. He offers a wealth of knowledge in a variety of industries acquired over his 30-year span in public practice, operations, and board memberships.

Dumisani Mphafa
Non-executive Director

Mr. Mphafa is the founder and CEO of Beaver Agency, a leading boutique consultancy specialising in Broad-Based Black Economic Empowerment (B-BBEE) verification and advisory services. Since its establishment in 2005, Beaver Agency has grown steadily, supporting a broad portfolio of prominent corporate and public sector clients. He completed his MBA at Nelson Mandela University in 2004, strengthening his expertise in strategic management and business consulting.

Mr. Mphafa remains a prominent leader in South Africa's B-BBEE and economic transformation landscape and is deeply committed to socio-economic justice and continues to champion inclusive growth, equitable opportunity, and a shared economic future for all.



Samkezi Madala
Non-executive Director



Mr. Madala is an accomplished entrepreneur and executive with over 30 years' experience in small and medium-sized enterprises, property development, and strategic business management. He has a proven track record of leading business growth, operational excellence, and high-impact partnerships. He is recognised for fostering sustainable businesses, creating jobs, and driving economic development in the Eastern Cape.

1. Empowerment & Community Aspects

The services to be provided by the representatives of the local shareholders in maintaining the Applicant's pursuit of broad-based empowerment, and increasing the skills base will include, *inter alia*:

- Identifying potential local partners for the procurement of, or provision of, goods and services to the casino,
- Identifying local talented persons for recruitment and training and ensuring that such persons are nurtured to improve our employment equity,
- Being active, albeit non-executive, members of the Tsogo Sun Emonti Board of Directors,
- Identifying and assisting in the evaluation and implementation of SED projects, and
- Strategic liaison with local stakeholders, including but not limited to municipalities and communities.

The Applicant's board of directors already possesses a wealth of knowledge and experience, having been involved in the operations of the business for almost 25 years. The Applicant will ensure that any training requirements will be provided to its Board to remain compliant and up-to-date with any relevant changes in legislation should the need arise, given that the existing Directors are eminently qualified to fulfil their respective roles from a corporate governance perspective. Consequently, no need arises for the provision of training on the rights, duties and responsibilities of directors and shareholders in a company.



Some of the local shareholders completing their Affidavits with the Project Team.

1. Empowerment & Community Aspects

Participation by PDI Shareholders in the Profits of the Applicant

There is no difference in the class of the interests held by any of the shareholders, or the rights attendant thereon. Dividends amounting to R [REDACTED] million had already been paid to the local PDI shareholders over the last 25 years. Given that the PDI shareholders have no debt in respect of their interests in the Applicant, and given that the Applicant itself has no long term debt and plans to fund all its bid commitments from its available resources, dividends can be paid to the shareholders from the commencement of the new licence term in the event that the licence is awarded.

If awarded the licence, the Applicant will declare a special dividend within the first quarter of commencement of operations pursuant to the new casino licence, of which R [REDACTED] million will be paid to its local PDI shareholders. The total estimated dividends to be paid to the local PDI shareholders over the licence period amounts to R [REDACTED] million. It is important to emphasise that shareholders will receive returns from the first year of commencement of operations. The Dividend Policy as provided for in the Shareholders' Agreement allows for dividends equal to at least [REDACTED] % of the distributable profits be paid to shareholders in each of its financial years, subject to the discretion of the Board of Directors.

The following companies are the juristic persons holding direct or indirect interests of 5% or greater in the Applicant, for which Form LA3 Business History Disclosures ("BHDs") are included under cover of Appendix F to the bid:

- Tsogo Sun Emonti (Pty) Ltd – the Applicant
- Ritztrade 159 (Pty) Ltd
- Quickstep 33 (Pty) Ltd
- SN Leisure Investments (Pty) Ltd
- Tsogo Sun Investments (Pty) Ltd
- Tsogo Sun Hotels Gaming and Entertainment Limited (Pty) Ltd
- Tsogo Sun Limited (listed entity)
- TIH Prefco (RF) (Pty) Ltd
- Hosken Consolidated Investments Limited (listed entity)
- SACTWU (registered Trade Union)

Listed below are the natural persons who hold the position of director in the companies that have completed BHDs. The Gambling Licences or Form LA2 Personal History Disclosures in respect of these individuals are respectively included under cover of Annexure M and Appendix G to the bid:

Gambling Licences



* Individual holds an effective financial interest of 5% or more in the Applicant

Personal History Disclosures



Participation by New Entrants in ownership and/or profits

There are currently more than 100 natural persons who are Local PDIs, who indirectly hold interests in the Applicant. These interests have been shown to be bequeathed to the beneficiaries of these natural persons to other natural persons who had previously not held any interests in any company, let alone in the gaming industry. The Applicant anticipates this to continue, given that these interests are in many instances regarded as being the only asset held by the local PDI shareholders. Accordingly, this process leads to the introduction of multiple new entrants on an ongoing basis.

1. Empowerment & Community Aspects

1.6. Facilities for/contributions to needy communities

The Applicant will take care to ensure that its approach to its contributions to Socio-Economic Development (“SED”) encompasses Corporate Social Investment, Sports, Arts and Culture, Enterprise Development and Staff Welfare. The SED initiatives will continue to be focused on identifying projects in a manner which is aligned with the CSI Framework developed by the Eastern Cape Gambling Board (“the Board”), which provide tangible and sustainable support to needy communities, individuals or enterprises in one or more of the following areas primarily identified in the Provincial Integrated Anti-Poverty Strategy (depending on specific needs identified from time to time):

- the study, learning and mastery of mathematics, science and technology at primary levels of education, the “Education Basket”; or
- primary health care initiatives, with particular emphasis on health promotion activities, the “Health Basket”; or
- developmental creative arts and culture initiatives, the “Sports, Arts & Culture Basket”; or
- early childhood development, specifically in the context of infrastructure development and building of ECDC sites, such as creches and day-care facilities, the “Social Development Basket”; or
- to support traditional horse racing and related activities in the Province, the “Traditional Horse Racing Basket”; or
- to support local PDI entrepreneurs to develop their businesses to enable further job creation within their communities and economic growth in the Province, the “Enterprise Development Basket”; or
- to create an environment and provide or make support services available for staff to ensure their continued physical and mental well-being and development, the “Staff Welfare Basket”.

The Applicant is committed to cumulatively spending 1% (one per cent) of its Gross Gaming Revenue annually to qualifying projects that meaningfully support the above areas ie. baskets. This commitment will be implemented for the duration of the licence term, with effect from the date of commencement of licensed operations. The identification of projects will be based on (without being limited to) the following criteria:

Community needs

Identified members of staff under the supervision of Senior Management and/or the local Directors will collaborate to determine community needs in impoverished areas not necessarily identified or expressed through other, more formal sources. Potential projects may also be identified as a result of collaboration with other industry stakeholders, the Board and/or where applicable, the relevant provincial government department, as contemplated in the Board’s CSI Framework. The selection of projects proposed to be invested in will be performed primarily through onsite visits and face-to-face interviews with potential beneficiaries so that the prevailing circumstances and needs can be accurately assessed, while also seeking to identify any potential obstacles to sustainability, with a view to finding practical and meaningful solutions.

Measures to address the needs of youth in the community

The Applicant aims to give special attention to investing, wherever possible, in projects which advance and address the developmental, educational, mental health or related needs of the youth within the local community.

The Applicant’s commitment to investing in projects of this nature is underscored by its track record throughout the period of duration of its existing licence. In the process, significant emphasis is placed on the identification and implementation of projects which fill critical developmental gaps and add measurable value. One such project has been the ITEC Primary Schools Maths and Science Project.

1. Empowerment & Community Aspects

In recent years, it has become increasingly clear that weak national Mathematics and Physical Science achievements in South Africa are rooted in learning deficits accumulated in the foundation phases of education, particularly in under-privileged communities. Although the causes of low achievement are complex, including home, school and community factors, teacher content knowledge is key: one study found that 79% of Grade 6 learners are taught Mathematics by teachers whose content knowledge is below the grade they are teaching. Weak foundations early on contribute to high school drop-out rates and a low uptake of Mathematics and Physical Sciences in the senior high school years.

Recognising these challenges, the Applicant had partnered with ITEC, a non-profit organisation based in East London, to design and implement a programme to address the root causes of Mathematics and Science challenges within the schooling system. The pilot programme commenced in April 2015 and was expanded on each year, with funding for programmes continuing until March 2020.

To be most effective, the programmes provided a combination of teacher support in the selected partner schools, as well as direct support to the learners. Partner schools in the Province included:

- Masakhe Primary School
- Pefferville Primary School
- St. Johns Road Primary School
- College Street Primary School
- Aspiranza Primary School
- Nkwezana Primary School
- Nontuthuzelo Primary School

ITEC administered, managed and evaluated each programme and provided:

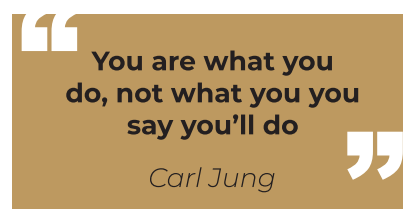
- Seminars and workshops for Maths and Science teachers;
- The establishment and support of Maths and Science extracurricular clubs at schools;
- The provision of teacher Maths and Science kits; and
- The provision of accredited computer skills training for teachers.

The project had positive results, with a demonstrable change in attitudes towards Maths and Science being evidenced by learners and teachers alike.

The Applicant's total funding over the course of the project amounted to R [REDACTED] million.

At another level, in 2011, the Applicant invested in a project designed to respond to unique risks facing children in the urban township of Mdantsane, while at the same time, seeking to promote the development of sport in the area.

The Nojubalaza Mdantsane Swimming Development Project was established with a view to providing much-needed swimming skills in Mdantsane to curb the drowning of children in the local dams, as well as to act as a springboard for the development of the sport of swimming in Mdantsane. In line with the current commitment, the Applicant provided the initial R [REDACTED] million seed funding for this project. The funds were used to install a large inflatable pool at Nzaliseko Senior Primary School in NU5 in Mdantsane, and another at Khayaletu Senior Primary School in Potsdam. Both these communities are in extremely close proximity to the Bridle Drift Dam, which poses a drowning risk. The bulk of the balance of the funding was ploughed into organising Learn-to-Swim training and First Aid Training for 22 community members. Finally, the remaining funds were allocated to the procurement of basic swimming equipment (including costumes, kicker boards, pool noodles and goggles) and to buy pool chemicals. The R [REDACTED] million from the Applicant thus covered the installation of the first two swimming pools, equipment, maintenance and trainings for the first year of its operations.



1. Empowerment & Community Aspects



The project continued to expand until a total of 11 inflatable swimming pools had been permanently installed at public schools all over Mdantsane. During the period March to June 2014, 2,317 primary school learners were participating in the Learn-to-Swim Beginners Basic Programme.

The project changed form and developed over the years, in response to opportunities, challenges and funding available. Although the swimming operations at the schools themselves were reduced due to funding limitations, a Youth Development Centre was established within the Border Training Centre in NUI Mdantsane and the scope of operations expanded to include computer training. The Applicant is proud to have provided the initial sponsorship which set this important project in motion in 2011.

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 once-off financial assistance.

The Applicant's proposed investment in its SED projects will not always be once-off commitments, but it will continue to monitor the needs of the relevant beneficiaries, in conjunction with those of other deserving and needy groupings in the relevant community, with a view to possibly augmenting its original contribution, in order to ensure that its investments are anchored in sustainable projects that translate into ongoing, tangible benefits to the relevant beneficiaries.

Key policies that will inform the Applicant's approach in relation to its SED projects will include:

- focusing on the "Baskets" identified above, so as to ensure that the projects selected provide a compelling basis for community development;
- giving priority, wherever possible and feasible, to the most impoverished areas of the Province;
- ensuring that sustainability criteria are satisfied through the check listing process;
- the creation, where appropriate and feasible, of working partnerships and collaborations in the field of SED projects;
- the promotion of functionality and accountability through monitoring, evaluation and reporting processes;
- sharing SED-related knowledge and ideas through representation on the any Provincial Forum, where applicable;
- the identification of flagship SED projects and/or initiatives for the provision of ongoing support, and
- co-operation in the profiling of projects being undertaken at industry level.

Where appropriate the Applicant may also, should capacity allow this, allocate SED expenditure directly in the community surrounding its site by providing other services, funding or support.

In the Applicant's experience, imaginative and progressive thinking, blended with a commitment to the upliftment of surrounding communities, can translate into tangible and meaningful economic opportunity.

1. Empowerment & Community Aspects

Vukani Bakery – since 2013

The Applicant undertook to assist Vukani Bakery, a rural bread-baking initiative located in Tsomo, Eastern Cape. Vukani Bakery was founded by a group of 17 women in 2003. These women came together and contributed capital with a vision of empowering themselves and their families economically.

Since September 2013 to date, the Applicant has spent a total of R [REDACTED] million on the project in order to improve the bakery facilities. The Applicant's investments in the Project included, without being limited to:

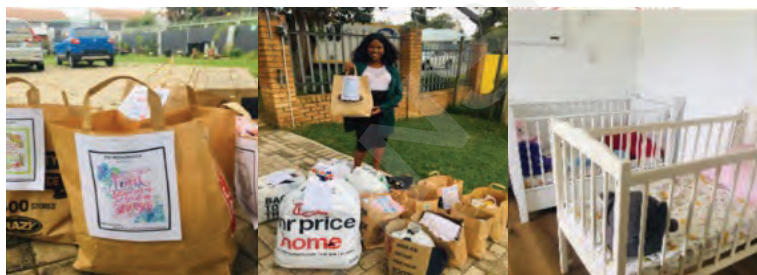
- The purchase of new ovens and repairs to existing ovens;
- Installation of a gas line;
- Electrical repairs;
- Installation of toilets;
- Installation of kitchen cupboards, double sink and water line;
- Installation of industrial extractor fan;
- Supply of stationery, safety boots and other operating supplies; and
- Improvements to and repairs and maintenance of the building.



Through its contribution to the project, the Applicant has created a practical platform for permanent employment and a corresponding reliable income stream for the group of dedicated ladies who operate the bakery, which in turn has contributed to the sustainability of the community.

Guardians of Hope – since 2017

Guardians of Hope is a dedicated place of safety, providing care for vulnerable children who have been abandoned, surrendered at birth for adoption or left destitute, aged from newborn to six years. Their mission is to meet the physical, spiritual, medical, and psychological needs of these children comprehensively. Their commitment extends to providing a loving home environment for 30 vulnerable children, and they actively work towards family reunification whenever possible. In cases where reunification is not feasible, they support adoption processes, ensuring that the children find a nurturing and permanent loving family.



The Applicant was Guardians of Hope's first big sponsor, donating R [REDACTED] in September 2017. In addition to other ad hoc monetary and non-monetary contributions, from February 2018 to date, the Applicant has also paid a cot sponsorship of R [REDACTED] per month, to ensure all the needs of one baby at the unit are catered for.

The total contributions from September 2017 to date amounted to R [REDACTED] million.

Nkwezana Primary School Vegetable Garden Project – since 2011

The Applicant has had a long association with Nkwezana Primary School, stemming back from the period of its first casino licence. In 2011, the Applicant partnered with its ultimate holding company, Hosken Consolidated Investments, to develop a vegetable garden at the school. An overgrown piece of land was transformed into a beautifully structured vegetable garden, in order to provide produce to feed the children at the school.



Since then, the Applicant has been paying the monthly salary of the gardener, [REDACTED], to ensure that the vegetable garden is well maintained and able to supply the children with fresh vegetables for lunch.

The total contributions from 2011 to date amounted to R [REDACTED] million.

1. Empowerment & Community Aspects

Berlin November Traditional Horserace – 2019

The annual Berlin November Traditional Horserace has become a signature event in the Eastern Cape, attracting over 30,000 people from all over South Africa and neighbouring countries. The three-day festival incorporates a programme of music, sport, fashion, traditional arts and cultural activities and provides a unique opportunity to experience this rural part of the province.

Recognised as South Africa's biggest traditional horse racing experience, the event plays an important part in Eastern Cape Tourism, attracting visitors who may otherwise not have visited the Province.

In November 2019, the Applicant sponsored the Berlin November Traditional Horserace with R [REDACTED] million as part of its contribution towards Sports, Arts, Culture and Tourism in the Eastern Cape.

Eastern Cape Boxing Organisation – 2025

In February 2025, the Applicant sponsored the National Boxing Trials allowing this event to take place. An extract from the thank you letter received from Eastern Cape Boxing Organisation post the event read:

"On behalf of the Eastern Cape Boxing Organisation (ECABO), we extend our deepest gratitude for Hemingways Tsogo Sun's sponsorship of R [REDACTED] towards the 2025 Trials Boxing Championships.

Your support played a pivotal role in making this prestigious event possible. Without your contribution, these championships would not have been able to take place, and the hardworking boxers—who have dedicated themselves to earning a place in the national team—would have missed this opportunity to showcase their talent. Your investment has truly made a difference in their lives, offering them a platform to pursue their dreams and represent South Africa on the international stage."

Eastern Cape Majorette and Cheerleading Association – 2019

The Eastern Cape Majorette and Cheerleading Association (ECMA) hosted the annual SAMCA National Championships Competition in 2019. The Applicant provided a financial sponsorship of R [REDACTED] million to the ECMA, to assist in ensuring the success of the event.

The sponsorship comprised of:

- Purchase of prize medals;
- Sponsorship of eight financially disadvantaged girls from the Eastern Cape, to enable them to participate in the event; and
- Purchase of attire for the Eastern Cape team.



1. Empowerment & Community Aspects

Other SED initiatives

In addition, the Applicant has also earmarked the Eastern Cape Educational Trust (“the Trust”) as a proposed SED beneficiary in order to augment its resources for investment in the various projects embarked upon by it.

Established by Vukani Gaming Corporation (Pty) Ltd in 2011 as a vehicle for the SED spend of Vukani Gaming Eastern Cape (Pty) Ltd, the Trust, which is served by three active trustees, is registered as a Public Benefit Organisation, focusing its efforts on the Education and Social Development Baskets, as defined earlier herein, as well as agricultural initiatives. The Trust is a dynamic example of thoughtful SED initiatives in action, as demonstrated by the overview of its activities for the 2024 financial year, as depicted below:

Project Name	Focus Area	Impoverished Ward?	Contribution Value
Ray Mhlaba Skills Training Centre	Education (18 - 25 years Woodwork Entrepreneurial Training)	Yes	██████████
RUMEP	Education (Maths Teacher Development Focus on Primary School)	Yes	██████████
Ubunye Foundation (Siyazama)	Education - ECD (0 - 2 years) ECD & Social Development	Yes	██████████
Lebone Centre Project: #Every Baby Matters	Education - ECD (0 - 2 years) Social Development	Yes	██████████
Missionvale Care Centre	Education: Robotics centre: Gr R - 7	Yes	██████████
Inclusive Education South Africa (IESAA)	Education: Primary Schools and ECD social Dev: Disabled	Not yet, but possible	██████████
Maths, Science & Technology Kits	Education: Maths, Science & Technology	Yes	██████████
South African Mobility for the Blind Trust	Social Development: Disabled (Blind/partially blind)	Yes	██████████
Keiskamma Music Academy	Arts and Culture	Yes	██████████
George Randall HS Choir	Arts and Culture	No	██████████
Southernwood Community Garden	Agricultural (Women's Food Garden)	No	██████████
TOTAL			██████████

The Applicant regards the SED projects to which the Trust contributes as being superior in quality and impact, particularly with in view of their capacity to reach a broad base of beneficiaries in the most impoverished areas of the Eastern Cape. This positive impression is bolstered by the fact that the Trust won the award for the second best performing project in the Social Development Focus Area at the Second Annual Corporate Social Investment Awards presented by the Board in 2023, for its project in support of the South African Mobility for the Blind Trust, which invested in a number of training interventions aimed at mitigating the isolation and dependency which blind people so often face, by means of:

- orientation and mobility training, including white cane techniques and orientation skills, and
- training in activities of everyday living, including inter alia using an ATM, using a cellphone, recognising different banknotes, pouring tea and cooking a meal.

1. Empowerment & Community Aspects

The Trust has also expressed an interest in potentially partnering with the HCI Foundation with a view to contributing to water projects in the Eastern Cape. The Applicant is aware that water shortages have been a persistent issue in the Eastern Cape, which have particularly affected rural communities. Many households still rely on unimproved water sources, such as rivers, which leads to health concerns, as the water is often contaminated. Several factors have contributed to the water crisis, including prolonged droughts, inadequate infrastructure, and delayed projects like the Umzimvubu Water Catchment Project. Despite having been announced a decade ago, this multi-billion Rand project, which would incorporate the construction of several dams, is yet to reach completion. Subject to the approval of the Board, the Applicant would wish to throw its weight behind any tangible efforts to address this crisis for the people of the Eastern Cape in a meaningful way.

Welfare of employees within and beyond the workplace

To foster employee wellbeing and promote camaraderie outside of the workplace, the Applicant will sponsor a men's and a women's sports team, to play in an organised corporate or social league selected by its employees. The sport in question could range from soccer, to netball, rugby or cricket, or the action or indoor versions of the latter sports. The Applicant will sponsor the teams with their initial sports gear and replace these at least every five years if necessary whilst the team and league in which its participates remain active.

The Applicant will further ensure that the achievements of the respective teams are announced and prominently posted for the information of other staff, whilst also encouraging staff members to support their team when they are able to. If any of the teams reach a final or an important match, the Applicant will assist in the transportation of those staff who may be available to attend the event and support the team. The Applicant believes that these initiatives will not only foster a good out-of-work team experience and esprit de corps among its staff, but will also assist in encouraging a healthy lifestyle.

To ensure that its staff benefits from a regular nutritious meal, the Applicant will provide at least one balanced meal to its employees who are on shift. Meals will regularly include a protein, starch and vegetables or greens to ensure that staff consistently receive nutritious meals, subject to any dietary requirements.

To ensure that its staff receive regular health and/or mental care, the Applicant will provide for a qualified health care professional to be made available on-site on a regular basis. Local healthcare clinics have become overcrowded and are often a deterrent for staff to find the time to obtain the necessary health and/or mental care they require to continue to remain both physically and mentally healthy.

1. Empowerment & Community Aspects

Summary of SED Commitments

The Applicant's experience as a responsible citizen within the community in which it has operated within the last 25 years (including its own staff) has allowed it to allocate its proposed SED investment for the licence term to areas where it believes the greatest benefit will accrue to the communities within which it operates, as well as addressing the needs identified by the Provincial government. If the Applicant is awarded the licence, it will allocate funding estimated at R [REDACTED] million over the licence term, to the greatest extent possible, to the SED baskets identified herein and continue to contribute to many of the successful projects or initiatives listed herein as follows:

- 35%** - Education and Health
- 25%** - Staff Welfare
- 20%** - Enterprise Development
- 20%** - Social Development, Sports, Arts and Culture including Traditional Horse Racing



1. Empowerment & Community Aspects

1.7. Promotion of Provincial Growth and Development Plan objectives

The Applicant has given detailed attention to the core objectives identified in the Medium Term Strategic Framework ("MTSF") of the National Development Plan. The seven priorities of the MTSF are:

- Building a capable, ethical and developmental state
- Economic transformation and job creation
- Education, skills and health
- Consolidating the social wage through reliable and quality basic services
- Spatial integration, human settlements and local government
- Social cohesion and safe communities
- A better Africa, and a better world

The National Development Plan, which aims towards the central goal of eliminating poverty and reducing inequality by 2030 through the agency of education, healthcare, increased employment opportunities, infrastructure and governance, dovetails, in a number of significant ways, with the Eastern Cape Provincial Growth and Development Plan ("PGDP") and the Buffalo City Metropolitan Municipality Integrated Development Plan ("IDP"). Both the PGDP and the IDP require the infrastructural development, social development, environmental sustainability and adherence to sound principles of governance for their successful implementation. The respective developmental goals articulated in these Plans can best be achieved *inter alia* through:

- **Supporting economic growth and development**, by investing in local industries, supporting smaller businesses, creating jobs, investing in infrastructure and promoting tourism;
- **Supporting urban and infrastructural development**, by participating in environmentally sustainable urban renewal projects, investing in public and related infrastructure and implementing green business practices, and
- **Promoting sound principles of transparency and governance**, by adopting ethical business practices.

If the Applicant were to be awarded the licence, it would address the above issues by preserving a significant piece of infrastructure in the Metro, maintaining a significant amount of sustainable and meaningful diverse employment opportunities that have been in place for almost 25 years. With its full entertainment offering, the Applicant also procures a significant amount of its goods and services from local PDI suppliers, thereby investing in local industries and supporting smaller businesses.

Tourism to the Province would continue in the form of the many local and international visitors to its 4-star 108-room hotel and the events hosted in its conferencing facilities. The Applicant will also support urban and infrastructural development by investing in green energy in the form of solar PV installation and continuing to practice good green business initiatives. The multiplier effect, labour intensity and value chain of the Tourism sector, which creates significant employment opportunities for people, including women and youth, makes it a priority sector of the South African economy.

For the past 25 years, the Applicant has been a critical corporate citizen to the Buffalo City Metropolitan Municipality, contributing to the economic and employment stability in key economic areas earmarked for the Province, and if it is awarded the licence, it will continue to be a significant contributor to the local and provincial economy in support of Municipality's Growth and Development Plan.



HEMINGWAYS
HOTEL

2

Economic

HEMINGWAYS
—
TSOGO SUN

2. ECONOMIC

2.1 Maximisation of investment in the Province

The Applicant has been operating its existing development under a casino licence since 2001, and was again awarded the licence for a further 15 years in 2011. The Applicant's initial capital investment to develop the casino, hotel, restaurant and cinema in 2001 was R [REDACTED] million. In 2010, the Applicant further committed to spending an additional R [REDACTED] million by, inter alia substantially extending the hotel, building the conferencing facilities, extending its gaming floor and improving the surrounding road infrastructure.

Today, the Applicant's technical offering comprises an unrivalled entertainment precinct in the Buffalo City Metropolitan and surrounding areas that is conveniently located off the N2 with the following facilities currently available:

- a gaming floor able to accommodate up to 500 slots and 16 table games all incorporated in dedicated non-smoking, smoking and Privé areas;
- a 108-room, 4-star luxury hotel;
- two restaurants;
- a bar; and
- conferencing facilities and breakaway rooms equipped to host up to 750 guests in a cinema-style or concert setting, 700 guests in a cocktail setting, or 400 seated guests in a banqueting setting.

Other auxiliary facilities also currently available in the Applicant's precinct are cinemas (the only ones in East London).

The Applicant's precinct has been independently valued at R [REDACTED] million in November 2025 – refer to Annexure B for the valuation.

If awarded the licence, the Applicant commits to maintain the technical essential minimum requirement of the RFP of a casino, including gambling machines and a tables area, throughout the licence term, and intends to invest a minimum of R130 million in total within the first three years on the refurbishment of the facilities and on new equipment, comprising:

- R [REDACTED] million on the redevelopment of its Privé, facilities and other upgrades
- R [REDACTED] million on new gaming equipment
- R [REDACTED] million on the installation of a 730 kWp solar PV system
- R [REDACTED] million on the hotel

The refurbishment is expected to generate approximately 169 temporary jobs, primarily from within the Province, during the development phases.

2. Economic

Artist's impressions of the proposed refurbishments:

Standard Hotel Room

Amenities

- 15.75sqm avg room size
- Double bed
- 4.90sqm avg bathroom size
- Bath and shower



Artists Impressions



Room Render

Artists Impression

The rooms balance warm timber, soft light, and muted tones to create calm, understated spaces defined by comfort, clarity and quiet confidence.



Bathroom Render

Artists Impression

2. Economic

Hotel Suite

Amenities

- Enclosed Private Lounge
- Guest bathroom
- Spacious bedroom-king bed
- En suite bathroom Bath & Shower
- Private terrace
- 40.20sqm avg bedroom and lounge size
- 10sqm avg bathroom and guest bathrooms size



Room Render

Artists Impression

The suites deepen the language of calm luxury through richer textures, warmer tones, and layered lighting, creating a more intimate, composed retreat with understated confidence.



Bathroom Render

Artists Impression

Timber cabinetry, stone surfaces, and soft neutral finishes create a spa-like environment that feels both sophisticated and inviting.

2. Economic

Hotel Reception

Inspired by Havana and the intimacy of Parisian private clubs, the reception combines tropical warmth, louvered elements, and layered greenery with structured planning and refined lighting. The space feels relaxed yet composed, creating an arrival experience defined by texture, shadow, and understated sophistication.

Render

Artists Impression



2. Economic

Casino Salon Privé

Inspired by Havana and the private clubs of Paris, Salon Privé balances warmth and glamour through patinated brass, layered lighting, and plush textures—creating an intimate, jewel-like lounge that shifts effortlessly from calm daytime refinement to evening vibrance.

Casino Interior Render

Artists Impression



Concierge Desk Render

Artists Impression



2. Economic

Pre-function & Conferencing Venue

The Venue - Pre-function Area Render

Artists Impression



The Venue - Conference Area

Artists Impression



2.2 On-going re-investment in the Province

The Applicant has already invested in excess of R [REDACTED] million in its precinct in the last 25 years. Operating and maintaining an investment of this magnitude in itself generates significant re-investment into the Province in the form of procurement and maintenance. The Applicant has spent in excess of R [REDACTED] million in the existing licence period (since 2011) on maintaining its precinct, and given that considerable portions of the maintenance and procurement are achieved locally, the Province significantly benefits from this ongoing re-investment.

If awarded the licence, the Applicant will continue to re-invest in the Province through the ongoing maintenance of its precinct. The significant maintenance items procured locally that would generate substantial spend back into the Province over the licence period include:

- air-conditioning
- refrigeration
- fire and alarm detection
- cleaning/extraction
- electrical
- access control
- general maintenance items and supplies

On the level of procurement, the Applicant also sources a significant portion of its goods and services locally. These would include:

- food and beverages
- chemicals
- gas
- office supplies
- printing
- security
- cash collection
- promoters and entertainers

If awarded the licence, the Applicant ensures to spend 60% of its procurement to companies located in the Province with valid B-BBEE certificates.

Through these significant ongoing investments, local, national and foreign visitors to the Applicant's precinct will continue to benefit from of attractive premises offering a high quality entertainment and leisure experience.

2. Economic

Returns to local shareholders

The Dividend Policy, as provided for in the Shareholders' Agreement, allows for dividends equal to at least [REDACTED] of the distributable profits be paid to shareholders in each of its financial years, at the discretion of the Board of Directors. The Policy does not restrict the outflow of the distributable profits of the Applicant.

The local PDI shareholders have already received dividend payments amounting to R [REDACTED] million in the last 25 years. This evidences that a significant portion of the profits of the Applicant remained in the Province, ensuring ongoing re-investment.

Given that the PDI shareholders have no debt in respect of their interests in the Applicant, and given that the Applicant itself has no long term debt and plans to fund all its bid commitments from its available resources, dividends can be paid to the shareholders from the commencement of the new licence term in the event that the licence is awarded.

The total estimated dividends to be paid to the local PDI shareholders over the licence term amounts to R [REDACTED] million, of which R [REDACTED] million will be paid within the first quarter of commencement of operations under the new casino licence. It is important to emphasise that shareholders will receive returns from the first year of operations ensuring immediate significant re-investment into the Province, and that many will benefit since the cumulative interests in the local PDI shareholders are widely held within the Province.



2. Economic

The economic impact of the Applicant to its immediate surroundings

The precinct is adjoined to the 75 000 square meter Hemingways Mall. During 2023, the post-pandemic state of the economy resulted in the then owners of Hemingways Mall placing its operations into business rescue. In February 2024, a new consortium completed the acquisition of Hemingways Mall out of business rescue for a consideration of R [REDACTED] billion. The new owners [REDACTED] had also considered the impact the casino and precinct offerings operated by the Applicant would have on the future of the mall when deciding on the acquisition. The Mall offers over 160 stores that currently employ a total of approximately [REDACTED] employees, with [REDACTED] itself employing a dedicated team of [REDACTED] staff to oversee the Mall's operations. We have included a letter from [REDACTED] as Annexure K in which the company emphasises the importance of having the casino adjoined to the Hemingways Mall.

The existence of the Applicant's development was therefore a key motivator for Hemingways Mall being acquired out of business rescue in 2024, indirectly impacting the preservation of a R [REDACTED] billion investment in the Buffalo City Metropolitan Municipality and the resulting employment and other significant value chains created by the continued operations of the mall.

The Applicant's precinct has also ignited further developments in the immediate area in the form of a Shell Petrol Station, Spar, Vida-e-Café, Burger King and a planned residential development. [REDACTED], the owner and operator of the Shell Petrol Station and other offerings on the forecourt, currently employs [REDACTED] staff. [REDACTED] has also provided a letter of support included as Annexure L that states that "the casino and hotel draw steady visitors, benefiting local businesses and generating additional foot traffic" and fully endorsing the renewal of the Applicant's casino licence.

The continued operation of the Applicant's business will clearly have a significant impact on development and job creation or retention in the Buffalo City Metropolitan Municipality, where its presence can be accepted to contribute indirectly to other significant employment opportunities.

The non-award of the casino licence would leave the Applicant in a position where it would be constrained to consider disposing of the various infrastructural components of the precinct, leaving its shareholders bereft of the considerable value which currently attaches to their shareholding and its employees compelled to seek out new employment opportunities in a challenging economic market.

The Applicant may well in future consider to sell the hotel and/or conferencing and/or other facilities to an appropriate operator, and will in such case work with the new adjacent owner to facilitate the promotion of tourism. Should a sale be concluded, the Applicant will remain committed to the investment value as listed in this bid, and/or alternatively allocate any shortfall to other areas in or adjacent to the precinct. A possible disposal in the future will also be an additional benefit to the shareholders with excess cash as a result thereof being distributed.

2. Economic

2.3 Fiscal implications

Government and local authority revenues comprise a number of different components, which can be summarised as follows:

- National government taxes made up of Company Income Tax, Pay As You Earn ("PAYE"), Dividends Tax (depending on recipient and use) and Value Added Tax ("VAT")
- Provincial government taxes consisting of casino and other gaming levies, and annual licensing fees
- Local government taxes comprising rates and service charges.

Given that the Applicant already operates a licensed casino and entertainment facility, the Government and local authority revenues that have already been collected from its operations for the existing licence period to 31 December 2025 are reflected in the following table:

(in millions)

Taxes and levies to the Provincial Fiscus

Gaming Tax	R [REDACTED]
Licence fees – Board	R [REDACTED]

Levies to the Local Municipality

Local Authority Rates and Taxes	R [REDACTED]
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Taxes and levies to the National Fiscus

Company Income Tax	R [REDACTED]
Value Added Tax ("VAT")	R [REDACTED]
Pay As You Earn ("PAYE")	R [REDACTED]

2. Economic

If the Applicant is awarded the licence, Government and local authority revenues will therefore continue to be collected immediately from the commencement of operations under the new licence. The key financial information estimated to accrue to the Fiscus over the 20 year period includes:

(in millions)

Taxes and levies to the Provincial Fiscus

Gaming Tax	A	R	█
Licence fees – Board	B	R	█

Levies to the Local Municipality

Local Authority Rates and Taxes	C	R	█
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Taxes and levies to the National Fiscus

Company Income Tax	D	R	█
Value Added Tax (“VAT”)	E	R	█
Pay As You Earn (“PAYE”)	F	R	█

Fiscal assumptions

- A. Gaming Taxes payable to the Eastern Cape Gaming Board (“the Board”) are based on Gross Gaming Revenues (“GGR”) assumed in the Applicant’s financial model and have been calculated in accordance with the Board’s current levy scale. The current levy scale is assumed throughout the licence period.
- B. Casino licence fees payable to the Board are based on the Board’s current levy scale as follows:
- R350 000 Casino Licence Application Fee
 - Annual Casino Licence Fees comprising an Annual Licence fee of R250 and an Annual Board Administration Fee of R81 000
 - Annual Gaming Device Registration Fees comprising registration and administration fees of R50 and R1 300 respectively for gaming machines and R150 and R3 000 respectively for Table Games other than Roulette, and R50 and R1 900 respectively for Roulette wheels and Roulette Tables.
 - Annual Gaming Employee Registration Fees comprising registration and administration fees of either R200 or R700, depending on the gaming licence type
 - Application Fees relating to new gaming devices and employees of between R120 and R1 300 respectively

The current levy scale is assumed throughout the licence period.

2. Economic

Fiscal assumptions...

- C. Local authority rates and taxes comprise the rates and taxes charged by the Buffalo City Metropolitan Municipality on the basis of their regular valuations of the Applicant's property. The calculation is based on the charges on the most recent valuation and assumes an annual increase in line with inflation throughout the licence period.
- D. Company Income Taxes are based on the Applicant's net profit before tax as calculated in accordance with the rates published by the South African Revenue Services ("SARS"), currently 27%. The basis of calculation and rate remains throughout the licence period.
- E. Value Added Tax ("VAT") is based on rates and items subject to output and input taxes as published by SARS, currently 15%. The basis of calculation and rate remains throughout the licence period.
- F. Employers Tax represents PAYE income tax deducted from employees' remuneration and was determined using the rates published by SARS. The basis of calculation and rate remains throughout the licence period.

Multiplier effects

In the same way that the Applicant's operational expenditure on upstream materials, goods and services supports other businesses and employment, so too will it also generate taxes to government from the upstream corporate profits, VAT and salaries.



2. Economic

2.4 Promotion of Tourism

The importance of Tourism to National Government

In its Medium-Term Strategic Framework 2019 – 2024 (“MTSF”), the national government has included the development of the Tourism industry as a key driver for growth in the following terms:

“The National Development Plan identifies tourism as a highly labour intensive industry which stimulates the development of small businesses and generates foreign direct investment and significant export earnings. The sector could create jobs for semi-skilled and unskilled workers in the short to long term, with a focus on villages, townships and small towns. Emphasis is placed on increasing the number of tourists entering South Africa and the amount spent; the availability of tourism infrastructure; positioning South Africa as a regional shopping and business centre; and ease of access by air and travel facilitation through favourable visa regimes. According to the World Travel & Tourism Council (WTTC), travel and tourism contributed R425 billion to the South Africa’s economy, representing 8.6% of all economic activity in the country. Some 1.5 million jobs are generated by the sector. In terms of tourist arrivals, 10.2 million people visited our shores in 2019, spending in excess of R120 billion. Government aims to increase international tourist arrivals by 6% annually over the medium term.

To this end, the Department of Tourism will be implementing a number of reforms and programmes aimed at boosting South Africa as a premium tourist attraction. The visa regulations have been reviewed and relaxed to support growth, for instance unabridged birth certificates are no longer a requirement for inbound travelling minors. Also, South Africa has waived visa requirement for over 80 countries, and the first phase of the country’s new e-Visa system has now been deployed. Other pertinent programmes include the scaling up of the Tourism Safety Monitors Programme, in collaboration with the SAPS; implementation of incubation programmes, skilling and empowerment of youth and women to have a meaningful role in the economy.”

The MTSF 2024 – 2029 continues from its predecessor and includes the Tourism industry as a Strategic Priority 1 to drive to inclusive growth and job creation.

The Applicant’s ability to drive Tourism to the Province

Against the backdrop of the importance the Tourism industry plays on the economic growth of the Province, the Applicant’s existing casino development offers a vibrant mix of attractions and facilities that have been demonstrated to appeal to even the most discerning of tourists.

The Department of Tourism highlights its performance in its Bi-Annual Tourism Performance Report. Many industries are economically dependent on the tourism sector and, according to the reports, these include amongst others; accommodation, restaurants, transportation, amusements, and retail trade. The performance of these industries is key to the tourism sector’s contribution to GDP and total employment.

The Hemingways precinct is recognized as the top Buffalo City entertainment node that includes a casino, 4-star 108-bedroom hotel, facilities to host conferencing, meetings and shows, restaurants and movies (the only ones in the City), all conveniently accessible to local and international visitors from the National Highway (N2) and airport. The precinct is adjoined to the 75 000 square metre Hemingways Mall which offers its visitors an up-market shopping experience. Visitors to Hemingways are also provided with ample safe and convenient parking, including access controlled undercover options.

2. Economic

The Hemingways precinct therefore places Buffalo City in a position to cater to all the critical tourism components highlighted by the Department of Tourism, namely:

Accommodation: The Hemingways Hotel

The Hemingways Hotel is a charming 4-star hotel currently forming part of the Tsogo Sun hospitality group. The hotel is known for its elegant, sub-tropical design, inspired by the Key West home of author Ernest Hemingway and offers a sophisticated yet relaxed “island lifestyle” experience.

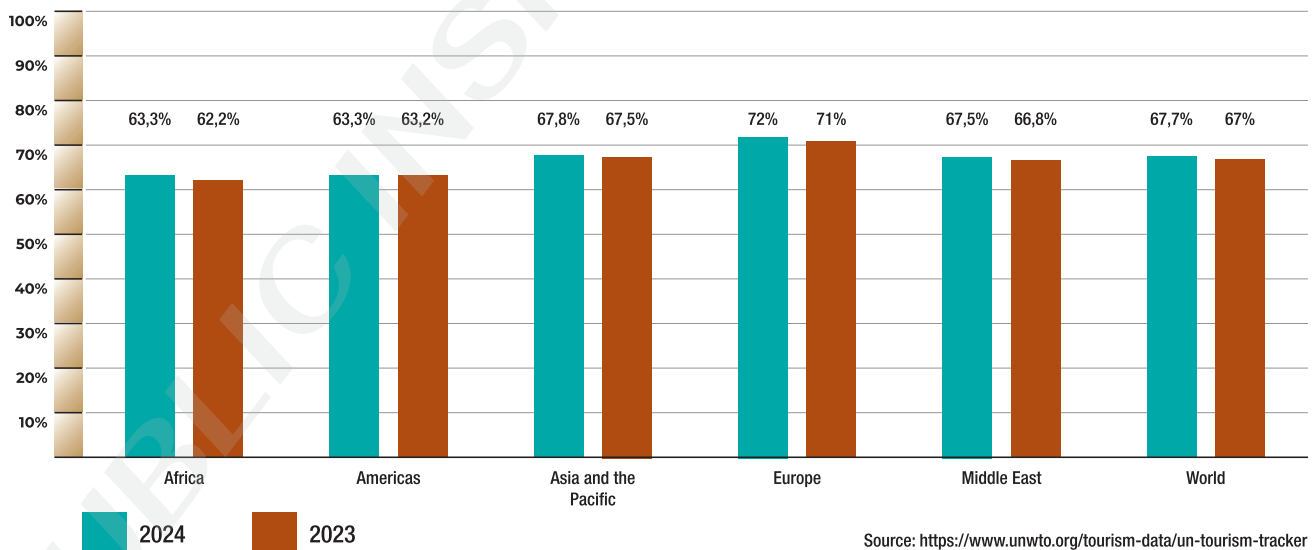
Hemingways Hotel is the hotel of choice for many corporate, government, leisure, foreign and sporting guests and regularly hosts both international and local dignitaries, corporate CEOs as well as National and International Sports Teams.

The hotel features 108 tastefully appointed rooms and suites designed for comfort and convenience. One of the hotel’s most significant advantages is its prime location, which offers direct and convenient access to a variety of entertainment and shopping options. Guests of the hotel have a variety of convenient options by either relaxing at the outdoor swimming pool, exploring the lush gardens, staying active at the fully-equipped fitness centre, dining at the on-site restaurants that offer breakfast, lunch, and dinner, either buffet or à la carte, shopping at the Hemingways Mall, playing their favourite games at the Casino, enjoying the latest blockbuster movies in the cinemas, attending a show, or conveniently accessing the N2 to one of several of the other tourist destinations in East London and surrounds. Guest reviews regularly compliment the hotel’s friendly staff, exceptional convenience and good value.

For its corporate guests, the hotel has versatile conference venues that can accommodate up to 750 delegates, providing full conference packages that include venue hire, food and beverage, snacks and canapes, stationery, AV and accommodation, if required.

Additional amenities include a 24-hour front desk and portering, and room service (dedicated times), laundry, dry cleaning, transport and babysitting services on request at an additional cost.

A hotel’s occupancy rate is one of the key indicators used to monitor its performance. The most recent graph available published by the Department of Tourism in March 2025 compares the average occupancies across the various global regions during July-December 2024, with the same period during 2023:



The Hemingways Hotel achieved average occupancies of █% in its 2023 financial year and █% in its 2024 financial year, increasing to █% in its 2025 financial year, and █% for the nine months ending on 31 December 2025. The occupancies achieved by the Hemingways Hotel indicate that it now consistently performs in the upper range of the occupancies in the other global regions indicated in the above graph, highlighting its value to the BCM as a premier tourist destination.

2. Economic

Restaurants

The Hemingways precinct currently offers two dining offerings to its visitors. Diners can enjoy a more relaxed dining experience of either an a-la-carte or buffet breakfast and dinner at the Hemingways Hotel or opt for a more vibrant dining experience that includes steaks, burgers, pizzas or pastas at its entertainment promenade. There is also a bar where visitors can enjoy a variety of drinks while overlooking the gaming floor.

Amusements

Hemingways Casino

The premier amusement and entertainment offering of the Hemingways precinct is its casino. Elegantly designed to accommodate up to 500 slots and 16 table games, the casino offers a combination of classic and modern casino games for its patrons. The casino floor comprises a main floor, smoking area as well as a Salon Prive for higher-end players. Patrons of the casino earn rewards whenever they play, in the form of Tsogo Rewards:

Tsogo Rewards

Tsogo Rewards, the premium loyalty programme of the Tsogo Sun Group, provides an exceptionally well-established channel through which a variety of tourism-related initiatives can be most successfully conceived and driven. The Programme has a substantial membership base, of which just short of [REDACTED] members have been active between 2019 and 2025. This provides an extensive, ready-made database of members to whom a range of special offers, showcasing the Applicant's casino development and related facilities, including the hotel and restaurant, movies and events can effectively be pitched. Current key benefits of this programme include:

Accommodation Discounts: Up to 50% off at Tsogo Sun hotels.

Dining Discounts: 10% to 25% off at participating restaurants and bars.

Entertainment Discounts: 30% to 60% off on tickets for movies, shows, and events.

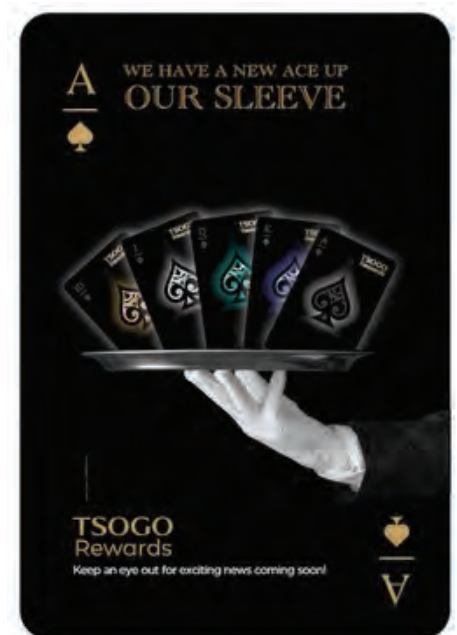
Points System: Earn points for stays, dining, and casino play, which can be redeemed for various rewards.

Exclusive Offers: Access to special promotions and event tickets.

Tsogo Rewards App

Launched in 2023 under the leadership of the Marketing Manager: Group, the Tsogo Rewards App is a cutting-edge app-based loyalty programme which provides members with the widest possible combination of membership-related perks and benefits, across all Group properties, at the tap of a screen.

What makes the Tsogo Rewards App so unique and effective is not only its superior brand messaging, but also the deliberate broadness of the benefits which are available and the ease and flexibility with which these can be earned, transferred between different platforms, claimed, and applied. In short, the App offers maximum fun and seamless convenience, coupled with the most diverse range of rewards across the entire Tsogo Sun Group, with minimum effort on the part of the end-user.



2. Economic

The App is the first of its kind to make provision for One Tier Status, meaning that a member's tier status (which may range from 10-tier to Ace-tier, depending on the number of points earned) can be boosted, irrespective of the location of the Tsogo Sun destination at which spending is incurred. This ensures a quicker accumulation of points, so that rewards may be earned and redeemed more swiftly. In addition, equally uniquely, points earned can be transferred between casinos for gaming play, as well as applied to and redeemed on other platforms, including for hotel stays, dining and entertainment. The App also makes provision for improved hotel discounts, birthday offers and third-party benefits.

The availability of these innovative, portable, accurate and time-saving solutions has already yielded huge benefits in terms of popularity and growth, with more than [REDACTED] patrons having signed up.

Promotions and Give-aways

The Applicant significantly invests in a variety of regular promotions and giveaways specifically designed for its patrons. These promotions involve patrons simply playing any slot and/or table game to earn free entries for the promotion. The promotions are mainly designed to run over a one to three month period to allow participants to have a number of chances to participate and win, with regular daily, weekly or monthly prizes also being awarded as part of the promotion.

Draws are conducted in a dedicated area on the gaming floor where visitors to the precinct are also able to view the celebrations and share in the excitement. Prizes per promotion may range between cash, motor vehicles, appliances, jewellery, non-redeemable +Play, hotel stays (local or National), movie tickets, dining or shopping vouchers, experiences, or combinations of either, depending on the determined needs of the Applicant's patronage from time to time.



Specially designed artworks are created to advertise the promotions, and are then prominently advertised through print or digital billboards available throughout the city, aired on local radio stations (mainly Algoa FM), as well as being advertised on social media, the movies, and on screens or by printworks in and around the precinct. Given its strict adherence and strong support for responsible gambling, the Applicant always ensures that it advertises responsibly and requests prior approval for a promotional concept involving gambling from the Eastern Cape Gambling Board before commencing with the promotion.

The Applicant has spent approximately R [REDACTED] million on promotions and giveaways over the existing licence period, and if awarded the casino licence, estimates spending approximately R [REDACTED] million during the new licence term on creating regular unique promotions and experiences for its patrons.

2. Economic

Movies

The Hemingways precinct currently has cinemas that continue to showcase the latest blockbuster movies. Movies@ is the only cinema complex in the Buffalo City Metro and therefore provides entertainment like no other to both locals and visitors of all ages to the City at affordable prices (when compared with other metros).



Many blockbuster movies are promoted through special screenings and/or character meet-and-greets, which are especially popular among younger movie enthusiasts, as perfectly illustrated when The Smurfs came to town on their nationwide tour in July 2025.

Retail Trade

The Applicant is adjoined to the 75 000 square meter Hemingways Mall. This allows visitors to the precinct conveniently to shop at the many retail, food, healthcare, and other offerings currently being provided for by the Mall.



2. Economic

Other amusements

Presentation of Shows and Cultural Performances

The quality and variety of the number of world-class events already hosted by the Applicant demonstrate the emphasis it places on fostering cultural awareness through shows, events and performances, ranging from comedy, to infotainment, to sweeping and dramatic musical productions. In addition to its standard offerings catered for, the following special events are but a few already hosted by the Applicant during the existing licence period, which indicate the level of shows and events it will continue to bring to the Buffalo City Metro, if awarded the licence:

Riaad Moosa

The 2025 calendar year kicked off in style with the hilarious show “*What’s the Point?*” hosted by Hemingways Casino, in which renowned comedic genius Riaad Moosa delved into life’s small (and bigger) questions with a skillful blend of sharp humour and medical insights.



Hempies du Toit

This comedic tour-de-force was followed up in March 2025 by the Stellenbosch Wine Experience hosted at Hemingways and presented by Springbok rugby legend and fifth generation winemaker, Hempies du Toit.

A Place Called Ngoma

In August 2025, the Applicant hosted a performance of A Place Called Ngoma. Described as “*a sacred musical experience that merges African storytelling, live performance, and ancestral reverence*” and “*a healing space designed to uplift, empower, and reconnect audiences with their spiritual roots*”, and featuring The Soil, South Africa’s multi award-winning a Capella trio, and Afro-soul artist and story-teller, Zawadi ya Mungu, the production showcased an immersive and moving cultural celebration.



2. Economic



Marc Lottering

Having just come out of his smash hit musical "Aunty Merle Things Get Real", watched by more than 40 000 people, "So I Wrote That Musical" was the third musical penned by the comedic genius. Hemingways Casino was excited to host one of South Africa's favourite comedians in his new solo stand-up show. As always, Marc shared hilarious stories as he reflected on the crazy process of moving between the worlds of stand-up comedy and full-scale musicals, and as always, weaved between his views on the madness of current South African life. The show left those in attendance in stitches.

Alfred Adriaan and Marc Lottering

Marc returned to Hemingways Casino in 2024 joining forces with popular SA comedian, Alfred Adriaan. The comedic duo always bring their best and the show was no different. Both comics have been packing out theatres locally and abroad, and their expectant fans from BCM were treated to two hours of sheer hilarity.



Skhumba Hlope

Hemingways Casino is excited that one of South Africa's premier comedians – who won the 2022 DSTVCA Best Comedian award - always chooses it as one of the venues to showcase his new shows. The 5th One Man Show was a HUGE milestone for Skhumba, and East London did not want to miss out when he lit up the venue with laughter! Hemingways has been hosting Skhumba for the past few years and his shows are always a sell out.

I'm Every Woman

The long awaited "I'm Every Women" had finally come to East London and it was bolder and more dazzling than ever before. The event was a one night celebration of powerhouse female voices, unshakable resilience and timeless music that continues to move generations.

East London witnessed South Africa's most iconic female voices unite on one stage to take audiences on a deeper journey into the world of music divas, with bold performances and unforgettable energy that celebrates the essence of every woman. Andrea Fortuin, Karin Kortje and Jade Engelbrecht - three celebrated South African artists who embody the resilience of womanhood – were joined on stage by the phenomenal Fagrie Isaacs, whose velvety vocals and magnificent stage presence had complemented the night's performances. Fagrie brought a unique and respectful tribute to the woman of music while standing in proud support of the celebration of female empowerment.

I'm Every Woman was a reminder of barriers broken, battles won and the beauty of women's voices who have echoed through generations.

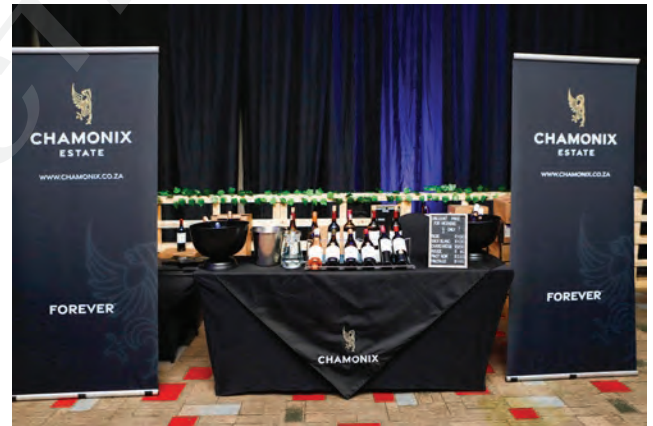


2. Economic

Taste The Good Life Food & Wine Fair

Hemingways Casino hosted the Taste the Good Life Food and Wine Fairs in 2023 and 2024.

The fairs showcased wines from some of the elite wine farms from the Western Cape and surrounds. The events also featured well renowned celebrity/comedian chefs Chris Forrest & Pete Goffe-Wood (former Master Chef SA Judge) in 2024, and in 2023 hosted South African celebrity chef, restaurateur, and media personality, Reuben Riffel. These talented chefs hosted food demonstrations and interacted with the many in attendance.



These events brought opportunities for wine farms to be part of the cooking demonstrations while private food and wine pairing dinners with the chefs were to be held at Key Largo Restaurant at Hemingways Hotel for a select number of its gaming patrons.



2. Economic



Festive Fever Volume 4

Festive Fever afforded locals with the opportunity to conclude the 2025 calendar year. The event always delivers a great musical production with a blend of modern and old school hits performed by South Africa's finest artists.

iVaskom Comedy Show

The Comedy Show proudly returned to Hemingways Casino for a spectacular milestone celebrations as they marked an impressive ten years in the comedy industry in 2025. With a regular sold-out audience, the show helps to showcase local comedians and Hemingways Casino aims to host the event annually.



MiCasa

MiCasa are no strangers to sold-out concerts, having rocked stages locally and globally in venues in London, Rome, Portugal, Glasgow, Canada and a remarkable 23 other African countries. Most notably, the group even performed at the inauguration of former US President Barack Obama, leaving audiences worldwide in awe of their talent. MiCasa's music has transcended borders, with top streaming countries including South Africa, the USA, UK, Kenya, and Nigeria. MiCasa performed once again at Hemingways Casino in 2023 and East London was once again thrilled to watch them perform. The dynamic trio graced the stage with lead singer J'Something's deep soulful vocals and the band's mesmerizing horns and captivating keys transporting the crowd with their musical bliss that has so regularly dominated the South African music charts since 2010.



2. Economic

Rugby Legends

What unforgettable experiences were created for the people of East London when Hemingways Casino hosted some of our countries finest ever rugby legends in a “Meet & Greet” in 2023 and 2024. These events were centered around SA Rugby Legends — the great Percy Montgomery and Morné Steyn, two of South Africa’s three current all-time leading points scorers, Butch James, Warren Brosnihan, and local boys, Brent Russell, Mark Andrews and Akona Ndungane – signing memorabilia and taking photos with enthusiastic fans on the Hemingways Casino promenade.

A select few of its gaming patrons were provided with a further unique experience of either golf or bowls with the SA Rugby Legends at the local sports clubs, before a private live screening of classic rugby encounters and dinner in an area uniquely set up area outside the Applicant’s conferencing facility.

Feedback on the 2024 event from a local legend to the SA Rugby Legends Managing Director:

“I just wanted to give you some feedback from the function this past weekend.

It was without a doubt the best organised and most enjoyable function I have ever done as an ex-Springbok. I know the E Cape people are great people and down to earth and was expecting a relaxed and enjoyable weekend but had no idea how professional [REDACTED] and their team was going to be.

The signing session on the Friday evening was well supported and incredibly well planned and executed and a joy to be a part of. The bowls on the Saturday was absolutely fantastic and possibly the most enjoyable corporate event I have ever been a part of. The venue was brilliant as was the food, drinks, entertainment and organisation of the day. I have to say that it kicks the arse of having a golf day as far as interaction with guests goes and just the fun of the bowls itself was so brilliant.

The function prior to the game was also brilliantly planned and executed with photos with guests, layout of the venue for the pre-game talk and actual seating of everyone for the game as well as the drinks and food. I am not sure who was looking after the legends branding but it was very prominent and well displayed at every event.

I don’t have [REDACTED] and [REDACTED] email addresses or anyone at management at Tsogo Sun to pass on my compliments, but I think everyone involved in planning and executing this past weekend needs a pat on the back and held aloft as examples on how to plan and execute a SA Rugby Legends and corporate joint event.

Thank you for inviting me to be a part of the event.”



2. Economic

Sponsorship of Events

The Applicant is also a proud sponsor of a number of events around the Metro:

SAMCA National Drum Majorettes Competition

Hosted by the Eastern Cape Majorette and Cheerleading Association, this competition is a major national event, drawing over 5 000 athletes and spectators from across South Africa, which is consciously pitched at:

- **Youth Development:** SAMCA focuses on developing young people emotionally, socially, physically, and cognitively through sport
- **Community Engagement:** The event draws large crowds and boosts local tourism and hospitality.
- **International Standards:** SAMCA is affiliated with global bodies such as the Majorette-Sport World Federation and the International Cheer Union, and South African athletes often compete internationally.

The sponsorship from the Applicant would include:

- Participation fees for some of the young athletes
- Competition attire
- General support to help elevate the event and provide opportunities for youth development



Elite Men and Women Open Boxing National Team Trials

The Applicant's focus on supporting events which promote sports development and tourism was once again underlined by its sponsorship of the above prestigious event held in February 2025, in cooperation with Hemingways Mall, Tsogo Sun and the Buffalo City Municipality.

Organised by the South African National Boxing Organisation, SANABO Eastern Cape and the Eastern Cape Provincial Departments of Sports, Recreation, Arts & Culture and held in the Hemingways Mall to attract broader public interest and foster partnerships, this round-robin boxing competition with its various weight divisions, constituted the selection trials for South Africa's national boxing team.

This elite event highlights the Applicant's support for high-level amateur boxing and its commitment to promoting sports development in the region.

2. Economic

Hemingways Birthday Celebration

To celebrate its 24th year in operation, the marketing team created an initiative that involved getting the community together. Hosting its first “5km Birthday Walk” was a huge success — packed with fun, entertainment, and awesome giveaways. The turnout was amazing and the Applicant is looking forward to hosting many more such events.



2. Economic

Cancer Shavathon

To “Be Colorfully Kind” was the theme for the Applicant’s 2025 Cancer Shavathon — a powerful celebration of cancer survivors and fighters.

Through spray, cut, and donate, the staff of Hemingways Casino once again got together to show its love, support, and solidarity. This initiative has been in operation for several years, and it continues to grow into one of the Company’s most successful and meaningful events. Donations helped to spread hope. Together we are making a difference.



Easter Egg Hunt

What a joyful day at the Easter Egg Hunt hosted at Smallville Kids Play Area at Hemingways Casino!

Smiles everywhere as kids enjoyed face painting, fun games, exciting egg hunts, and small giveaways. It was pure happiness all around!



3

Social

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3. SOCIAL

3.1 Protection of public interest

The Applicant will continue to place the highest possible premium on social responsibility strategies, with particular reference to problem gambling, in every area of its operations. This area has come under intense national scrutiny in the last five years given the growth of online gambling. The Tsogo Sun group distinguishes itself with its land-based gambling by ensuring it has robust measures in place to ensure that the interest of the public is foremost by promoting responsible gambling.

In the context of casino gambling, the protection of the public interest is internationally recognised as focusing on the elimination or mitigation, to the greatest extent possible, of negative social impacts, coupled with the maximisation of the potential economic benefits. This two-pronged approach will underpin the Applicant's strategies in the context of player protection.

The Tsogo Sun Group's extensive involvement in the industry has enabled it to forge multi-layered social responsibility objectives and strategies which have stood the test of time. As with all the licensed casino operations rolled out by the Group, particular attention is paid to implementing proactive awareness measures directed at ensuring that the public is informed regarding –

- The random manner of operation of gambling devices;
- 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 hard-copy or digital media posters and pamphlets, available throughout the venue, containing the above information.

No persons under the age of 18 will be allowed access to the gaming area and signage will be displayed next to the dedicated entrance to designated gaming areas, warning the public that licensed gambling activities are taking place within the premises, and that access is not permitted to persons under the age of 18 years. Security staff will be trained to request the identity documents of any person wanting to enter who is suspected of being under the age of 18 years. A "No ID, No entry" policy will be adopted and strictly adhered to.



3. Social

A further noteworthy feature of the Applicant's approach is its ongoing commitment to the well-being of its patrons, which will be advanced through a variety of focused measures, including:

- the production and general availability within the licensed environment, of collateral material enhancing awareness of the phenomenon of compulsive or addictive gambling;
- the display of signage, referencing the counselling and advisory services provided by the NRGP;
- the facilitation of the self-exclusion of persons pursuant to the applicable legislation;
- the discontinuation of messaging, in any form, to excluded persons regarding any marketing, promotional or similar measures in relation to the Applicant's licensed offering;
- the termination of membership of any of the Applicant's loyalty programmes in respect of excluded persons;
- the provision of extensive training to staff in the context of responsible gambling;
- a permanent security presence at the entrances to the dedicated gambling areas, manned by persons trained to take all reasonable measures to ensure that minors are not able to access the gambling floor;
- procedural protocols designed to ensure that appropriate action is taken in respect of unaccompanied children on the property, including attempts to locate the relevant parent or responsible adult;
- the ongoing surveillance of all gambling transactions, using a surveillance system which complies with all prevailing legislative and regulatory requirements, and the use of surveillance footage to ensure the prompt, professional and accurate resolution of patron disputes;
- the ongoing maintenance and servicing of gambling devices (e.g. the regular balancing of roulette wheels and card and dice control measures) to ensure fair play at all times;
- the provision of information and training to personnel in respect of the requirements of other applicable laws in respect of public health, smoking, and the prevailing occupational health and safety requirements, and
- the development and ongoing enforcement of suitable methods of operation designed to enhance player protection, including:
 - i. the mandatory removal immediately upon detection of any cards, dice or other mechanical devices the use of which is unlawful;
 - ii. the mandatory removal of any cheating device, as well as any authorised cards, dice or other devices which have been tampered with if same are detected in the licenced environment, and
 - iii. except as provided for by law, the extension of any form of credit to a patron for the purposes of participation in gambling.

In addition to the above, advertising of the venue will not be designed in a manner to attract minors and will contain wording reinforcing the message that gambling is not accessible to persons under the age of 18 years. 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 NRGP.

The Applicant's contribution to the funding of the NRGP will furthermore play a role towards ensuring that the above message reaches its intended audience to the greatest extent possible.

3. Social

Rules of games

No game will be made available for play in the Applicant's casino unless rules covering all aspects of that game have been developed and can be made available to players on request. In the case of slot machines, the rules of each game are accessible on the gaming device itself and can be accessed by players at any time. In the case of table games, the rules of each such game will be contained in brochures made available at the table. English will be the language in which communication takes place in the licensed environment, and the rules of each game will be primarily available in English.

All gaming personnel will undergo full training regarding the prevailing rules in respect of games in which they participate. In addition, the Standard Operating Procedures developed by the Applicant prescribe detailed mandatory procedures to be adhered to in the context of table games, including, without limitation:

- clean hands procedures;
- mandatory tables equipment checks prior to opening;
- the daily inspection of pit equipment;
- table opening procedures
- dealing cycles;
- shuffling, cutting and dealing cards;
- clearing the layout;
- cutting chips;
- order of pay-outs, and
- table closing procedures.

All personnel participating in gambling transactions will be obliged to comply with the rules of each game, and the Applicant's Standard Operating Procedures, and compliance with these will be monitored in the live environment by inspectors and Pit Bosses. Each such functionary will be on hand to provide patrons with immediate and accurate responses to queries regarding the applicable rules as and when they arise.

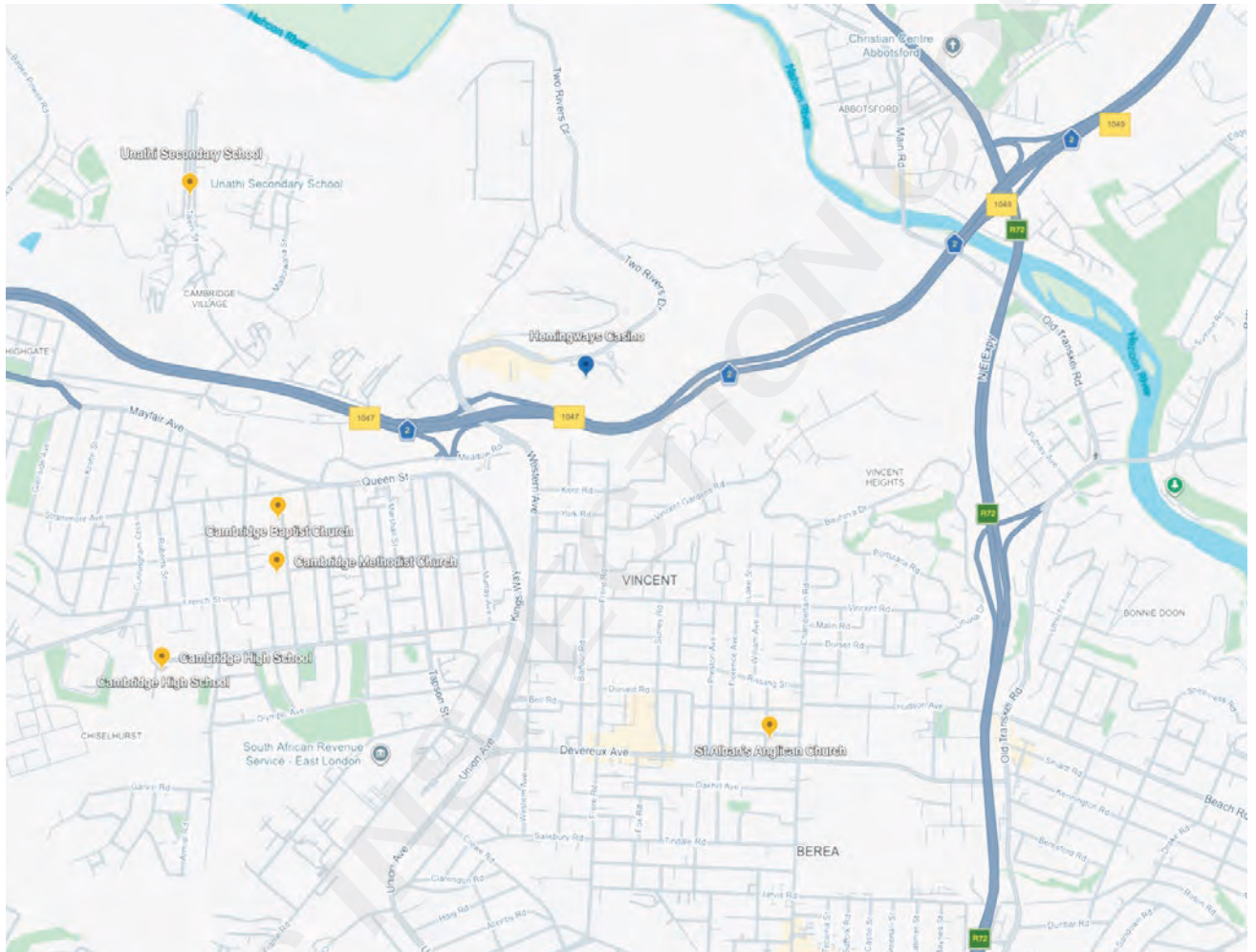


3. Social

The proximity of the Applicant's premises to places of interest

There are no places of interest in direct line of sight to the Applicant's premises, with the closest church and school, both two kilometres away from the Applicant's precinct. Residential areas are also out of line of sight of the Applicant's precinct.

The Applicant has robust access control procedures that ensure that minors and self-excluded persons do not gain access to the gambling floor.





4

Financial

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4. FINANCIAL

4.1 Financial Control

Shareholders' Agreement

A Shareholders' Agreement ("the Agreement") has been concluded between the shareholders in the Applicant and is included as Annexure N to this bid. The pertinent details of the Agreement are:

- The Parties to the Agreement and their respective interests held in the Applicant:
 - Tsogo Sun Emonti (Pty) Ltd ("the Company" and "the Applicant");
 - Ritztrade 159 (Pty) Ltd – **17%**;
 - SN Leisure Investments (Pty) Ltd – **15%**;
 - Choice Decisions 53 (Pty) Ltd – **3%**; and
 - Tsogo Sun Investments (Pty) Ltd – **65%**
- The main object of the Company is to own and hold the licence required to operate the casino, hotel and ancillary entertainment facilities in the Hemingways precinct (in compliance with section 19 of the Eastern Cape Gambling and Betting Act, No. 5 of 1997);
- The appointment and suitability of members of the Board of Directors;
- The composition of the Board of Directors, the conduct of these meetings ... and the voting rights pertaining to these meetings;
- The conduct of the meetings of the Shareholders and the voting rights pertaining to these meetings;
- Present and future funding requirements of the Company;
- The Dividend Policy;
- The rights of shareholders in the event of a sale of the interests held in the Company;
- Confidentiality and Conflicts of Interest; and
- Arbitration and dispute resolution.

4. Financial

Beneficial Ownership Declaration

The Applicant boasts a truly meaningful Broad-Based Black Empowerment Shareholding with an effective 76% of its current interests being broadly held by Previously Disadvantaged Individuals ("PDIs"). 35% of its interests are directly held by local PDI companies, Ritztrade 159 (Pty) Ltd, SN Leisure Investments (Pty) Ltd and Choice Decisions 53 (Pty) Ltd, which cumulatively currently include more than 100 local PDIs who indirectly hold interests in the Applicant, of which almost half are local PDI women.

Further, an effective 37.1% of the current interest in the Applicant is collectively held by females, youth, military veterans and/or people living with disabilities. 12% of the interest in the Applicant are held by local PDI females. There are no financial obligations relating to any of the interests held by PDI shareholders and there is no difference in the class of the interests held by any shareholders, or the rights attendant thereon.

The following table lists the interests held by target groups:

Shareholder	Economic Interest	PDI	Effective Local	Effective PDI	Effective Women, Youth, Military Veterans or People Living with Disabilities	Effective Women	Effective Local Women
Ritztrade 159	17%	17%	16.5%	16.9%	9.8%	7.9%	7.5%
SN Leisure	15%	15%	15.0%	15.0%	4.5%	4.5%	4.5%
Choice Decisions	3%	3%	2.5%	2.7%	-	-	-
Tsogo Sun	65%	65%	-	41.4%	22.8%	22.4%	-
TOTAL	100%	100%	34%	76%	37.1%	34.8%	12%

The Applicant has submitted the prescribed Affidavits of its effective local PDI shareholders, under cover of Appendix B in support of the effective interests held by its local target groups.

The most recent B-BBEE certificate for the Applicant issued by an accredited rating agency is included as Annexure J to this bid. The certificate confirms that 76.42% of the interests in the Applicant are held by PDI, with 25.38% being collectively held by Women, Youth, Military Veterans and/or People Living with Disabilities.

The most recent B-BBEE certificate for Tsogo Sun Limited issued by an accredited rating agency is also included as Annexure R to this bid. The certificate confirms that 63.74% of the interests in the Applicant are held by PDI, with 35.12% being collectively held by Women, Youth, Military Veterans and/or People Living with Disabilities.

Copies of the Beneficial Ownership Declarations ("BOD") in respect of the Applicant and its direct shareholders are attached under cover of Appendix L to this Bid. In this regard, it is recorded that the Applicant, in its capacity as a subsidiary of a listed company, is not required by law to submit a BOD, but has done so on a voluntary basis.

4. Financial

Management or other agreements

The Applicant will not be entering into a management or similar agreement. The Applicant will therefore manage its operations directly. As it will benefit from shared services from within the Tsogo Sun Gaming group of companies, the fees payable for these shared services will be based on the recovery of actual expenses incurred by the relevant group company, without any margin being charged thereon. The casino group currently operates 14 casinos and 19 hotels across South Africa, enabling the Applicant to benefit from the vast wealth of experience within the group that may otherwise not be readily available to a casino operator. [REDACTED] currently operate the movies on behalf of the Applicant - a copy of the Operator Agreement for the auxiliary facility is included with the Applicant's BHD under cover of Appendix F.

Memorandum of Incorporation

The Applicant's Memorandum of Incorporation ("MOI") is the foundational legal document that sets out the rules for its governance and internal structure, including the rights and responsibilities of shareholders and directors. The key characteristics of its MOI are:

- The MOI is the sole governing document for the company and legally binds the Applicant and its shareholders, as well as the Applicant and its directors.
- The MOI establishes the rules for the Applicant's management, including the rights, duties, and responsibilities of those involved in its operations.
- The MOI is consistent with the Companies Act of 2008 (Act 71 of 2008), as amended ("the Act"), and makes void any provision in the MOI that contradicts the Act is void.
- The MOI must be filed with the Companies and Intellectual Property Commission ("the CIPC"), making them public documents.
- A special resolution from the shareholders is required to amend the MOI.

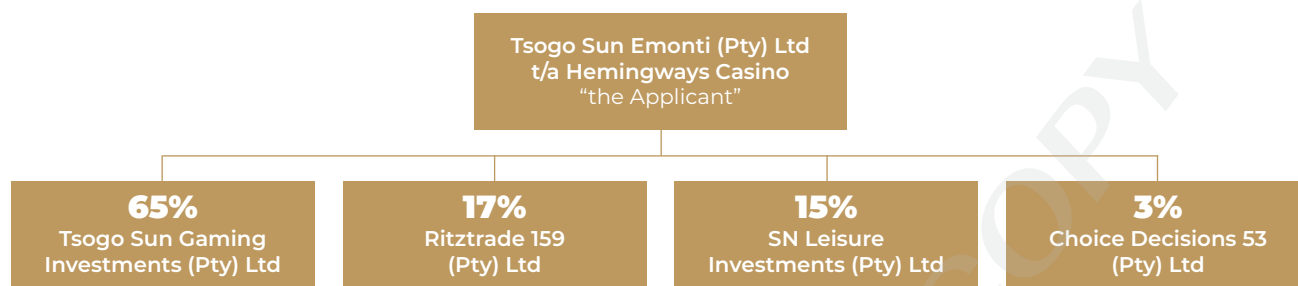
A copy of the Applicant's MOI is included as Annexure Q to this bid.



4. Financial

Details of direct shareholders

The direct shareholding structure of the Applicant is reflected below:



The details of these shareholders are:

Name	Registered Address	Registration Number	Interests held in the Applicant
Ritztrade 159 Proprietary Limited	239 Oxford Street Southernwood East London	1998/011130/07	17%
SN Leisure Investments Proprietary Limited	Building 4 Parc Nicol Office Park Bryanston, 2191	2009/004150/07	15%
Choice Decisions 53 Proprietary Limited	1 Ashley Road Berea East London, 5201	2000/024535/07	3%
Tsogo Sun Investments Proprietary Limited	Palazzo Towers East Montecasino Boulevard Fourways, 2055	2002/006402/07	65%

4. Financial

The details of the Directors and Senior Management in the Applicant are:

Full Names	Address	Identity Number
Sango Siviwe Ntsaluba		
Santhalutchmee van Vuuren		
Dumisani Mphafa		
Charlton Kerridge		
Samkezi Memelelo Madala		
Philip Johann Kruger		
Egbert Loubser		
Avishkar Sivenarain		
Carmen Lindsay Economou		
Gloryanne Abrahams		

Circumstances affecting the control of the Applicant by Shareholders and/or Directors

There are no circumstances affecting the control of the Applicant. There is no difference in the class of the interests held by shareholders and members vote in accordance with the interest they represent.

Significant recent changes in control/management

The Eastern Cape Gambling Board approved the amendment of the Applicant's Technical and Management Assistance Agreement on 30 June 2025. The agreement will terminate with the existing licence and the Applicant will not be entering into any management agreements if awarded the licence, and will therefore manage its operations directly.

4. Financial

Anticipated future changes in control

There are no anticipated future changes in control at the date of submission of the bid.

Schedule of Name Changes

The table below lists the names of the Applicant and its direct shareholders and whether there were any name changes within the last five years:

Name	Interest	Registration Number	Name Change during the last Five Years
Tsogo Sun Emonti Proprietary Limited	The Applicant	1998/017777/07	No change
Ritztrade 159 Proprietary Limited	Direct Shareholder	1998/011130/07	No change
SN Leisure Investments Proprietary Limited	Direct Shareholder	2009/004150/07	No change
Choice Decisions 53 Proprietary Limited	Direct Shareholder	2000/024535/07	No change
Tsogo Sun Investments Proprietary Limited	Direct Shareholder	2002/006402/07	Changed from Tsogo Sun Gaming Investments Proprietary Limited in May 2023

Employees' Incentive Scheme or other beneficial shareholding

There are currently no employee incentive share schemes in respect of the Applicant, as performance incentives for employees are based on the Company's and employees' performance, in the discretion of management. Possible employee incentives are reviewed by the Applicant from time to time.

Other restrictions on exercisable voting rights of PDI Equity

There are no restrictions on exercisable voting rights of the interests held by any of the shareholders in the Applicant, including the PDI shareholders.

Any interests that may cause disqualification in terms of the Provincial and National Gambling Acts

The Applicant is not aware of any interests that may cause disqualification of its bid in terms of the Eastern Cape Gambling and Betting Act or the National Gambling Act.

4. Financial

4.2 Financial strength

The audited Annual Financial Statements (“AFS”) of the Applicant for its financial years ending March 2023, March 2024 and March 2025 have been included with its Form LA3 Business History Document (“BHD”) under cover of Appendix F to this bid. The Applicant currently has no secured interest-bearing debt and will finance the commitments made within this bid from its available reserves. The pertinent ratios and information for its three most recent financial years supporting its financial strength are:

	2023	2024	2025
Liquidity ratio	██████	██████	██████
Solvency ratio	██████	██████	██████
Debt: Equity ratio	██████	██████	██████
Distributable reserves (in millions)	██████	██████	██████
Treasury deposit (in millions)	██████	██████	██████

The liquidity and solvency ratios measure the Applicant’s ability to pay its immediate and long-term obligations respectively. The ratios reflect that the Applicant has exceptionally high cover for its debt obligations.

The debt equity ratio measures how much debt the Applicant uses to finance its operations. The fact that the Applicant has no secured interest-bearing debt is reflected in these very low ratios.

The distributable reserves and treasury deposit balances indicate the levels of available reserves the Applicant has at its disposal to finance the R █████ million (capital requirements and once-off dividend) commitments made in this bid. The unaudited distributable reserves and treasury deposit balances at 31 December 2025 were R █████ million and R █████ million respectively. A confirmation letter for the treasury deposit balance at 31 December 2025 is also included as Annexure C to this bid.

It is evident that the Applicant has managed its financial obligations exceptionally well. The above financial indicators clearly demonstrate the Applicant’s ability to sufficiently finance its commitments out of existing available resources if the licence is awarded, and to continue operate for the duration of the licence period, particularly given the extensive experience of its shareholders, directors and management team in managing casino operations.

The AFS for the three most recent financial years for the entities which hold an effective interest of 5% or more in the Applicant have also been included with the relevant entity’s BHD under cover of Appendix F to this bid. None of the AFS reflect an adverse opinion. No shareholder, or any other sponsor, would be responsible for the Applicant’s commitments, given that it will be funding these out of its own available reserves.

4. Financial

4.3 Financing structure and access to capital resources

As will be noted from Section 4.2, the Applicant possesses sufficient available resources to finance the commitments made within its bid from its own available reserves, with the result that no financing will be required.

4.4 Financing of empowerment shareholding

The interests in the Applicant held by the PDI shareholders are unencumbered. Therefore, the PDI shareholders cannot lose their interest in the Applicant as a result of any inability to declare dividends, because no financing of any nature has been required or advanced by them in relation to this bid.

4.5 Financial viability

The Applicant's financial projections for the licence period have been included in the prescribed format as Appendices C and D to the bid.

The information provided in Appendices C and D is accompanied by a report from a firm of Chartered Accountants and Registered Auditors practicing in South Africa, which is attached as Annexure P to this bid.

The Feasibility Study required to be conducted in terms of the RFP is attached as Annexure A to this bid.





5

Management

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5. MANAGEMENT

5.1 Propriety and integrity

The key management involved in the operations of the Applicant include its dynamic and diverse Board of Directors and Heads of Departments (“HODs”) whose collective experience exceeds 200 years in the gaming and hospitality industry:



Sango Ntsaluba
Non-executive Chairman

Mr. Ntsaluba is a qualified Chartered Accountant and the founding CEO of investment holding company Aurelian Capital. He has extensive experience in leadership positions in operations, investment, and finance. In addition, he has extensive board experience in listed, public sector, and unlisted companies in South Africa and abroad. He offers a wealth of knowledge in a variety of industries acquired over his 30-year span in public practice, operations, and board memberships.

Mr. Ntsaluba has already been found suitable to work in the industry as he is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.

Santha van Vuuren
Non-executive Director

Ms. van Vuuren has 23 years of experience in the Hospitality Industry, including Operations Management, Food and Beverage Management, Strategic Human Resource Management, Strategy Implementation and Management, Learning and Development, Payroll, Industrial Relations and Customer Services. She joined the Tsogo Sun group in 2017 through one of its subsidiaries and currently serves as Group Operations Director (including Human Resources) and was appointed to the Tsogo Sun board in September 2025.



Ms. van Vuuren has already been found suitable to work in the industry as she is in possession of a National Employment Licence issued by the Gauteng Gambling Board.



Dumisani Mphafa
Non-executive Director

Mr. Mphafa is the founder and CEO of Beaver Agency, a leading boutique consultancy specialising in Broad-Based Black Economic Empowerment (B-BBEE) verification and advisory services. Since its establishment in 2005, Beaver Agency has grown steadily, supporting a broad portfolio of prominent corporate and public sector clients. Mr. Mphafa remains a prominent leader in South Africa’s B-BBEE and economic transformation landscape and is deeply committed to socio-economic justice and continues to champion inclusive growth, equitable opportunity, and a shared economic future for all.

Mr. Mphafa has already been found suitable to work in the industry as he is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.



Charlton Kerridge Executive Director

Mr. Kerridge is a qualified Chartered Accountant who completed his articles with KPMG South Africa in 2004, before spending four years with PwC in the United Kingdom. He has in excess of 13 years' experience in the gaming industry. He joined the Tsogo Sun group in 2014 as General Manager to its gaming operations in the Eastern Cape, focusing primarily on the companies' performance, operations and compliance.

Mr. Kerridge has already been found suitable to work in the industry as he is in possession of a National Key Employee Licence issued by the Eastern Cape Gambling Board.

Samkezi Madala Non-executive Director

Mr. Madala is an accomplished entrepreneur and executive with over 30 years' experience in small and medium-sized enterprises, property development, and strategic business management. He has a proven track record of leading business growth, operational excellence, and high-impact partnerships. He is recognised for fostering sustainable businesses, creating jobs, and driving economic development in the Eastern Cape.

Mr. Madala has already been found suitable to work in the industry as he is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.



Philip Kruger Non-executive Director

Mr. Kruger is a qualified attorney who completed his articles in 1995. He practiced law in Johannesburg and acquired a diverse experience base with a unique set of skills, consulting extensively to listed and large property holding companies. He proceeded to co-found a multi-faceted property investment company in 1999 and ultimately joined the Tsogo Sun Group, one of the company's then clients, in 2011 when it listed on the JSE.

Mr. Kruger has already been found suitable to work in the industry as he is in possession of a National Employment Licence issued by the Gauteng Gambling Board.

5. Management

Egbert Loubser Non-executive Director

Mr. Loubser is a qualified Chartered Accountant who completed his articles with KPMG South Africa before joining KPMG Bermuda in the financial services practice. He joined the Tsogo Sun group in 2018 through one of its subsidiaries as Financial Manager, taking on various head office responsibilities including Finance, Treasury, Risk, Insurance, Internal Audit, Employee Benefits, B-BBEE and other corporate governance roles. He was appointed to the Tsogo Sun board and as Financial Director of the Tsogo Sun group in September 2025.



Mr. Loubser has already been found suitable to work in the industry as he is in possession of a National Employment Licence issued by the Gauteng Gambling Board.



Avishkar Sivenarain Complex General Manager

Avishkar has over 23 years of experience in the casino and hospitality industry. He joined the Tsogo Sun Group in 2003 through Gold Reef Resorts and throughout his career, has progressed through the ranks and currently serves as the Complex General Manager at Hemingways Casino & Hotel. With a strong background in surveillance and compliance, Avi has developed expertise in risk management, leadership, and team development, driving operational efficiency and revenue growth while ensuring regulatory compliance.

Mr. Sivenarain has already been found suitable to work in the industry as he is in possession of a National Key Employee Licence issued by the Eastern Cape Gambling Board.

Carmen Economou Financial Manager

Carmen is a qualified Chartered Accountant who completed her articles with PwC South Africa in 2011, where she remained for ten years, gaining experience from a broad range of clients and industries. Carmen joined the Applicant as its Financial Manager in 2018 and is responsible for the financial recording, reporting and compliance.

Ms. Economou has already been found suitable to work in the industry as she is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.



5. Management



Gloryanne Abrahams Hotel Manager

Gloryanne is a highly experienced and dedicated hotel manager with a career spanning over 24 years, 16 of which have been in leadership positions within the 4-star and 4-star luxury hotel markets. Her extensive experience demonstrates a robust progression in the hospitality industry, from administrative roles to her current position as Hotel Manager of the 4-star luxury Tsogo Sun Hemingways Hotel in East London, a position she has held since 2022.

Ms. Abrahams' position with the Applicant does not require her to have a gaming licence.

Nomthinjana Mkunyanana Human Resources Manager

Nomthinjana has 16 years' experience in Human Resources and has completed her NQF6 Certificate: Human Resources Specialist Programme with DIT Business School and Skills Development Facilitator Certificate with Global Business Solutions. Nomthi is committed towards creating an environment that is conducive for growth, innovation and self-expression while upholding company values. She joined the Applicant as Human Resources Manager in 2023.

Ms. Mkunyanana has already been found suitable to work in the industry as she is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.



Nadine Bus Gaming Manager

Nadine joined the gaming and entertainment industry as a Tables Dealer in 1996. In 1999 she left South Africa to travel the world working in the casinos on the cruise ships out of America, returning to work at Monte Casino in 2003. 2006 saw her move to the United Kingdom gaining further casino knowledge and experience. In 2013 she returned to South Africa before joining the Applicant in the tables department in 2016, where she now brings almost 30 years of industry experience to her role.

Ms. Bus has already been found suitable to work in the industry as she is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.

5. Management

Bevan Pandaram Gaming Manager

Bevin is a seasoned professional with an excess of 27 years of experience in the gaming industry. Having joined the industry in 1997 as a slots attendant. In 1998, he made his move to Tsogo Sun opening the then Sundome Casino in Randburg and, thereafter, the newly built Montecasino in 2000. In 2014, Bevin relocated to the Eastern Cape and joined Hemingways Casino as an Assistant Slots Manager, before been promoted to Slots Manager in 2025.

Mr. Pandaram has already been found suitable to work in the industry as he is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.



Vuyolwethu Buqa Marketing Manager

With five years of experience in Marketing, leading high-impact campaigns, driving brand growth, and optimizing ROI across both digital and traditional channels, Vuyolwethu had built a strong reputation for innovative thinking and delivering measurable outcomes, with the ability to develop and maintain strong client relationships that support long-term business success. A true success story for the Applicant, Vuyo originally studied Office Management Technology at Buffalo City College, but her passion for marketing and the entertainment industry grew from early experiences within the Applicant's organization. Starting as a waitress and then progressing through various roles she believes has shaped her resilience, broadened her skills, and deepened her commitment to personal and professional growth that eventually lead to her appointment as Marketing Manager in 2025.

"These experiences have played a significant role in my journey and continue to fuel my dedication to contributing meaningfully to our industry. I started as a dreamer, and 12 years later, I am living proof that hard work and dedication turn dreams into reality. My journey has not only built my confidence, but has also deepened my love for this industry."

Ms. Buqa has already been found suitable to work in the industry as she is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.

5. Management

Bulelani Nobheqwa Maintenance Manager

Bulelani is a qualified Electrician with over ten years of combined experience, including ten years in the hospitality industry and the remainder in the construction and electrical contracting sector. Bulelani currently manages the electrical maintenance activities, facility management, maintenance contractors, ensures health and safety compliance, and maintains full audit readiness for the Applicant. Bulelani holds a valid Three Phase Wireman's Licence, an Electrical Trade Test Certificate, Electrical Engineering NQF Levels 2, 3 & 4 Specialising in Distribution and is currently completing his National Diploma in Electrical Engineering.



Mr. Nobheqwa's position with the Applicant does not require him to have a gaming licence.



Mark Richards IT Manager

Mark began his career in the gaming industry in 1991 as a technician. After working at various casinos throughout the country, he was transferred to the Applicant in 2001 and shortly thereafter was promoted as its IT Manager. Mark and his team oversee all IT-related and networking infrastructure for the Applicant.

Mr. Richards has already been found suitable to work in the industry as he is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.

Alyson Joseph Cash Desk Manager

Alyson began her career in the casino industry as a cashier, moving up through the ranks over the years. As Cash Desk Manager, she now leads the cashiering department bringing 23 years of industry experience in this pivotal area of the Applicant's operations.

Ms. Joseph has already been found suitable to work in the industry as she is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.



5. Management



Kanyiso Hoho Surveillance Manager

Kanyiso began his career in the casino industry as a cashier in 2007 and shortly made the transition into surveillance in 2009, where he had since been working for two other Eastern Cape-based casinos. He joined the Applicant in 2023 as a Surveillance Specialist and had been recently promoted to Surveillance Manager. With 18 years of casino experience, predominantly in Surveillance, Kanyiso has immense knowledge of the gaming industry, its regulations and compliance, and strong leadership ability.

Mr. Hoho has already been found suitable to work in the industry as he is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.

Lunga Waqu Financial Controller

Another true success story for the Applicant, Lunga started his career in the casino industry when he joined and completed the six-week tables dealer training school offered by the Applicant in 2007: *"This is one of the great initiatives that assists young people with no working experience to enter the job market"*

At the time he had just graduated with a National Diploma in Internal Auditing from Walter Sisulu University, he persevered and pursued opportunities as they presented themselves, this saw him move on to positions in Administration since 2012. In 2015, Lunga moved into a management role after being promoted to Casino Administration Controller and in 2023, was appointed as the Financial Controller where he is now responsible for managing the Casino's accounting operations, financial reporting, and internal controls reporting directly to the Financial Manager. Lunga has had a remarkable career journey with the Applicant over the last 18 years gaining valuable experience within the industry. *"Thank you the many opportunities I have received from my Employer Hemingways Casino & Hotel."*

Mr Waqu has already been found suitable to work in the industry as he is in possession of a Key Employee Licence issued by the Eastern Cape Gambling Board.



Paul Liebenberg Security Manager

With a 35-year career in the Casino Security and Surveillance industry, Paul's contribution includes leading successful security operations, Health and Safety, ensuring the safety and security of employees, customers, assets, and information. Paul has proven expertise in risk assessment, crisis management, developing and implementing security policies and procedures and emergency response planning.

Mr. Liebenberg has already been found suitable to work in the industry as he is in possession of a National Key Employee Licence issued by the Eastern Cape Gambling Board.

5. Management

Shaun Gibb Food and Beverage Manager

Shaun has been in the hospitality industry since 1999 starting in as a Commi Chef before working his way up to an Executive Chef. In 2021, Shaun was appointed as the Applicant's Food and Beverage Manager. Shaun has extensive experience in working in the hospitality industry from fine dining at a 5-star Game Reserve to large conferencing at an International Conferencing Centre.



Mr. Gibb's position with the Applicant does not require him to have a gaming licence.

As noted from the table above, the Applicant's key management team have all already been found suitable to work in the industry (where necessary) for a considerable number of years, highlighting not only the propriety and integrity of each individual listed, but also their proven, across-the-board knowledge and experience, which will ensure that the Applicant's operations will continue from a solid base throughout the licence period. The gaming licences for the relevant individuals listed above are included under cover of Annexure M to this bid.

The management team's experience also enabled it to guide the Applicant's operations through the challenging Covid-19 pandemic where the gaming industry, in particular, was hit with various restrictions impacting its operations for a considerable period. The post-Covid period saw the team navigating new challenges with high levels of load-shedding, increased inflation and rising interest rates resulting in reduced consumer spend. The team has therefore seen the business through unprecedented challenges, highlighting the Applicant's ability to remain in operation throughout the licence period, notwithstanding adverse conditions. The Applicant's already experienced management team is further supported by the experienced members and their teams within the Tsogo Sun Group.

The Applicant has also prepared detailed organisational charts in respect of all positions to be dedicated to the management of the Licensed Premises, identifying reporting lines and the number of staff reporting to each such position, which is included as Appendix I to this bid.



5.2 Access to expertise and experience of a Casino Operator

As part of the Tsogo Sun Group, the Applicant has direct access to an unparalleled pool of expertise in the development and successful operation of casinos. As an established licensed casino operator with almost 25 years of hands-on operating experience in the Eastern Cape, the Applicant has developed an enviable track record of expertise and compliance.

If successful, the Applicant will manage its operations directly. It will not enter into any Management or Operator Agreement to manage its operations. The Applicant will, however, benefit from shared services from within the Tsogo Sun Limited group of companies. Examples of such shared services envisaged for the Applicant would typically include the following:

- Finance;
- Information Technology;
- Hotel Sales;
- Marketing;
- Human Resources and Industrial Relations;
- Company Secretarial;
- Treasury;
- Risk;
- Facilities and related equipment;
- Customer Relationship Management;
- Legal and Compliance; and
- Gaming Equipment (Procurement & Support)

The Tsogo Sun Group currently operates 14 casinos and 19 hotels across South Africa, enabling the Applicant to benefit significantly from a wealth of experience that may not otherwise be readily available to a casino operator. Without such support, the Applicant would have to procure the aforementioned services (to the extent available) in isolation at a significantly higher cost that would severely impact its operating margins, and ultimately, its capacity to deliver returns to its shareholders. The fees payable for these shared services will be based on the recovery of actual expenses incurred by the relevant group company, without any margin being charged thereon, and will be invoiced accordingly in the financial year in which the expense has been incurred.

5. Management

The credentials of the Tsogo Sun Group

The compliance records of the casinos in the Tsogo Sun Group throughout the country are exemplary. This is a function of the deep institutional knowledge and decades of solid and focused experience which is anchored in the Group, and will likewise be available to the Applicant. Moreover, the fact that the Tsogo Sun Group has been operating a licensed casino in the Eastern Cape since 2001 attests to its well-developed knowledge of the prevailing legislative and regulatory requirements in the Province, as well as its solid regulatory relationship with the Eastern Cape Gambling Board ("the Board").

The compliance track record of the Applicant since the Board introduced the form of scoring summarised in the table below, provides an insight into the depth and extent of the Applicant's knowledge and expertise, and the results which this has secured in practice, in the context of compliance with prevailing legislation and regulatory requirements:

HEMINGWAYS COMPLIANCE SCORES	
PERIOD COVERED BY AUDITS	SCORE ATTAINED
1 April 2024 - 31 March 2025	Not yet audited at submission date
1 April 2023 - 31 March 2024	100%
1 April 2022 - 31 March 2023	100%
1 April 2021 - 31 March 2022	88%
1 April 2020 - 31 March 2021	100%
1 April 2019 - 31 March 2020	Not concluded due to COVID-19 pandemic
1 April 2018 - 31 March 2019	100%
1 April 2017 - 31 March 2018	97%

As noted, the Applicant will have access to the unmatched levels of directly relevant experience and expertise commanded by the Tsogo Sun Group. The pronounced expertise of the Group in all areas of the operation of casinos translates itself into a wealth of detailed, self-documented processes and procedures designed to ensure the professionalism and integrity of the relevant operations, as are set forth below:

Internal Controls

As an established casino operator which forms part of the Tsogo Sun Group, the Applicant is acutely aware that the continued success and future growth of its business will be directly dependent on public trust and confidence that its operations are conducted honestly, competitively and free from criminal or corruptive elements. In addition, controls to safeguard its assets will be crucial and constant monitoring of internal controls through internal audit will continue.

In compliance with the requirements of applicable legislation, and in accordance with its own operational policies, the Applicant has detailed Internal Control Standards (duly approved by the Board) in place governing the day-to-day conduct of its licensed operations. A system of internal control is described in the South African Auditing Standards as "*the policies and procedures adopted by management to assist in achieving, as far as practical, the orderly and efficient conduct of the entity's business*".

5. Management

In keeping with the Applicant's philosophy that effective internal control standards should focus on the management of risk in the business environment, the Applicant's Internal Controls incorporate a system of primary controls, supported by flexible secondary controls, designed to ensure:

- the integrity of the gambling operation;
- that adequate controls are in place to manage and minimise gambling-related risks effectively;
- that gambling-related devices, documents and information are properly controlled and safeguarded;
- that financial and other gambling-related records are accurate and reliable;
- that gambling-related transactions are performed with the necessary authorisation;
- that gambling-related transactions are recorded in sufficient detail;
- the proper reporting of gambling revenue, taxes and other fees due; and
- that gambling-related functions, duties and responsibilities are appropriately segregated and performed in accordance with sound practices by competent and appropriately qualified employees.

In continuing to enforce and, where necessary, further develop and refine these Internal Controls, the Applicant may draw on the established expertise of the Tsogo Sun Group, which currently operates various licensed casinos throughout South Africa, all of which operate in accordance with similar, approved Internal Control Standards. The Applicant's employees are fully acquainted with these standards, and compliance with the requirements thereof will continue to be incorporated as one of the key requirements of the Applicant's Performance Appraisal System.

Prevention of money-laundering

In the context of the prevention of money-laundering, and in its capacity as an accountable institution, the Applicant has developed a comprehensive Risk Management and Compliance Plan ("RMCP"), pursuant to the provisions of section 42 of the Financial Intelligence Centre Act, Act 38 of 2001, as amended ("FICA"), which will continue to be adhered to for the purposes of its operations. In preparing the RMCP, the Applicant has drawn on the established expertise of the Tsogo Sun Group, which currently operates various licensed casinos throughout South Africa, all of which operate in accordance with a similar RMCP. The Applicant will continue to implement regular ongoing training to ensure that its personnel remain fully acquainted with the required standards, and compliance with the requirements thereof will be incorporated as one of the key requirements of the Applicant's Performance Appraisal System.

The objectives of the RMCP are:

- to implement and maintain a programme for anti-money laundering, counter-terrorist financing and proliferation financing risk management and compliance;
- to familiarise Company Stakeholders with the nature of money laundering activities and the provisions of anti-money laundering and related 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 out processes and procedures relating to the identification and reporting of reportable transactions and/or actions;
- to set forth processes 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 Applicant and its Stakeholders;
- to ensure the proactive detection and early correction of instances of non-compliance by the Applicant and its Stakeholders; and
- to promote transparency and provide for the prompt and accurate provision to the FIC of information required to be made known to it pursuant to the applicable legislation.

5. Management

The RMCP critically evaluates the risks of money-laundering, terrorist financing and proliferation financing (“ML/TF/PF”) inherent in the Applicant’s business, utilising a focused, risk-based approach which incorporates a comprehensive risk matrix, as well as concrete and measurable tools for the categorization of varying levels of risk. In order to promote accessibility and simplify interpretation, the RMCP contains comprehensive definitions designed to assist stakeholders to understand the nature of the activities to be guarded against in the context of ML/TF/PF, guidelines to be followed regarding the identification of suspicious or unusual transactions and procedures for the disclosure of these to the Financial Intelligence Centre (“FIC”), as well as the provision of such further information as the FIC may require in relation to reported transactions. In addition, the RMCP assigns clear lines of responsibility for the performance of the various functions for which they make provision.

The RMCP has been approved by the Applicant’s Board of Directors and implemented by its senior management. Ongoing efforts to promote compliance with the FICA, and the objectives of the FIC, will also include implementation of measures prescribed through the publication of guidance and directives by the FIC, where relevant. Assistance in the day-to-day discharge of the relevant obligations will be provided by an appropriately qualified and competent Compliance Function and the effectiveness of the compliance function will be ensured by a representative of the Tsogo Sun Group, the findings of which will be reported to the Board of Directors.

The RMCP will be reviewed on a regular basis, as well as on an ad hoc basis when amendments to the existing legislation are made to ensure sustained and unqualified compliance with FICA and all associated requirements.

Protection of Personal Information (“POPI”)

The Applicant has implemented and will maintain the necessary measures to protect the rights of data subjects regarding how their personal information is processed. In this regard, the Applicant’s Comprehensive Data Protection Policy draws on the established expertise of the Tsogo Sun Group, which currently operates various licensed casinos throughout South Africa, all of which operate in accordance with a similar Comprehensive Data Protection Policy. The Policy ensures the commitment of Directors, Senior Management and other employees or processing entities, by establishing high-level objectives for regulating the manner in which personal information is processed within the Applicant, to be in line with the Protection of Personal Information Act, 2013, as amended (“POPIA”) and the Promotion of Access to Information Act, Act no 2 of 2000, as amended (“PAIA”).

The policy will be reviewed on a regular basis by the Information Officer and Management of the Applicant to ensure it is achieving its stated objectives on an ongoing basis. The Applicant will implement regular ongoing training to ensure that its Directors, Information Officers and other personnel are fully acquainted with the required standards, and compliance with the requirements thereof will be incorporated as one of the key requirements of the Applicant’s Performance Appraisal System.

Confirmation of Implementation of Responsible Gambling Legislation

The Applicant has implemented and will continue to contribute the prescribed percentage of its gaming revenue, and to enforce and maintain the necessary measures to promote responsible gambling. The measures will include the implementation of a comprehensive Responsible Gambling Policy. The objectives of the Policy will proceed from the recognition that with the advent of other forms of gambling (online) for a growing number of people, excessive gambling may potentially become a problem, and in some instances, may result in damaging compulsive and/or addictive behaviour as well as the need for the protection of minors from gambling.

The Policy will further incorporate reasonable steps to formalise processes and procedures in respect of local and Group-wide self-exclusions, provision for education and training to the Applicant’s employees to give effect to responsible gambling, promote a responsible gambling culture, ensure continued compliance with all prescribed requirements set out in national and provincial gambling legislation relating to responsible gambling. In this regard, the Applicant will draw on the established expertise of the Tsogo Sun Group, which currently operates various licensed casinos throughout South Africa, all of which operate in accordance with a similar Comprehensive Responsible Gambling Policy. The Policy will also promote the values, objectives and purpose of the South African Responsible Gambling Foundation (the “SARGF”).

The Policy will be routinely reviewed to ensure it is achieving its stated objectives.

5.3 Access to expertise and experience of other operators

Expertise in the operation of hotels

The expertise which the Tsogo Sun Group makes available to this Project, over and above its distinguished track record in the licensed casino and gaming sector, is unparalleled and straddles a wealth of diverse offerings within the entertainment and leisure sector. Apart from its 14 premier casino and entertainment destinations, bingo outlets, LPM sites and online bookmaking operations, the Group also currently owns and operates 19 hotels in South Africa, as well as a theme park, theatres, cinemas, restaurants, bars and conference facilities.

The Group's hotel portfolio incorporates a range of establishments designed to meet the demands of the widest possible spectrum of local and international guests. Its offerings range from luxurious, high-end entertainment and leisure destinations for the most discerning of travellers, to luxury spa and wellness resorts, to a variety of general and niche market accommodation options, including hotels, rustic riverside bush lodges for a nature-oriented experience and self-catering chalets, ideal for families seeking a private getaway, as well as a selection of both practical and high-end options for the business tourist.

Moreover, all the hotels owned by the Group are managed in-house. The net effect of this is not only the substantial enhancement of operational efficiencies through the saving of historical management fees, but also the steady development of a significantly more concentrated pool of wider expertise, simultaneously covering gaming and hotel management, within the Group's employee complement. This brings with it exponentially greater opportunities for the cross-subsidisation of skills across different specialist areas and focused career development.

The comprehensive collective expertise of the Group's personnel in the hospitality sector is nowhere better illustrated than in the impressive range of detailed Standard Operating Procedures ("SOPs"), which have been painstakingly developed and refined over decades to build a compelling picture of how every guest's experience of staying at a graded Tsogo Sun hotel should look and feel, with the emphasis consistently falling on quality, unwavering service excellence and an unfailing level of attention to detail.

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These SOPs, which apply equally to the 4-star Hemingways Hotel offering, form the blueprint for the operation of a 4-star hotel to the required standard of the Tsogo Sun Group, starting from the moment the reservation is made, to when the guest arrives and is received at the front office, and covering every aspect of the guest's experience of the stay in the finest detail up until the moment of departure, including, but not limited to:

- creating positive first impressions in guest-facing areas, through both spoken language and body language, generating the required ambience, practising genuinely welcoming behaviour, impeccable grooming and personal hygiene, proactive anticipation of the needs of the guest, management presence in reception areas during peak times, excellent product knowledge, and streamlined check-in and pre-check-in services;
- swift and efficient portering and luggage assistance;
- front desk and concierge services, with the emphasis on going the extra mile to assist every guest with any reasonable request;
- housekeeping and security, and detailed procedures for lost and found items;
- standards for the hotel switchboard, including (without limitation) involvement in all hotel briefing sessions so as to ensure familiarity with facilities, events, promotions and the like, as well as the coordination of seamless services in the context of room service, ordering and delivery, restaurant menus, service times, wine lists and special promotions, laundry services, chauffeur and/or shuttle services, delivery of wake-up calls, luggage pick-up and delivery and lost and found services;
- standards for official hotel vehicles and/or shuttle services, including the appearance and cleanliness of the interior and exterior of all vehicles and driver presentation and safety, as well as overall behaviour and interaction with guests;
- detailed standards for reservations and the range of interactions with the guest which are required in relation to rewards status, special occasions or requests, particular needs and preferences in respect of accommodation, travel arrangements and transport requests;
- detailed standards and procedures in respect of the housekeeping function, including in respect of the frequency of service, and the care, maintenance, appearance, safety and functionality of guest rooms and bathrooms, as well as Presidential and Standard Suites and Executive Rooms, and their amenities, fittings and furnishings, guestroom service, housekeeping courtesy and interaction with guests, guestroom signage, guestroom corridors, in-room entertainment, in-room refreshments, sleep and linen standards, requirements for laundry collections, care and delivery, the lobby and reception areas, public toilets, meeting rooms and facilities, and the gym/fitness facility, staff bathrooms, changerooms and uniforms, as well as the correct mode of display of the South African National Flag;
- detailed standards and procedures in respect of the Food and Beverage ("F&B") offering, including in respect of F&B operational area standards, coffee shops and/or lobby lounges (where applicable), dinner, buffet and a la carte restaurants in terms of the standard and quality of food, its alignment with the "Look and Feel" of the relevant hotel, and the conditions under which it is prepared, minimum standards in respect of outsourced restaurants, bars, pool and outdoor operations, in-room dining offerings, banqueting, guest interaction and courtesy, with particular reference to mastering first impressions, the appearance and ambience of the facilities, hosting behaviour, attention to detail in relation to crockery and glassware, the beverage offering, table set-up, lighting, ambient temperature, background music, furniture, fixtures and fittings, staff service standards;

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- detailed standards and procedures in respect of facility management and maintenance, with the central focus being on ensuring guest protection, security and satisfaction, including provision for the conduct of audits in respect of the hotel property (self-audits involving the detailed and scrupulous assessment of, inter alia kerb appeal, gardens and grounds, public areas, conference facilities, F&B outlets, kitchens, bedroom corridors, bedrooms and bathrooms, back office, back-of-house and housekeeping areas), as well as specific provision for corrective action by identified persons within stipulated timeframes, risk and life safety audits (focusing on safety in the context of fire, health and environmental risks, crisis management and contingency planning, water and energy consumption, noise, light and waste pollution, electrical plant and equipment, security, alarm and CCTVs, elevators and escalators, door lock mechanisms, hotel transportation, hoist ladders and climbing equipment and emergency equipment), the conduct of a utilities audit on a regular basis, preventative maintenance, complemented by the provision of detailed checklists designed to assist in the proper and comprehensive conduct of the relevant audits;
- detailed standards and procedures in respect of hotel security, proceeding from the express objective of creating a secure environment for hotel guests and employees, without impairing the guest experience, through the implementation of specific security-related strategies involving attention to hotel design, the installation of effective security systems, attentive situation monitoring, efficient reporting procedures, and proactive and reactive situation targeting with effective situation follow-up, the formulation and implementation of a Hotel Security Strategy with defined objectives based on a security assessment, and making provision for hotel security management, with specific reference to hotel security systems, general security procedures, security guarding services, reporting procedures, security problem issues, participation in police community fora, the execution and regular review of service level agreements with external service providers, as well as in relation to security installations, focusing on perimeter security, parking area security, delivery and service yard security and access control, panic alarm systems linked to an armed response service, emergency exits, CCTV systems and evacuation procedures; and
- detailed standards and procedures in respect of conferences and meetings, including product standards (including in respect of key staff, signage, Conference Concierge Desk and/or Meet and Greet Station, the Boardroom, Multi-purpose Rooms, stationery kits and technical specifications), service standards and guidelines (including in relation to timeframes for engagement with clients regarding all aspects of the required conference, stretching from the commencement to the conclusion of the relationship, ease of booking, conference set-up standards, including standards for audio-visual equipment, space configuration, place settings, pre-arrival checks, meet-and-greet protocols, conference F&B standards, departures and billing).

From the outset, the Hemingways Hotel was perfectly positioned to tap into the wealth of comprehensive, deeply institutionalised expertise referred to above, and has done so with resounding success. The prevailing SOPs provide the hotel, and crucially, those who are employed therein, with a ready-made toolkit for a deep understanding of the dynamics of hotel operations, swift and effective alignment with the brand and values of the Tsogo Sun Group, a roadmap for the procedures required to ensure successful management, and a tried and tested recipe for service excellence, and ultimately guest satisfaction and loyalty.

Expertise in the operation of other entertainment facilities

The abiding pursuit of excellence in the Tsogo Sun Group's gaming and related operations have paid dividends in terms of widespread recognition. The more excellence becomes a habit, the greater the rewards, as demonstrated by the numerous awards which the various hotels and other entertainment and related facilities operated by the Group have garnered. These include:

- In June 2015, Silverstar took home one platinum, three gold and two silver awards at the 8th Annual West Rand Tourism Awards, which recognise business owners, products and services that have displayed exceptional service and value for money to tourists visiting the area, as well as being named the overall winner of the West Rand Accommodation Category;
- In February 2025, the Palazzo Hotel was once again (for the fifth consecutive year) voted the best luxury casino hotel on the African continent in the coveted world luxury hotel awards;
- The Group's Pivot Hotel is a multi-award-winning hotel, having received the coveted certificate of excellence from Tripadvisor in 2023;
- From 2013 – 2024, Montecasino was awarded the Best of Joburg Readers' Choice Award in the categories:
 - Best Theatre (Teatro)
 - Best Place to take Out-of-Towners
 - Best place to watch the big game
 - Best Cinema Complex
- In January 2019, for the seventh consecutive year, the Palazzo Hotel at Montecasino won a luxury casino hotel award in the Africa category;
- In 2010, Montecasino achieved Superbrands Status (conferred by the SA Superbrands Council);
- In 2017, Montecasino won the Best of Pretoria Best Casino Award, as well as the Leisure Options best of Joburg Award for Best Theatre;
- In 2017, Gold Reef City won The Star's annual Readers' Choice Award. This award recognized Gold Reef City as the Best Local Tourist Attraction for the third consecutive year, highlighting the park's popularity among visitors for its thrilling rides, entertainment options, and unique charm that blends the nostalgia of an old mining town with modern amenities;
- In 2019, Gold Reef City was inducted into the TripAdvisor's Certificate of Excellence Hall of Fame. This accolade is only conferred on businesses which have received the Certificate of Excellence (for businesses that consistently earn great reviews from visitors) for five consecutive years;
- In 2017, 2020 and 2023, Gold Reef City was awarded the title of Coolest Local Entertainment Place in South Africa at the Sunday Times GenNext Awards. This award reflects the ongoing popularity of the development, with its theme park, theatre, tours and dining and entertainment options, with South African youth;
- In 2023, Goldfields Casino in Welkom was voted the Enthooz Entertainment Business of the Year;
- In 2023, Suncoast Casino, Hotel & Entertainment celebrated its 20th consecutive win as best casino in KwaZulu-Natal, and two additional awards in the 2023 Daily News Your Choice Awards; and
- In 2023 and 2024, Suncoast was selected as the winner of the Durban Tourism Business Awards.

5. Management

5.4 Development and project management expertise

The Applicant's development primarily comprising the gaming floor, hotel, conferencing facilities and restaurants is already fully operational. If awarded the licence, the Applicant will spend a minimum of R130 million in total on the refurbishment of its facilities and new gaming equipment within the first three years of the licence term.

The initial assessments for the planned developments within the time available and to the extent required, were made in consultation with Tartan Studios (whose credentials are provided as part of the Project Team in the Executive Summary).

Once the Application has been adjudicated by the Board and if the Applicant is awarded the licence, a professional team led by Tartan Studios will be commissioned to carry out the proposed works on behalf of the Applicant. Tartan Studios will provide full design and project coordination from concept through to technical development up to final completion. The implementation will include all municipal built environment statutory approvals, streamline execution planning and incorporate responsible cost management practices. Through integrated leadership, Tartan Studios will ensure a high-quality, compliant, and operationally optimised refurbishment outcome with a focus on supporting local PDI providers, subject to experience, quality, service and price.

In 2019, the Applicant spent R■■ million on upgrading its main and smoking gaming floors. The works included a complete redesign and development of its main restaurant, the bar, opening up a portion of its promenade and replacing the carpets on the main and smoking gaming floors. Tartan Studios were appointed to design and manage the project to completion which included all-built environment statutory compliance in liaison with the Buffalo City Municipality for regulatory inspections, submissions and sign-offs, appointments and management of all construction work and technical infrastructure.

Other similar works overseen by Tartan Studios for the Tsogo Sun Group, include:

- 2025 – Emerald Resort and Casino main Gaming Floor and common area refurbishment
- 2021 – The Marco Polo, Nelson Mandela Square
- 2012 to present – works on more than 20 bingo sites nationwide

5.5 Access to marketing expertise

The Applicant's strategy in respect of marketing is two pronged – firstly to create brand awareness and brand knowledge in its chosen markets to facilitate client acquisition, and secondly to retain and grow our existing customer base through an enhanced experience of our product offering. Underpinning the marketing strategy is our Tsogo Rewards programme, a loyalty programme which offers members an industry first: the opportunity to earn and redeem loyalty points across the various businesses in the Group, from hotels and land based casinos, to online betting and a variety of entertainment offerings such as movies@ and Tsogo Sun owned restaurants. The loyalty programme is actively supported by the Tsogo Sun App which enables members to access added benefits on the Tsogo Rewards programme only available to members who are App users; including third party offers, promotions and multiplier activations amongst others.

The Hemingways management team has a strong local connection and deep personal investment in the business, which translates into valuable insight into the community's needs, preferences, and expectations, and has been a major influence in shaping the offering at Hemingways. This homegrown leadership brings a sense of authenticity and dedication to the business, fostering a genuine connection with customers and a commitment to delivering something that resonates with both the local community and visitors.

The Applicant's operational and marketing strategy is spearheaded by the Marketing Manager: Group (Tsogo Sun), whose extensive experience include strategy, branding and sales, and successfully spearheading the development of a variety of cutting edge marketing tools, including the launch of the Tsogo Sun App. The support which will be forthcoming from the Tsogo Sun Group will furthermore ensure access to best practices in gambling, events, production, hospitality, and marketing.

Against the backdrop of the Applicant's footprint in the Province and knowledge of the provincial market and the Project Team's commitment to continuing to meet and surpass the entertainment-related needs of East London, the marketing efforts of the Applicant will be focused on highlighting and celebrating the most compelling and enduring benefit of the Hemingways Project, namely its iconic position as an entertainment, leisure, cultural and tourism hub, not merely for East London, but for the Eastern Cape as a whole. In keeping with this vision, the Applicant will implement a blend of diverse key marketing activities for the ongoing promotion of its development.

5. Management

5.6 Strategy and objectives

Overall mission of the Project and business and geographic area of operations

The Applicant's central mission is to continue to deliver and build upon a world-class casino development showcasing the harmonious blend of superior entertainment facilities which have become a landmark in their environment, in such a manner as to enhance the East London landscape:

- geographically, by the ongoing operation of an entire development node of interdependent infrastructural components, spearheaded by a licensed casino and superior hotel;
- developmentally, by acting as a landmark drawcard for local, regional, national and international tourism, and the influx of new expenditure into the regional and provincial economy;
- economically, by harnessing the numerous opportunities which the development will continue to create, in terms of formal and informal, as well as direct and indirect employment, which naturally spring from the various components of the Applicant's development;
- socio-economically, by acting as a direct catalyst for meaningful and tangible Broad-Based Black Economic Empowerment, through equity ownership, management, preferential procurement, socio-economic development and enterprise development;
- socially, inter alia by investing, at the most fundamental level, in the development and upliftment of arguably the most vulnerable people of the Province – its children – in disadvantaged communities; and
- for its community, by ensuring that its licensed operations are conducted in a socially responsible manner which enhances public confidence and trust.

Projected business environment & external forces impacting the business

As with other Provinces within the country, the business environment in the Eastern Cape presents both challenges and opportunities. With a positive business mindset, every challenge can be translated into an opportunity.

The most pervasive challenges currently faced by businesses in the Eastern Cape are:

- Economic instability, fuelled by high unemployment rates and correspondingly sluggish economic growth, translating into lower levels of disposable income;
- Criminal activity, particularly as it affects businesses which rely for their success on regional, national or international tourism;
- Business interruptions caused by power outages and the high costs of maintaining an uninterrupted power supply;
- Frequent and unpredictable increases in electricity tariffs, municipal rates and taxes;
- Increased business costs owing to inflation and administered increases above inflation;
- Geo-political tensions leading to additional tariffs being imposed, impacting the agricultural and manufacturing industries in the Province; and
- Illegal gambling sites and establishments.

The Applicant has proved resilient at mitigating these risks as far as possible by negotiating with its service providers and managing its costs effectively. The Applicant has also formed partnerships with SAPS, security companies and community forums to work together to ensure that its precinct and the surrounding environment is kept safe for its visitors. If successful, the Applicant would further engage with the Buffalo City Municipality on rising municipal rates and taxes and work with the Board to eradicate illegal forms of gambling which tarnish its and the Board's achievements over the last 25 years in ensuring that land-based gambling establishments are responsible places of entertainment.

5. Management

Critical objectives and success factors

The various critical objectives underpinning the Applicant's existing precinct, the critical success factors in respect thereof, the business risks which may threaten the attainment of the objectives and the corporate strategies to be put in place to monitor the attainment of the objectives can be summarised as follows:

Objective 1	Success Factors	Risks threatening the achievement of the objective	Corporate strategy adopted to achieve the objective	Key Performance Indicators
The award of the casino licence by the Eastern Cape Gambling Board ("the Board")	<ol style="list-style-type: none"> 1. The Applicant's bid is accepted 2. The Applicant is awarded the casino licence 	<ol style="list-style-type: none"> 1. The Applicant's bid is rejected without any reasonable provision for resolution 2. The Applicant is not awarded the casino licence 	<ol style="list-style-type: none"> 1. Compliance with the Board's bid application process 2. Continuing to use the Board's core objectives for issuing casino licences in the Province as the fundamental basis of the Applicant's application 3. Continued compliance with the Board's Regulations and Rules 	The Applicant is awarded the casino licence for a further minimum of 20 years or maximum indefinite period from October 2026

5. Management

Objective 2	Success Factors	Risks threatening the achievement of the objective	Corporate strategy adopted to achieve the objective	Key Performance Indicators
<p>To continue to invest in the Province, to create employment opportunities and to ensure benefits for the community</p>	<ol style="list-style-type: none"> 1. The Applicant is awarded the casino licence 2. To continue to operate its casino and entertainment precinct in accordance with the bid undertakings 3. To continue to effectively support the communities in the Province predominantly by employing and upskilling staff from the surrounding communities 4. To continue to ensure that the local communities benefit through meaningful Socio-Economic Development contributions 	<ol style="list-style-type: none"> 1. The Applicant is not awarded the casino licence 2. Insufficient availability of skills in the surrounding areas 3. Ineffective communication with the community 	<ol style="list-style-type: none"> 1. Compliance with the Board's bid application process 2. Continuing to use the Board's core objectives for issuing casino licences in the Province as the fundamental basis of the Applicant's application 3. Continued compliance with the Board's Regulations and Rules 	<p>The Applicant is awarded the casino licence for a further minimum of 20 years or maximum indefinite period from October 2026</p>

5. Management

Objective 3	Success Factors	Risks threatening the achievement of the objective	Corporate strategy adopted to achieve the objective	Key Performance Indicators
<p>The maintenance of a safe and secure environment for the development</p> <ul style="list-style-type: none"> • Preventing exposure to gambling to persons under the prescribed age • Preventing exposure of the poor to gaming • Problem gambling awareness and measures 	<ol style="list-style-type: none"> 1. Appointment and training of competent security personnel 2. Installation of appropriate security equipment 3. The implementation of proper access control measures and reservation of right of admission 4. Responsible gambling training and awareness 5. Established location of development in prominent area 	<ol style="list-style-type: none"> 1. Incompetent or fraudulent conduct by staff 2. Security equipment of an inappropriate standard 	<ol style="list-style-type: none"> 1. All staff undergo detailed security screening to ensure suitability to be employed by the Applicant 2. Continued utilisation of high quality surveillance equipment, to the standard also in use by other members of the Group operational in other Provinces 3. Ongoing training and awareness on responsible gambling 	<ol style="list-style-type: none"> 1. Police clearances obtained for staff requiring licensing, confirming that staff were appropriately screened prior to their employment 2. Ongoing review of equipment installed to ensure conformity to the standard required, and sign off by internal audit confirming the installation quality. 3. Ongoing effective training

The non-award of the casino licence would leave the Applicant in a position where it would be constrained to consider disposing of the various infrastructural components of the precinct, leaving its shareholders bereft of the considerable value which currently attaches to their shareholding and its employees compelled to seek out new employment opportunities in a challenging economic market.



6

Development
Concept

HEMINGWAYS
—
TSOGO SUN

6. DEVELOPMENT CONCEPT

6.1. Development Strategy

Vision

The Hemingways development has already firmly established itself as a landmark destination that seamlessly combines licensed gaming, hospitality, entertainment, culture, and community involvement. It aims to redefine regional tourism and community engagement by offering world-class experiences that entertain, inspire, and bring people together.

Proposed Timetable for Project

The proposed timetable for the various phases of the Applicant's Project is attached to this Proposal under cover of Appendix K. The timetable indicates the various phases of the Applicant's Project, commencing from the upgrade of the Prive, to the completion of the upgrades to the hotel and conferencing facilities. Appendix K also reflects the estimated 169 temporary jobs that are expected to be created during the various phases of the project. The project is planned to ensure that the Applicant will continue to operate, with only the affected areas closed off to facilitate for the necessary works during the various phases.

Management Control & Review Structure

Tartan Studios will be responsible for overseeing the Project to ensure that it is completed in line with the proposed timetable and in strict accordance with the stringent quality standards required in respect the proposed refurbishments.

All costs will be monitored against budget to ensure that the project is completed successfully, within the standard and quality expected of the Group in relation to its casino and related entertainment offerings.

The Applicant will ensure that at least 70% of the work will be performed by local enterprises. Continuous monitoring of this process will take place.

Compliance with building standards and norms

All design and construction works shall comply with the National Building Regulations and applicable SANS 10400 Parts, relevant to the scope of refurbishment and including:

- Structural safety and existing structure assessments, where applicable;
- Fire protection (detection, suppression, means of escape);
- Accessibility;
- Health and ventilation; and
- Lighting, electrical, and mechanical installations.

Works will comply with all applicable municipal by-laws, zoning conditions, and approval requirements of the Buffalo City Metropolitan Municipality.

All construction activities shall comply with the Occupational Health and Safety Act (Act 85 of 1993) and Construction Regulations.

Specialist systems (fire, HVAC, electrical, AV, security) will be designed, installed and certified by suitably qualified and registered professionals.

All statutory submissions, inspections and certifications will be achieved.

6. Development Concept

Costing of the Project and raising of finance to completion, with critical paths

The financing of the project is not linked to any continuous critical paths, as bank finance is not required for the Project and no funding is required from external third party sources. All financing will be provided by the Applicant.

Project-specific Insurances

The following related insurances envisaged for the project will include:





- Contracts works insurance
- Contractors all-risk insurance
- Public Liability Insurance
- Professional Indemnity Insurance
- SASRIA cover



6. Development Concept

6.2. Site location and size

The Applicant's existing development includes numerous inter-connected elements which are located in various positions within the Hemingways Precinct. The various facilities currently available, together with their dimensions, are set forth below:

Description	Details	Size (in m ²)
Casino	<p>The gaming floors can accommodate up to 500 slots and 16 Tables. The number of slots and tables envisaged per floor:</p> <ul style="list-style-type: none"> • Main gaming floor – 143 slots and 7 tables • Smoking gaming floor – 107 slots and 4 tables • Privé – 50 slots and 4 tables 	
Hotel	<p>The hotel features 108 tastefully appointed rooms and suites designed for comfort and convenience across five floors accessible by either lift or stairs.</p> <p>The room mix includes:</p> <ul style="list-style-type: none"> • 67 Standard Rooms, including an accessible room, • 22 Family Rooms. <p>For guests seeking a more luxurious stay:</p> <ul style="list-style-type: none"> • eight King Rooms, • seven Suites, • three Executive Rooms and • one Presidential Suite, <p>with many of these rooms including their own private balcony</p> <p>The hotel also has its own restaurant, fitness centre and swimming pool.</p>	<p>20*</p> <p>23*</p> <p>23*</p> <p>50*</p> <p>35*</p> <p>69</p>
Conferencing & events	<p>Conferencing facilities and breakaway rooms equipped to host up to 750 guests in a cinema-style or concert setting, 700 guests in a cocktail setting, or 400 seated guests in a banqueting setting. The venue is also equipped to host live concerts and shows.</p>	 **
Restaurant & bar	<p>A contemporary-styled restaurant and bar flows off the precinct's main promenade and casino floor for visitors to enjoy</p>	
Cinema	<p>The precinct also includes cinemas.</p>	

* average room size

** can also be divided into two equally-sized rooms

6. Development Concept

6.3. Site layout & architectural design of structures

Design Concept

The innovative design and development of the Applicant's precinct has created a tourism landmark in the Buffalo City Metro. The precinct is the inspiration and anchor for a highly visible and easily accessible entertainment hub. Hemingways is designed to take its visitors to a place to escape their cares, for the whole family to relax and have fun.

The theme of the development is iconic and timeless, reflecting fun and excitement to attract both locals, national and international tourists. A particular architectural vernacular exists in the Eastern Cape, which through time has become unique to the area. The overall internal design concept manifests itself in a contemporary casino theme designed to appeal to a broad spectrum of the gaming public. It is sophisticated and inviting, with clean lines, lighting, opulence and high quality finishes.

It is a place offering an exciting selection of day and night-time entertainment, with space provided for offerings that appeal to broad target audiences of all ages. The "A World at Play" theme is carried through from the action-packed casino, to the latest movies, live shows, hospitality, conferencing, wining and dining.

The Hemingways environment is home to a unique, selection (in the Eastern Cape) of restaurants, fast-food outlets and speciality shops. The retail facilities at the Hemingways Mall cater for a diverse range of interests and markets. The offerings in the Hemingways environment complement each other, and help to position it as a premier regional entertainment and shopping destination in the Eastern Cape.



6. Development Concept

6.4. Mix & design of other (non-casino) features

The Hemingways Hotel

The Hemingways Hotel is a charming 4-star hotel that currently forms part of the TsoGo Sun hospitality group. The hotel is known for its elegant, sub-tropical design, inspired by the Key West home of author Ernest Hemingway and offers a sophisticated yet relaxed “island lifestyle” experience.

Hemingways Hotel is the hotel of choice for many corporate, government, leisure, international and sporting guests that regularly hosts both international and local dignitaries, corporate CEOs as well as National and International Sports Teams.

The hotel features 108 tastefully appointed rooms and suites designed for comfort and convenience across five floors accessible by either lift or stairs.

The room mix includes:

- 67 Standard Rooms, equipped with one queen or double bed, including an accessible room;
- 22 Family Rooms equipped with two double beds (the hotel currently has a policy that allows two children under 18 to stay for free when sharing a room with adult(s)); and
- for guests seeking a more luxurious stay, eight King Rooms, seven Suites, three Executive Rooms and one Presidential Suite, with many of these rooms including its own private balcony.

All rooms include free uncapped Wi-Fi, air-conditioning, a flat-screen TV with DStv, tea and coffee-making facilities, and an en-suite bathroom. Guests to the hotel have convenient exclusive access to 104 secured undercover parking bays adjoining the hotel.



6. Development Concept



One of the hotel's most significant advantages is its prime location, which offers direct and convenient access to a variety of entertainment and shopping options. Guests of the hotel have a variety of convenient options of either relaxing at the outdoor swimming pool, exploring the lush gardens, staying active at the fully equipped fitness centre, dining at the on-site restaurants which offer breakfast, lunch, and dinner, either buffet or à la carte, shopping at the Hemingways Mall, playing their favourite games at the Casino, enjoying the latest Blockbuster movies in the cinemas, attending a show, or conveniently accessing the N2 to one of several tourist destinations in East London or its surrounds. Guest reviews regularly compliment the hotel's friendly staff, exceptional convenience and good value.

For its corporate guests, the hotel has versatile conference venues that can accommodate up to 750 delegates, providing full conference packages that include venue hire, food and beverage, snacks and canapes, stationery, AV and accommodation, if required.

Additional amenities include a 24-hour front desk and portorage, and room service (dedicated times), laundry, dry cleaning, transport and babysitting services on request at an additional cost.



6. Development Concept

6.5. Accessibility by private and public transport

The location of the Applicant's precinct is ideal for its overall accessibility for both private and public transport. The Hemingways Casino is located off the N2 on Two Rivers Drive in Ocean View, East London. The N2 is located on its southern boundary and the adjoining Hemingways Mall, its western boundary.

At present three access points off Two Rivers Drive service the Hemingways Mall, with one of these used mainly by casino patrons and hotel guests. The main casino access point is controlled by a security boom and is used by most of the Hemingways casino patrons, as the main car park is situated on the mezzanine and lower ground floor of the parking structure. 667 parking bays are reserved for casino patrons.

Pedestrian and vehicle conflicts have been minimized with the provision of dedicated taxi and bus drop-off points along the southern side of Two Rivers Drive between the two points of access to the Hemingways Mall. There is also a drop-off zone, situated at the main casino access point off Two Rivers Drive.

Parking

Hemingways casino has 667 parking bays provided for in the mall for its patrons. Hotel guests have access to 104 dedicated parking bays. All parking areas are access controlled, under cover, well-lit and conveniently located to the guests' destination. Security personnel regularly patrol parking areas on a rotational basis.



6. Development Concept

6.6. Internal & External Security

The Hemingways Casino precinct is situated at the corner of Western Avenue and Two Rivers Drive, East London. It is located adjacent to the N2 Highway off-ramp, and is in close proximity to the Cambridge Police Station, Fire Department and Ambulance services.

Security is a primary component of the patron experience. It is a fundamental requirement that the complex should be secure and patrons should feel safe enough to relax and enjoy their time at the property.

It is also of critical importance that a secure workplace is provided for employees. Ensuring that employees feel safe in their work environment enables them to focus on the job at hand and allows them to be more positive, relaxed, and to deliver services of a superior standard to the patron.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6. Development Concept

6.7. Spatial distribution & prevention of over-concentration

Spatial distribution

The existing development comprises:

- a gaming floor, including the main non-smoking, smoking and Prive areas, restaurant and bar;
- a hotel, including a restaurant;
- Conferencing facilities and breakaway rooms; and
- Cinemas

The proposed development for this bid will all be made to the existing components and will primarily consist of:

- The redevelopment of the Privé area;
- Refurbishment of the hotel, including its reception, rooms and facilities;
- The upgrade of conferencing and breakaway rooms; and
- Installation of a solar PV system

Prevention of over-concentration

The developments proposed will be confined within the existing boundaries of the precinct, and as such will not lead to significant sprawl of the development as it stands.

Efficient use is already being made of the existing infrastructure servicing the site.

Zoning

The developments proposed do not impact the existing zoning. These are of a relatively low intensity when compared with the potential permissible development.

6. Development Concept

6.8. Applicant as principal tenant

Land use rights

Erf 39720 East London situated at Two Rivers Drive on which the Applicant operates its gaming and hospitality businesses is already appropriately zoned Business Zone 1 by the Buffalo City Metropolitan Municipality, with council's special consent for a casino. A copy of the zoning certificate is included as Annexure F to this bid.

Security of Tenure for the Licensed Term

The erven on which the Applicant's precinct has been developed is owned by Two Rivers Investments (Pty) Ltd, a private company wholly owned by the Applicant, Tsogo Sun Emonti (Pty) Ltd. A valid and enforceable lease agreement between the parties that secures the Applicant's tenure for the licence term has been included as Annexure G to this bid. The Title Deed to the land has also been included as Annexure H to this bid. The Applicant, by virtue of its full ownership, direction and control of Two Rivers Investments (Pty) Ltd, enjoys unfettered use, enjoyment and beneficial occupation of the precinct in any event.

There is no litigation, claim or land claim currently in force in respect of the Licensed Premises. A copy of the confirmation from the Land Claims Commissioner is included as Annexure I to this bid.

Other leases and sub-leases

Algoa FM

The Applicant currently leases a custom-built studio on its precinct to X [REDACTED] trading as Algoa FM.

Hemingways Mall

The Applicant currently leases three custom-built cinemas on its precinct from XX [REDACTED] trading as Hemingways Mall.



7

Environmental
Impact

HEMINGWAYS

TSOGO SUN

7. ENVIRONMENTAL IMPACT

Overview

The Applicant's existing development seamlessly integrates entertainment, hospitality, and multipurpose functionality into a single, world-class destination. From the luxurious Hemingways Hotel, vibrant Hemingways Casino, two restaurants, a bar and Conferencing Facilities, this development has succeeded in captivating diverse audiences while fostering economic growth and social inclusivity.

By leveraging the existing infrastructure and amenities of the Hemingways Mall, incorporating sustainable design principles, the Applicant's existing project exemplifies thoughtful and responsible urban development. Its commitment to creating opportunities for local businesses, empowering communities, and minimizing environmental impact ensures long-term value for stakeholders and the surrounding region.

The Hemingways precinct is more than a collection of facilities - it is a hub of innovation, entertainment, and connectivity, which has redefined the lifestyle and economic landscape of the area.



7. Environmental Impact

7.1. Compliance with planning and other policies or regulations

The Hemingways precinct complies in all respects with the requirements of the regulations made in terms of section 24(5) read with section 44 of the National Environment Management Act, 1998.

The Hemingways Development was originally designed with a commitment to sustainability and environmental compliance, ensuring alignment with the environmental strategies of the area in which it is located. A full environmental impact assessment was performed in 2006 for the Hemingways Mall and main access roads. These studies concluded that this site is not in an environmentally sensitive area, does not contain any special or unique fauna or flora and cannot contribute or function as a habitat corridor.

7.2. Enhancement of the neighbourhood and environment

The development has and will continue to have a positive impact on the neighbourhood in which it is situated. It will be recalled that the initial development of the precinct transformed a refuse site into a prominent precinct which has become Buffalo City's premier entertainment destination.

The precinct is adjoined to the 75 000 square meter Hemingways Mall. During 2023, the post-pandemic state of the economy resulted in the then owners of Hemingways Mall placing its operations into business rescue. In February 2024, a new consortium completed the acquisition of Hemingways Mall out of business rescue for a consideration of R [REDACTED] billion. The new owners, [REDACTED] had also considered the impact the casino and precinct offerings operated by the Applicant would have on the future of the mall when deciding on the acquisition. The Mall offers over 160 stores that currently employ a total of approximately [REDACTED] employees, with [REDACTED] itself employing a dedicated team of [REDACTED] staff to oversee the Mall's operations. We have included a letter from [REDACTED] as Annexure K in which the company emphasises the importance of having the casino adjoined to the Hemingways Mall.

The existence of the Applicant's development was therefore a key motivator for Hemingways Mall being acquired out of business rescue in 2024, indirectly impacting the preservation of a R [REDACTED] billion investment in the Buffalo City Metropolitan Municipality and the resulting employment and other significant value chains created by the continued operations of the mall.

The Applicant's precinct has also ignited further developments in the immediate area in the form of a Shell Petrol Station, Spar, Vida-e-Café, Burger King and a planned residential development. [REDACTED], the owner and operator of the Shell Petrol Station and other offerings on the forecourt, currently employs [REDACTED] staff. [REDACTED] has also provided a letter of support included as Annexure L that states that *"the casino and hotel draw steady visitors, benefiting local businesses and generating additional foot traffic"* and fully endorsing the renewal of the Applicant's casino licence.

The continued operation of the Applicant's business will clearly have a significant impact on development and job creation or retention in the Buffalo City Metropolitan Municipality, where its presence can be accepted to contribute indirectly to other significant employment opportunities.

7. Environmental Impact

7.3. Minimisation of infrastructural, physical, biophysical, cultural, social and visual impacts

Infrastructural impact

Roads

The new investment for the precinct does not constitute a major development from a traffic impact perspective, especially when viewed against the backdrop of the existing shopping centre. The proposed investment will therefore not require further improvements to the current road network and hence this impact is considered to be of very low significance.

Physical Impact

The nature of the activities involved in the proposed development will also not have an impact on the physical environment. Therefore, this aspect does not require any further environmental investigation.

Biophysical impact

Soil loss and erosion impact

Erosion impacts are likely to be minimal. The impact is considered of low significance.

Air quality impact

Apart from nuisance dust generated from the construction activities, impacts on air quality are considered to be of low significance.

Flora and fauna impacts

The site is already considered to be an area impacted by development, and therefore no additional sensitive fauna or flora will be impacted by the proposed development. This impact is therefore considered to be of very low significance.

Cultural impact

Due to the fact that Hemingways is an existing facility, and the proposed new investment will not change the character of the area, there are no impacts identified for the cultural environment. This aspect does not require further investigation.

Socio-economic impacts

Hemingways already forms an integral part of the socio-economic fabric of the Buffalo City Metropole and the Eastern Cape. The proposed developments will have no negative impact, but rather lead to job retentions and continue contributing positively to socio-economic development, as comprehensively highlighted in this Application.

Visual impact

The proposed commitments made in the bid will not impact on any view of any neighbouring properties, as the development will remain within the confines of the existing structures.