



Hospitality Property Fund Limited

(Incorporated in the Republic of South Africa)

(Registration number 2005/014211/06)

JSE share code: HPB ISIN: ZAE000214656

(Approved as a REIT by the JSE)

("Hospitality" or "the company")

REVISED LISTING PARTICULARS

PREPARED IN TERMS OF THE LISTINGS REQUIREMENTS OF THE JSE LIMITED

The definitions and interpretations commencing on page 5 of these revised listing particulars apply throughout this document, including this cover page.

These revised listing particulars are not an invitation to the public to subscribe for Hospitality shares, but are issued in terms of the Listings Requirements for purposes of giving information to the public with regard to the company. Although still subject to a number of conditions, these revised listing particulars have been prepared on the assumption that the transaction will be implemented.

At the date of these revised listing particulars:

- the authorised share capital of Hospitality comprises 2 000 000 000 shares of no par value;
- the issued share capital of Hospitality comprises 330 509 919 shares of no par value; and
- there are 562 774 shares held in treasury.

Pursuant to the implementation of the transaction, 174 064 861 Hospitality shares will be issued to the vendor in partial settlement of the purchase consideration for the sale equity.

Pursuant to the implementation of the transaction:

- the authorised share capital of Hospitality will comprise 2 000 000 000 shares of no par value;
- the issued share capital of Hospitality will comprise 504 574 780 shares of no par value; and
- there will be 562 774 shares held in treasury.

Pursuant to the implementation of the rights offer:

- the authorised share capital of Hospitality will comprise 2 000 000 000 shares of no par value;
- the issued share capital of Hospitality will comprise 637 908 113 shares of no par value; and
- there will be 562 774 shares held in treasury.

The Hospitality consideration shares to be issued pursuant to the transaction will rank *pari passu* in all respects with existing Hospitality shares in issue. There are no convertibility or redemption provisions relating to any of the Hospitality shares.

These revised listing particulars have been prepared on the assumption that the ordinary and special resolutions proposed in the notice of general meeting forming part of the circular enclosed together with these revised listing particulars will be passed with the requisite majority of votes at the general meeting of shareholders to be held at 11:00 on Monday, 10 July 2017.

The directors, whose names appear on page 14 of these revised listing particulars accept, collectively and individually, full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement herein false or misleading, and that they have made all reasonable enquiries to ascertain such facts and that this document contains all information required by law and the Listings Requirements.

All advisors whose names and/or reports are contained in these revised listing particulars have consented in writing to act in the capacity stated and to their names being included in these revised listing particulars and, if applicable, to the inclusion of their respective reports in these revised listing particulars in the form and context in which they appear and have not withdrawn their written consents prior to publication hereof.

Corporate advisor and sponsor to Hospitality

JAVACAPITAL

Independent property valuer to Hospitality



Independent reporting accountants and auditors to Hospitality



Independent expert



Date of issue: Friday, 9 June 2017

These revised listing particulars are available in English only. Copies of these revised listing particulars may be obtained from the registered office of the company at the addresses set out in the Corporate Information section of revised listing particulars 08:30 to 17:00 from Friday, 9 June 2017 to Monday, 10 July 2017, both days inclusive. These revised listing particulars will also be available on Hospitality's website (www.hpj.co.za) from Friday, 9 June 2017.

This document should be read with the Hospitality circular posted with these revised listing particulars.

CORPORATE INFORMATION

Registered office of Hospitality

Hospitality Property Fund Limited
(Registration number 2005/014211/06)
The Zone, Phase 2
2nd Floor, Loft Offices East Wing
Corner Oxford Road and Tyrwhitt Avenue
Rosebank, Johannesburg, 2196
(PO Box 522195, Saxonwold, 2132)

Registered office of Merway

Merway Fifth Investments Proprietary Limited
(Registration number 1991/006478/07)
Palazzo Towers East
Montecasino Boulevard
Fourways, 2055
(Private Bag X200, Bryanston, 2021)

Sponsor to Hospitality

Java Capital Trustees and Sponsors Proprietary Limited
(Registration number 2006/005780/07)
6A Sandown Valley Crescent
Sandton, 2196
(PO Box 2087, Parklands, 2121)

Corporate advisor to Hospitality

Java Capital Proprietary Limited
(Registration number 2012/089864/07)
6A Sandown Valley Crescent
Sandton, 2196
(PO Box 2087, Parklands, 2121)

Legal advisor to Hospitality

David Shapiro
Shapiro-Aarons Inc.
1 Unity Street
Fellside
Johannesburg, 2192
(PO Box 1107, Johannesburg, 2000)

Registered office of Cullinan

The Cullinan Hotel Proprietary Limited
(Registration number 1988/004685/07)
Palazzo Towers East
Montecasino Boulevard
Fourways, 2055
(Private Bag X200, Bryanston, 2021)

Company secretary

Laurinda Rosalind (Rosa) van Onselen
Diploma in Law (Paralegal)
CIS: Management and Administration
HPF Management Proprietary Limited
(Registration number 2009/021472/07)
The Zone, Phase 2
2nd Floor, Loft Offices East Wing
Corner Oxford Road and Tyrwhitt Avenue
Rosebank, Johannesburg, 2196
(PO Box 522195, Saxonwold, 2131)

Independent property valuer

Excelerate Real Estate Services Proprietary Limited
(trading as JHI)
(Registration number 2007/021131/07)
3A Summit Road
Dunkeld West
Johannesburg, 2196
(Private Bag X45, Benmore, 2010)

Independent reporting accountants and auditors to Hospitality

PricewaterhouseCoopers Inc
2 Eglin Road
Sunninghill, 2191
(Private Bag X36, Sunninghill, 2157)

Independent expert to Hospitality

Mazars Corporate Finance Proprietary Limited
(Registration number 2003/029561/07)
54 Glenhove Road
Melrose Estate, 2196
(PO Box 669, Johannesburg, 2000)

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)

Date and place of incorporation of Hospitality

Incorporated in the Republic of South Africa on
10 May 2005

Date and place of incorporation of Cullinan

Incorporated in the Republic of South Africa on
18 August 1988

Date and place of incorporation of Merway

Incorporated in the Republic of South Africa on
14 November 1991

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DEFINITIONS AND INTERPRETATIONS

In these revised listing particulars, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column have the meanings stated opposite them in the second column, as follows:

“ accounting date ”	the day prior to the effective date;
“ agreed values ”	the agreed relative fair values of the sale equity and of the consideration shares, respectively;
“ board ” or “ directors ” or “ board of directors ”	the board of directors of Hospitality as set out in page 14 of the circular;
“ business day ”	any day other than a Saturday, Sunday or official public holiday in South Africa and in the event that a day referred to in terms of the circular should fall on a day which is not a business day, the relevant date will be extended to the next succeeding business day;
“ capital restructure ”	the restructure of the company’s dual-class share capital structure to its current single-class share capital structure implemented on and with effect from 10 October 2016, as detailed more fully in the circular to Hospitality shareholders dated 8 March 2016;
“ category one acquisition ”	an acquisition in respect of which the consideration payable or raised wholly or in part by the issue of shares in consideration for the acquisition which is or is anticipated to constitute 30% or more of the market capitalisation of the company or may result in a dilution of 30% or more of the issued shares of the company, as contemplated in the Listings Requirements;
“ certificated shareholders ”	Hospitality shareholders who hold certificated shares;
“ certificated shares ”	shares which have not been dematerialised into the Strate system, title to which is represented by a share certificate or other physical documents of title;
“ change of name ”	the proposed change of name of the company from “Hospitality Property Fund Limited” to “Tsogo Sun Property Fund Limited”;
“ circular ”	the document dated 9 June 2017 distributed to shareholders containing the circular to shareholders and annexures thereto, the notice of general meeting of shareholders and a form of proxy;
“ closing date ”	11 July 2017, being the expected date of listing of the consideration shares;
“ combined portfolio ”	collectively, the existing portfolio and the Tsogo portfolio, the property-specific details of which are set out in Annexure 7 of the revised listing particulars;
“ Companies Act ”	the Companies Act, No. 71 of 2008;
“ Companies Regulations ”	the Companies Regulations, 2011, promulgated in terms of the Companies Act;
“ company secretary ”	the company secretary of Hospitality, Laurinda Rosalind (Rosa) van Onselen;
“ conditions precedent ”	the conditions precedent to which the transaction is subject, as set out in paragraph 3.1.5 of the circular;
“ consideration shares ”	174 064 861 Hospitality ordinary shares of no par value in the authorised but unissued share capital of Hospitality (based on the agreed values) to be issued at the issue price to Southern Sun Hotels on the closing date in settlement of the balance of the purchase consideration (credited as fully paid), which: <ol style="list-style-type: none">will rank <i>pari passu</i> in all respects with the Hospitality shares in issue as at the closing date; andwill constitute “equity shares” for purposes of the Income Tax Act;

“ corporate advisor ”	Java Capital Proprietary Limited (Registration number 2012/089864/07), a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section;
“ CSDP ”	a Central Securities Depository Participant as defined by the Financial Markets Act appointed by a shareholder for purposes of, and in regard to, dematerialisation and to hold and administer dematerialised shares or an interest in dematerialised shares on behalf of a shareholder;
“ Cullinan ”	The Cullinan Hotel Proprietary Limited (Registration number 1988/004685/07), a private company incorporated and registered in accordance with the laws of South Africa, which owns the properties numbered 25 to 34 in Annexure 7 and which will become a wholly-owned subsidiary of Hospitality following the implementation of the transaction;
“ Cullinan sale claims ”	the claims on loan account of Southern Sun Hotels against Cullinan as at the effective date;
“ Cullinan lease agreement ”	the lease agreement entered into between ResHub (as lessee) and Cullinan (as lessor) on or about 1 March 2017 relating to the tenancy by ResHub of each of the properties numbered 25 to 34 in Annexure 7 of the circular, further details of which are set out in Annexure 11 of the revised listing particulars;
“ Cullinan sale shares ”	all of the ordinary shares of no par value in the issued share capital of Cullinan registered in the name of SSH as at the effective date, comprising 100% of such issued share capital;
“ dematerialise ” or “ dematerialisation ”	the process whereby certificated shares are replaced by electronic records of ownership under Strate and recorded in the sub-register of shareholders maintained by a CSDP or broker;
“ dematerialised shareholders ”	Hospitality shareholders who hold dematerialised shares;
“ dematerialised shares ”	shares which have been incorporated into the Strate system, title to which is not represented by share certificates or other physical documents of title;
“ documents of title ”	share certificates, certified transfer deeds, balance receipts and any other documents of title to shares;
“ EBITDAR ”	earnings before interest, tax, depreciation, amortisation and rentals;
“ effective date ”	the first business day of the month in which the fulfilment date occurred, which effective date is expected to be Saturday, 1 July 2017;
“ existing portfolio ”	the portfolio of 24 hotel properties currently owned by Hospitality, the property-specific details of which are set out in Annexure 7 of the revised listing particulars;
“ F&V rental lease agreements ”	lease agreements, where the rental comprises approximately 50% fixed lease rental, with the remainder being 90% to 98% of EBITDAR after deducting the fixed lease rental;
“ Fezisource ”	Fezisource Proprietary Limited (Registration number 2015/305572/07), a private company incorporated and registered in accordance with the laws of South Africa, which owns the properties numbered 15 to 24 in Annexure 7 and is a wholly-owned subsidiary of Hospitality;
“ Financial Markets Act ”	the Financial Markets Act, No. 19 of 2012;
“ financial year ”	the financial year of Hospitality, for the time being, ending on 31 March of each year;
“ fixed rental lease agreements ”	lease agreements where the rental does not contain a variable portion of rental;
“ fulfilment date ”	the date on which the last of the conditions precedent to be fulfilled or waived (as the case may be) is fulfilled or waived;
“ general meeting ”	the general meeting of Hospitality shareholders to be held at 11:00 on Monday, 10 July 2017 at Crowne Plaza JHB – The Rosebank, Cnr Sturdee and Tyrwhitt Avenue, Rosebank, 2196, for the purpose of considering and, passing the resolutions required to implement the transaction;

“grading”	a subjective interpretation of the facilities and services provided in respect of each of the hotel properties in the combined portfolio, as they would likely be graded internationally;
“hotel management companies”	entities which manage and operate the hotels on behalf of Hospitality’s tenants, further details of which are set out in Annexure 6 of the revised listing particulars;
“hotel properties”	immovable properties together with all buildings and improvements thereon;
“HPF Employee Incentive Trust”	The HPF Employee Incentive Trust (Masters reference number IT1564/2013), a trust established on 30 May 2013, for the purposes of retaining employees by providing them with an opportunity to share in the benefits of the equity of the company and the related distributions;
“HPF indebtedness”	the aggregate of: <ol style="list-style-type: none"> 1. the amount of interest-bearing debt; 2. the capital amount of any bonds issued under the domestic medium-term note programme; 3. the amount of accrued but unpaid interest in respect of 1 and 2 above; 4. the amount of declared but unpaid distributions to shareholders; and 5. the sale claims;
“HPF Properties”	HPF Properties Proprietary Limited (Registration number 2005/020743/07), a private company incorporated and registered in accordance with the laws of South Africa, which owns the properties numbered 1 to 14 in Annexure 7 and is a wholly-owned subsidiary of Hospitality;
“IFRS”	International Financial Reporting Standards;
“independent expert” or “Mazars”	Mazars Corporate Finance Proprietary Limited (Registration number 2003/029561/07), a private company incorporated and registered in accordance with the laws of South Africa, acting as independent expert and appointed to provide external advice to the board and Hospitality shareholders, in relation to the related party considerations in terms of the Listings Requirements, full details of which are set out in the Corporate Information section;
“independent property valuer” or “JHI”	Excellerate Real Estate Services Proprietary Limited (Registration number 2007/021131/07), trading as JHI, a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section;
“independent reporting accountants” or “PWC”	PricewaterhouseCoopers Incorporated (Registration number 1998/012055/21), a company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section;
“issue price”	being the closing price of a Hospitality share on the business day immediately prior to the effective date. For purposes of the circular the indicative issue price of R14.00 has been used;
“JSE”	Johannesburg Stock Exchange being the exchange operated by the JSE Limited (Registration number 2005/022939/06), a public company incorporated and registered in accordance with the laws of South Africa, and licensed to operate an exchange under the Financial Markets Act;
“King III”	the Code of Corporate Practices and Conduct in South Africa representing principles of good corporate governance as laid out in the King Report, as amended from time to time;
“last practical date”	22 May 2017, being the last practical date prior to the finalisation of the revised listing particulars;

“license agreements”	each of the license agreements dated on or about Wednesday, 1 March 2017 entered into between ResHub (as licensee) and SSHI (as licensor) relating to the use by ResHub of the relevant names, logos and related intellectual property of the Tsogo Group, further details of which are set out in Annexure 11 of the revised listing particulars, and “license agreement” shall mean any one such agreement as the context may require;
“linked unit conversion	the restructure of Hospitality’s linked unit capital structure to its current and all share structure, implemented on and with effect from 28 September 2015, as detailed more fully in the circular to Hospitality-linked unitholders dated 1 July 2015;
“Listings Requirements”	the Listings Requirements published by the JSE from time to time;
“m²”	square metres;
“management agreements”	each of the management agreements dated on or about Wednesday, 1 March 2017 entered into between ResHub and SSHI (as manager) whereby SSHI is appointed to manage on behalf of ResHub each of the hotels situated on the Tsogo properties, further details of which are set out in Annexure 11 of the revised listing particulars, and “management agreement” shall mean any one such agreement as the context may require;
“Merway”	Merway Fifth Investments Proprietary Limited (Registration number 1991/006478/07), a private company incorporated and registered in accordance with the laws of South Africa, which owns the properties numbered 35 to 53 in Annexure 7 and which will become a wholly-owned subsidiary of Hospitality following the implementation of the transaction;
“Merway lease agreement”	Lease agreements entered into between ResHub (as lessee) and Merway (as lessor) on or about Wednesday, 1 March 2017 relating to the tenancy by ResHub of each of the properties numbered 35 to 53 in Annexure 7 of the circular, further details of which are set out in Annexure 11 of the revised listing particulars;
“Merway sale shares”	all of the ordinary shares of no par value in the issued share capital of Merway, comprising 100% of such issued share capital, to be owned and registered or to be registered in the name of Southern Sun Hotels on the effective date;
“MOI”	the Memorandum of Incorporation of Hospitality;
“NAV”	net asset value;
“own-name” dematerialised shareholders”	dematerialised shareholders who/which have elected “own-name” registration;
“press”	the <i>Business Day</i> newspaper;
“purchase consideration”	the aggregate purchase consideration payable by Hospitality to Southern Sun Hotels for the sale shares and the Cullinan loan balances, being an amount of R3.47 billion based on an indicative price of R14.00 per Hospitality share at the last practical date;
“R” or “Rand”	South African Rand, the lawful currency of South Africa;
“REIT”	a Real Estate Investment Trust, which is an entity which receives REIT status in terms of the Listings Requirements and qualifies as such in terms of the Income Tax Act No. 58 of 1962;
“revised listing particulars”	these revised listing particulars of Hospitality accompanying the circular and providing additional information in relation to Hospitality after the implementation of the transaction, issued on Friday, 9 June 2017;
“Rights offer”	the renounceable rights offer by Hospitality to Hospitality shareholders to subscribe for up to 40.63397 rights offer shares for every 100 Hospitality shares held by them on Friday, 30 June 2017 at an indicative issue price of R13.50 per share;
“rights offer shares”	up to 133 333 333 Hospitality shares to be issued pursuant to the rights offer;
“sale equity”	collectively, the sale shares and Cullinan sale claims;
“sale shares”	collectively, the Cullinan sale shares and the Merway sale shares;

“SENS”	the Stock Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“Southern Sun Hotels” or “SSH”	Southern Sun Hotels Proprietary Limited (Registration number 2002/006356/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly-owned subsidiary of TSHG&E;
“sponsor”	Java Capital Trustees and Sponsors Proprietary Limited (Registration number 2006/005780/07), a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section;
“SSHI”	Southern Sun Hotel Interests Proprietary Limited (Registration number 1969/001365/07), a private company incorporated and registered in accordance with the laws of South Africa, a wholly-owned subsidiary of Southern Sun Hotels and the licensor in respect of the Tsogo properties;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated and registered in accordance with the laws of South Africa, which is licensed to operate in terms of the Financial Markets Act and which is responsible for the electronic settlement system used by the JSE;
“TNAV”	tangible net asset value;
“transaction”	the acquisition by Hospitality of the entire issued share capital of and sale claims against both Cullinan and Merway, which will own the Tsogo portfolio in exchange for payment of the purchase consideration;
“transaction agreement”	the sale agreement dated 16 May 2017 entered into between the company, SSHI, Southern Sun Hotels, Cullinan and Merway, the salient terms and conditions of which are set out in paragraph 3 of the circular;
“transfer secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the Corporate Information section;
“Tsogo”	Tsogo Sun Holdings Limited (Registration number 1989/002108/06), a public company incorporated and registered in accordance with the laws of South Africa and listed on the JSE;
“Tsogo Group”	collectively, Tsogo and its subsidiaries;
“Tsogo lease agreements”	collectively, each of the lease agreements entered into between ResHub (as lessee) and Cullinan and Merway respectively (as lessors) on or about Wednesday, 1 March 2017 relating to the tenancy by ResHub of each of the Tsogo properties, further details of which are set out in Annexure 11 of the revised listing particulars, and “ Tsogo lease agreement ” shall mean any one such agreement as the context may require;
“Tsogo properties” or “Tsogo portfolio”	collectively, the 29 hotel properties which will be owned by Cullinan and Merway at the effective date, the specific details of which are set out in Annexure 7 of the circular;
“Tsogo Sun Casinos”	Tsogo Sun Casinos Proprietary Limited (Registration number 1995/012674/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly-owned subsidiary of Tsogo Sun Gaming;
“Tsogo Sun Gaming”	Tsogo Sun Gaming Proprietary Limited (Registration number 2002/006402/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly-owned subsidiary of TSHG&E;
“TSHG&E”	Tsogo Sun Hotels, Gaming and Entertainment Proprietary Limited (Registration number 2002/006556/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly-owned subsidiary of Tsogo;

“variable rental lease agreements”

variable lease agreements, where the rentals are based on EBITDAR;

“VAT”

value added tax as defined in the Value Added Tax Act, No. 89 of 1991;

“vendor”

Southern Sun Hotels; and

“VWAP”

volume weighted average price.



Hospitality Property Fund Limited

(Incorporated in the Republic of South Africa)

(Registration number 2005/014211/06)

JSE share code: HPB ISIN: ZAE000214656

(Approved as a REIT by the JSE)

("Hospitality" or "the company")

Directors

John Copelyn (*Chairman, non-executive director*)

Linda de Beer (*Lead independent non-executive director*)

Keith Randall (*Chief executive officer*)

Mara de Lima (*Financial director*)

Don Bowden (*Independent non-executive director*)

Gerald Nelson (*Independent non-executive director*)

Zuko Kubukeli (*Independent non-executive director*)

Willy Ross (*Independent non-executive director*)

Syd Halliday (*Independent non-executive director*)

Zola Malinga (*Independent non-executive director*)

Rob Nicoletta (*Non-executive director*)

Marcel von Aulok (*Non-executive director*)*

Laurelle McDonald (*Non-executive director*)

Zibusiso Kganyago (*Non-executive director*)

* Resigned with effect from 1 June 2017

REVISED LISTING PARTICULARS

SECTION ONE – OVERVIEW OF THE HOSPITALITY GROUP

1. INTRODUCTION

- 1.1 As announced on SENS on Thursday, 18 May 2017, Hospitality shareholders and Tsogo shareholders were advised that Hospitality has entered into the transaction agreement, in terms of which Hospitality will acquire the entire issued share capital and loan claims of Cullinan and Merway from the vendor, in consideration for the issue to the vendor of a number of Hospitality shares and cash. The transaction is subject to certain conditions precedent set out more fully in the circular.
- 1.2 Subject to receiving the requisite JSE approvals, Hospitality intends to undertake a fully underwritten rights offer to raise up to R1.8 billion. Further details of the rights offer, including quantum and pricing, will be announced in due course and a circular in respect of the rights offer will be posted to shareholders. The rights offer proceeds will be used to partially settle the cash portion of the purchase consideration referred to in paragraph 3.1 of the circular, with the balance being utilised to reduce Hospitality's interest-bearing debt.
- 1.3 These revised listing particulars have been prepared on the assumption that the transaction will be implemented and is intended to provide Hospitality shareholders with information in relation to the business, operations and prospects of Hospitality after the implementation of the transaction and the rights offer.

2. HISTORY, NATURE OF BUSINESS, STRATEGY AND PROSPECTS OF THE GROUP

2.1 History and nature of business

- 2.1.1 Hospitality Property Fund Limited was incorporated on 10 May 2005 and was established with the aim of offering shareholders a unique investment vehicle with exposure to the hospitality sector through the ownership of hotel and leisure properties. As set out in the circular the board proposes changing the name of the company to Tsogo Sun Property Fund Limited, which change has been reserved with the Companies and Intellectual Properties Commission.
- 2.1.2 Hospitality is a publicly traded company and was listed on the main board of the JSE under the Financials – Real Estate sector in February 2006. On 1 July 2013, Hospitality converted from a property loan stock to a REIT and accordingly changed its sector classification to the “Financials – Speciality REIT” sector on the JSE. The company is the only specialised hotel REIT in South Africa.
- 2.1.3 The company listed on the JSE with a portfolio of 16 properties valued at approximately R1.0 billion and the portfolio has since grown to 24 hotel properties with a market value of approximately R8.1 billion as at 31 March 2017. The portfolio is highly diversified in terms of geographic location, hotel grading, brands and market mix.
- 2.1.4 The company caters to the requirements of a wide-ranging domestic and international target market, including business travel, leisure travel and conferencing markets. Well-located, quality properties with strong brands offering a superior guest experience, are the key differentiators which will enable the company to generate positive returns for shareholders.
- 2.1.5 Hospitality is the largest multi-branded hotel owner in South Africa and has built strong partnerships with well-organised local and international hotel brands. Through these long-term partnerships, the company leverages the value of its portfolio.
- 2.1.6 The company’s profits are distributed as a qualifying rental distribution and free of tax. Shareholders are consequently taxed according to their individual tax status.
- 2.1.7 On 28 September 2015, the authorised capital of the company converted from a linked unit capital structure to an all-share capital structure.
- 2.1.8 On 10 October 2016 the company’s dual-class share capital structure was restructured to its current single-class share capital structure.

2.2 Group structure

The Group structures of Hospitality prior to the implementation of the transaction and post the implementation of the transaction are set out in **Annexure 1** of these revised listing particulars.

2.3 Subsidiaries

The company will have six directly and indirectly wholly-owned subsidiaries. None of the company’s subsidiaries are listed on any stock exchanges. The names, registration numbers, places of incorporation, dates of incorporation, nature of business, issued share capital and date of becoming a subsidiary, for each of the subsidiaries of the Hospitality Group are set out in **Annexure 2** of these revised listing particulars.

2.4 Strategy

- 2.4.1 Hospitality is the only specialised REIT investing solely in the hospitality and leisure sectors. The company offers investors exposure to the growth potential of both the hospitality and property industries. This is achieved through:
 - 2.4.1.1 investment in a select portfolio of hotel and leisure properties, increasingly focusing on well-located, large hotel properties in major metropolitan centres, with strong brands and diverse source markets;
 - 2.4.1.2 implementing an active asset management strategy and continually reviewing the composition of the portfolio to maximise the return on assets; and
 - 2.4.1.3 ensuring that revenues derived from the hotel operations, which flow through to the company as rental income, are optimised.
- 2.4.2 Hospitality’s strategic objectives are to optimally grow shareholder returns while diversifying and managing risk and at the same time maintaining high standards of corporate citizenship and sustainable development.

- 2.4.3 The company's investment strategy is to sustainably grow its property base through acquisitions and developments which will enhance long-term shareholders' returns. Hospitality's primary investment focus remains in South Africa and is unlikely to change in the foreseeable future.
- 2.4.4 Hospitality's strategic objectives also include ongoing improvements at specific sites to enhance the quality of its property portfolio. This includes upgrades and refurbishments to ensure that properties continue to appeal to their main target segments as well as actively pursuing opportunities to acquire hotel properties that meet its investment criteria and finally disposing of non-core properties that do not meet its investment profile.

2.5 Prospects

Details of the Group's prospects are set out in paragraph 5 of the circular.

2.6 Financial year-end

As announced on SENS on 8 February 2017, the company has changed its year-end from 30 June to 31 March.

3. DIRECTORS AND NEW DIRECTORS

3.1 Details of the directors of Hospitality

The full names, ages, business addresses, qualifications, position and experience of the directors of the company are set out below:

Name and age	John Copelyn (66)
Business address	The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualifications	BA (Hons), BProc
Position	Chairman, non-executive director
Experience	John was appointed as Chairman of Hospitality, effective 30 November 2016. John joined Hosken Consolidated Investments Limited as chief executive officer in 1997. He was previously General Secretary of the Southern African Clothing and Textile Workers Union from 1974, before becoming a member of parliament in 1994. He currently holds various directorships and is the non-executive Chairman of Tsogo Sun and e.tv. John is the Chairman of Hospitality's nomination and investment committees and a member of the remuneration committee.
Name and age	Linda de Beer (47)
Business address	The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualifications	CA(SA), Chartered Director (SA), Masters (Taxation)
Position	Lead independent non-executive director
Experience	Linda is an independent director, reporting and governance advisor. She is also a director on the boards of Royal Bafokeng Platinum Ltd, Sasfin Bank Limited, Sasfin Holdings Limited and the Chairman of Aspen Finance (Pty) Ltd. She, <i>inter alia</i> , serves on the King Committee on Corporate Governance (member of the King IV Task Team) and chairs the JSE's Financial Reporting Investigation Panel. Linda was appointed a director of Hospitality on 17 August 2011. She is the Chairman of the audit and risk committee and a member of the remuneration and nomination committees.

Name and age	Keith Randall (53)
Business address	The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualifications	B.Sc (Eng), GDE, MBA (University of Cape Town)
Position	Chief executive officer
Experience	Keith was appointed to the position of CEO at Hospitality with effect from 1 January 2017 and is a member of the social and ethics committee. Prior to his appointment at Hospitality, Keith had been with the Tsogo Group for over 20 years, principally in the development of new hotels and the oversight of major hotel refurbishments in South Africa, Africa and the Middle East. More recently, he was a director of Sun1 Hotels Proprietary Limited, following the acquisition of the Formula 1 Group in South Africa from Accor and was responsible for the refurbishment and re-positioning of this hotel chain as part of Tsogo.
Name and age	Mara de Lima (39)
Business address	The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualifications	CA(SA)
Position	Financial director
Experience	Mara was appointed the financial director of Hospitality effective 1 October 2016. She served her articles at KPMG and joined Southern Sun as management accountant in October 2007. She was appointed the Group financial manager of Tsogo Sun Hotels in February 2009.
Name and age	Donald (Don) George Bowden (58)
Business address	The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Position	BCom (Economics), BAcc (Wits), CA(SA)
Qualifications	Independent non-executive director
Experience	Don was appointed to the board in August 2012. He is a non-executive director of Food Unit Trusts (RF) and The Fruitways Group and a trustee of Molteno Brothers Trust, a charitable trust. Don was a financial services partner at Deloitte & Touche before joining BoE in 1998. At BoE he managed the investor relations, communications, marketing and human resources portfolios for the banking Group. Following the merger of BoE with Nedcor (later to be renamed The Nedbank Group) in 2002, Don assumed responsibility for communications and human resources on the Nedcor integration and restructuring team, before starting Tier 1 Investor Relations in 2003. Don served as Chairman of the board from 30 June 2013 to 30 November 2016. He chairs the remuneration committee and is a member of the audit and risk committee.
Name and age	Gerald Alan Nelson (61)
Business address	33 Ashford Road, Parkwood, 2193
Qualifications	BSc Building (Wits)
Position	Independent non-executive director
Experience	Gerald stepped down as the chief executive officer of Hospitality on 30 June 2013, but remains on the board as a non-executive director. He was first appointed to the board prior to the listing of the company in 2006. He conceptualised and was actively involved with the set-up of the company. Prior to 2006, Gerald was the managing director of Sycom Property Fund Managers Limited and a past Chairman of the Association of Property Unit Trusts. He has 38 years' experience in activities related to property with specific expertise in development, asset management as well as listed and directly held investment property vehicles, with a specific focus on the hotel and leisure industry for the past 11 years. Gerald is a member of the investment, nomination, and social and ethics committees. He is currently involved in various local and offshore property development and investment activities.

Name and age	Robert (Rob) Nicolella (48)
Business address	The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualification	CA(SA), PLD
Position	Non-executive director
Experience	Rob joined Hosken Consolidated Investments Limited (“ HCI ”) in 2011. Robert serves on the boards of subsidiary companies Business Systems Group Africa Proprietary Limited, Syntell Proprietary Limited, and Group associate company Impact Oil and Gas Limited. Prior to joining HCI he was employed by Investec Bank Limited for 17 years, most notably in the capacity as Head of Corporate Banking and subsequently Head of Private Banking for the Western Cape.
Name and age	Marcel von Aulock (43)
Business address	The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualification	CA(SA)
Position	Non-executive director
Experience	Marcel served his articles at PwC and joined Tsogo as Group Financial Manager in 1999. In 2004 he was promoted to Group Strategic Planning Director. In 2009 he was appointed chief financial officer and on 30 September 2011 he assumed the role of chief executive officer of Tsogo. Marcel is a member of the nomination, investment and remuneration committees.
Name and age	Laurelle McDonald (35)
Business address	The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualification	CA(SA)
Position	Non-executive director
Experience	Laurelle served her articles at Grant Thornton and joined Gold Reef Resorts as an assistant financial manager at Silverstar Casino in 2007. Thereafter, she was appointed as the Group Financial Manager and the Company Secretary of Gold Reef Resorts. After the acquisition of Gold Reef Resorts by Tsogo, Laurelle was appointed Corporate Finance and Treasury Manager of Tsogo and currently serves as a member of Tsogo’s executive committee.
Name and age	Zibusiso Kganyago (50)
Business address	The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualification	B.Com (University of Natal)
Position	Non-executive director
Experience	Zibusiso is Director of Developments at Tsogo Sun Gaming and has been with Tsogo for 19 years. Zibusiso’s property experience spans a 20-year period, having concluded Cosatu’s first property transaction, whilst she was their accountant, then moved to Intersite Property Management Service,s then Southern Sun. Zibusiso joined Southern Sun as Development Manager and moved across to Tsogo in the same year. Zibusiso was later promoted to the position of Director of Developments. In her current position Zibusiso oversees all aspects of the company’s property developments including: site identification; town planning; project and construction management; appointments of professionals; asset management – portfolio strategy and optimisation and portfolio upgrades; property management services including maintenance and technical operations. Zibusiso qualified with a Bachelor of Commerce degree from the University of Natal and has attended the Business Development Programme at the Wharton School of Business in Pennsylvania as well as the Executive Development Program at the University of Nevada in Reno.

Name and age **Zuko Ntsele Kubukeli (43)**
Business address Summit Square, 15 School Road, 2nd Floor, Morningside, Johannesburg, 2196
Qualification PhD (Human Biology) (UCT), BSc (Medicine) (Hons) (UCT), BSc (Biochemistry and Microbiology) (UCT)
Position Independent non-executive director
Experience Zuko was a regional property manager of Atlas Property Services Proprietary Limited, the management company of the listed property loan stock company, Atlas Properties Limited, prior to which he was an executive director of Brait Specialised Funds. Zuko is the executive director – strategy and acquisitions, of Pan-African Capital Holdings Proprietary Limited and a principal and CEO of Pan-African Private Equity Fund One and Two. He was appointed to the board of Hospitality in June 2008. He chairs the social and ethics committee and serves on the investment and nomination committees.

Name and age **Wilhelm (Willy) Christian Ross (71)**
Business address The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualification CTA, CA(SA)
Position Independent non-executive director
Experience Willy was appointed as an independent non-executive director in April 2007. Willy has more than 30 years' merchant and investment banking experience and was, until his retirement, responsible for the Project and Structured Finance and Private Equity departments of Nedcor Investment Bank Limited, as well as its risk and compliance functions. Post his retirement, Willy has for the past 12 years served as Chairman or director on the boards of a number of listed and unlisted companies, including Kagiso Media Limited, Vunani Limited and Capital Property Fund (Chairman).

Name and age **Sydney (Syd) Arnold Halliday (69)**
Business address The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualification CAIB (SA), ACIS
Position Independent non-executive director
Experience Syd retired from Nedbank in 2004 where he had held various senior credit risk management positions in the property finance departments of Nefic, Syfrets, Nedcor Investment Bank and Nedbank. He served as the Independent Chairman of Nedbank Corporate Property Finance's main property lending committee up to December 2012. Syd joined the board of Hospitality on 30 June 2013 and is a member of the investment and audit and risk committees. He also serves on the board of Dipula Income Fund Limited and consults to Rand Merchant Bank as a member of their real estate credit committee and Sasfin Bank in their real estate private equity fund.

Name and age **Zola Nwabisa Malinga (39)**
Business address The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Cnr Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196
Qualification CA(SA), BCom (Accounting)
Position Independent non-executive director
Experience Zola qualified as a Chartered Accountant (SA) in 2003, having completed a postgraduate diploma in accounting at the University of Natal (Durban) and a bachelor of commerce degree at the University of Cape Town. She an executive director of Jade Capital Partners. Zola was previously a director of Standard Bank Group Limited's Real Estate Finance division, heading up its New Business team and an investment banker, having held roles in Standard Bank's BEE Finance division and in corporate finance at Investec Bank Limited. She is the past chair of the Women's Property Network (Gauteng) and a member of SAPOA, AWCA and ABASA. She was appointed to the board of Hospitality as an independent non-executive director on 8 July 2013 and serves as a member of the audit and risk and remuneration committees.

All of the directors are South African nationals

3.2 Additional information related to the directors

3.2.1 **Annexure 3** of the revised listing particulars contains the following information:

- 3.2.1.1 details of the directors' interests in Hospitality shares and transactions;
- 3.2.1.2 emoluments of the directors;
- 3.2.1.3 terms of employment of directors;
- 3.2.1.4 borrowing powers of the company;
- 3.2.1.5 interests of directors and promoters; and
- 3.2.1.6 declarations by the directors.

3.2.2 **Annexure 4** contains details of the directors' other directorships and partnerships in the previous five years.

3.2.3 The provisions of the MOI with regard to the following are set out in **Annexure 5** of the revised listing particulars:

- 3.2.3.1 qualification of directors;
- 3.2.3.2 remuneration of directors;
- 3.2.3.3 any power enabling the directors to vote on remuneration to themselves or any member of the board;
- 3.2.3.4 the borrowing powers exercisable by the directors and how such borrowing powers can be varied; and
- 3.2.3.5 retirement or non-retirement of directors under an age limit.

3.3 Asset management

The asset management function is performed internally by Hospitality, and is not expected to change as a result of the transaction.

3.4 Hotel management companies

3.4.1 *Existing portfolio*

The hotel management companies operate the hotels on the hotel properties within the existing portfolio on behalf of Hospitality's tenants. Details of the hotel management companies in respect of the existing portfolio are set out in **Annexure 6** of the revised listing particulars.

3.4.2 *Tsogo portfolio*

SSHI operates the hotels on the hotel properties within the Tsogo portfolio on behalf of ResHub, the tenant, in terms of the management agreement, further details of which are set out in **Annexure 11** of the revised listing particulars.

4. MAJOR AND CONTROLLING SHAREHOLDERS

Details of the major and controlling shareholders of Hospitality are set out in paragraph 14 of the circular.

5. RELATIONSHIP INFORMATION

Details of the relationship information are set out in paragraph 15 of the circular.

SECTION TWO – DETAILS OF THE PROPERTY

6. THE COMBINED PORTFOLIO

Set out below is a summary of the combined portfolio of the Hospitality Group.

6.1 The combined portfolio

Hospitality's existing portfolio all have fixed and variable ("F&V") leases, with the exception of Champagne Sports Resort, which currently has a fixed lease. The company's existing portfolio comprise 24 properties, further details of which are set out in **Annexure 7** of these revised listing particulars.

Post the implementation of the transaction, the inclusion of the Tsogo portfolio will result in the combined portfolio comprising 53 hotel and resort properties in South Africa. The detailed list of the combined portfolio is set out in **Annexure 7** of these revised listing particulars.

6.2 Analysis of the combined portfolio

An analysis of the combined portfolio in respect of geographic profile, the sectoral profile, grading profile, lease profile lease expiry profile and the average annualised property yield set out below. The combined portfolio information is based on information as at 31 March 2017.

6.2.1 Geographic profile

	Gross rental income by locality	Property value by locality	Number of rooms by locality
Gauteng	33.6%	31.1%	43.0%
Western Cape	40.8%	45.6%	28.8%
Rest of South Africa	25.6%	23.3%	28.2%
Total	100.0%	100.0%	100.0%

6.2.2 Sectoral profile

The properties are classified in the hospitality sector.

6.2.3 Grading profile

	Gross rental income by grading	Property value by grading	Number of rooms by grading
Luxury	19.0%	16.7%	8.3%
Upscale	36.1%	37.9%	31.4%
Midscale	39.3%	38.0%	43.6%
Economy	5.6%	7.4%	16.7%
Total	100.0%	100.0%	100.0%

6.2.4 Lease profile

	Gross rental by lease type	Property value by lease type	Number of rooms by lease type
Fixed lease agreements	4.7%	5.0%	1.7%
F&V lease agreements	95.3%	95.0%	98.3%
Variable lease agreements	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%

6.2.5 *Lease expiry profile*

	Gross rental income by lease expiry period	Property value by lease expiry period	Number of rooms by lease expiry period
1 – 5 years	25.5%	23.4%	25.1%
6 – 10 years	2.5%	2.5%	1.9%
11 – 20 years	56.3%	59.8%	67.6%
21 – 30 years	15.7%	14.3%	5.4%
Total	100.0%	100.0%	100.0%

6.2.6 *Average annualised property yield*

The average annualised property yield for the combined portfolio, based on the fair value of investment properties as set out in **Annexure 4** of the circular, is 7.5% for the 12 months to 31 March 2018.

6.2.7 *Average daily rate*

The average daily rate of the combined portfolio is R1 171.

7. **PROPERTY AND BUSINESS UNDERTAKINGS ACQUIRED OR TO BE ACQUIRED**

Other than as disclosed in **Annexure 8**, no material immovable properties and/or fixed assets and/or business undertakings (“**acquisition properties**”) have been acquired by the Hospitality Group within the past three years or are in the process of being or are proposed to be acquired by the Group (or which the Hospitality Group has an option to acquire).

8. **PROPERTIES, ASSETS AND BUSINESS UNDERTAKINGS DISPOSED OF OR TO BE DISPOSED OF**

Hospitality has disposed of eight, non-core properties for total net proceeds of R351 million in the three years preceding the last practicable date. No further material immovable properties and/or fixed assets and/or business undertakings have been disposed of in the three years preceding the last practical date.

9. **VENDORS**

- 9.1 Details relating to the vendors of the material assets (“**material assets**”) of the enlarged Hospitality Group are set out in **Annexure 8** of the revised listing particulars.
- 9.2 The vendors of the material assets have not guaranteed the book debts of the letting enterprises acquired or to be acquired by the enlarged Hospitality Group. The agreements entered into governing the acquisitions by the enlarged Hospitality Group contain warranties which are usual for transactions of this nature.
- 9.3 The agreements entered into between the enlarged Hospitality Group and each of the vendors of the acquisition properties do not preclude the vendors of the acquisition properties from carrying on business in competition with the enlarged Hospitality Group nor do the agreements impose any other restrictions on the vendors of the acquisition properties and therefore no payment in cash or otherwise has been made in this regard.
- 9.4 There are no liabilities for accrued taxation that will be settled in terms of the agreements with vendors of the material assets.
- 9.5 Save as disclosed in respect of the acquisitions set out in **Annexure 8**, the enlarged Hospitality Group has not made any material purchases of securities in any company.
- 9.6 Other than the directors’ interests as set out in **Annexure 3** of these revised listing particulars, no director or promoter of Hospitality (or any partnership, syndicate or other association in which a promoter or director had an interest) has any direct or indirect beneficial interest in the transaction.
- 9.7 No cash or securities have been paid or any benefit given within the three preceding years of these revised listing particulars or is proposed to be paid or given to any promoter (not being a director).
- 9.8 The entire issued share capital of Cullinan and Merway to be acquired in terms of the transaction will be transferred into the name of Hospitality as soon as possible after implementation of the transaction. Save for the aforementioned the material assets referred to in **Annexure 9** of the revised listing particulars have not been ceded or pledged to any party. However, the properties in the combined portfolio referred to in **Annexure 7** have been provided for security for borrowings as set out in **Annexure 10** of the revised listing particulars.

SECTION THREE – FINANCIAL INFORMATION

10. FORECAST STATEMENTS OF COMPREHENSIVE INCOME

- 10.1 Forecasts statements of Cullinan and Merway, which are set out in **Annexure 2** of the circular, have been prepared for the nine months ending 31 March 2018 and year ending 31 March 2019 (collectively, the “forecasts”).
- 10.2 The forecasts have been prepared on the assumption that:
- 10.2.1 the effective date of the transaction will be 1 July 2017; and
- 10.2.2 on the basis that the forecasts include forecast results for the duration of the forecast periods.
- 10.3 The forecasts, including the assumptions on which they are based and the financial information from which they are prepared, are the responsibility of the directors of Hospitality. The forecasts have been prepared in accordance with Hospitality’s accounting policies and in compliance with IFRS.
- 10.4 The forecasts must be read in conjunction with the independent reporting accountants’ assurance report on the forecasts as set out in **Annexure 3** of the circular.

11. PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

- 11.1 The *pro forma* consolidated statement of financial position of Hospitality, after the transaction and the rights offer is set out in **Annexure 4** of the circular.
- 11.2 The *pro forma* consolidated statement of financial position of Hospitality, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the board of Hospitality.
- 11.3 The independent reporting accountants’ assurance report on the *pro forma* consolidated statement of financial position is set out in **Annexure 5** of the circular.

12. SHARE CAPITAL OF THE COMPANY

- 12.1 The share capital of Hospitality as at the last practical date is set out below:

	R’000
<hr/>	
<i>Authorised share capital</i>	
2 000 000 000 shares of no par value	–
<hr/>	
<i>Issued share capital</i>	
330 509 919 shares of no par value	5 565 258
<hr/>	
Stated capital	5 565 258

The issued share capital includes 562 774 Hospitality shares held in treasury and 2 377 256 shareholder redemption shares (“**redemption shares**”), being shares relating to shareholder appraisal rights in respect of the capital restructure. The dissenting shareholders have applied to the court to determine the fair value of the redemption shares, which fair value has not been determined as at the last practical date. In terms of section 164(9) of the Companies Act, the dissenting shareholders have no rights to the redemption shares other than to be paid the fair value as determined by the court.

- 12.2 Assuming the implementation of the rights offer (on the basis that existing shareholders follow all of their rights) and the transaction, the anticipated share capital of Hospitality after the rights offer and the transaction is set out below:

	R’000
<hr/>	
<i>Authorised share capital</i>	
2 000 000 000 shares of no par value	–
<hr/>	
<i>Issued share capital</i>	
637 908 113 shares of no par value	9 800 786
<hr/>	
Stated capital	9 800 786

The issued share capital includes 562 774 Hospitality shares held in treasury and 2 377 256 shareholder redemption shares (“**redemption shares**”), being shares relating to shareholder appraisal rights in respect of the capital restructure. The dissenting shareholders have applied to the court to determine the fair value of the redemption shares, which fair value has not been determined as at the last practical date. In terms of section 164(9) of the Companies Act, the dissenting shareholders have no rights to the redemption shares other than to be paid the fair value as determined by the court.

12.3 **Annexure 9** of the revised listing particulars contains the following salient information relating to the authorised and issued share capital:

12.3.1 alterations to authorised share capital during the preceding three years;

12.3.2 options and preferential rights in respect of shares;

12.3.3 issues and repurchases of shares in the preceding three years; and

12.3.4 statement as to listing on stock exchange.

13. DIVIDENDS

13.1 Entitlement to dividends arise on the last day of the third month following the end of the respective six-month distribution period.

13.2 Any dividends remaining unclaimed for a period of three years from the declaration date thereof may be forfeited by resolution of the directors for the benefit of Hospitality.

13.3 There are no arrangements in terms of which future dividends are waived or agreed to be waived.

14. MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES

14.1 The board has committed a total of R127 million for maintenance and expansion capital items at its hotel properties of which R127 million is anticipated to be spent during the next financial year. R7 million of the committed capital expenditure has been contracted for.

14.2 Other than as disclosed in paragraph 14.1 above, the company has no material commitments, lease payments and contingent liabilities.

15. MATERIAL BORROWINGS AND LOANS RECEIVABLE

15.1 Details of material borrowings advanced to the Hospitality Group at the last practical date are set out in **Annexure 10** of the revised listing particulars.

15.2 None of the material borrowings listed in **Annexure 10** of the revised listing particulars have any redemption or conversion rights attaching to them.

15.3 Other than as set out in **Annexure 10**, the Hospitality Group has no loan capital outstanding.

15.4 Other than as disclosed in **Annexure 2**, the Hospitality Group has not entered into any other material inter-company or other transactions.

15.5 As at the last practical date, the Hospitality Group has not undertaken any off-balance sheet financing.

15.6 Details of material loans receivable by the Hospitality Group at the last practical date are set out in **Annexure 10** of the revised listing particulars.

15.7 No loans have been made or security furnished by the Group for the benefit of any director, manager or associate of any director or manager of the Group.

16. MATERIAL CHANGES

Details of material changes are set out in paragraph 18 of the circular.

SECTION FOUR – ADDITIONAL MATERIAL INFORMATION

17. MATERIAL CONTRACTS

- 17.1 The Hospitality Group has not entered into any contract that contains restrictive funding arrangements.
- 17.2 Set out below are contracts which have been entered into by the Hospitality Group, which are material to the Hospitality Group:
- 17.2.1 the transaction agreement, the salient features of which are set out in paragraph 3 of the circular; and
- 17.2.2 “Material contracts” referred to in **Annexure 11** of the revised listing particulars.
- 17.3 Save for those contracts listed above, the Hospitality Group has not entered into any material contract either verbally or in writing, being a contract entered into otherwise than in the ordinary course of the business carried on, or proposed to be carried on, entered into within the two years prior to the date of the revised listing particulars; or entered into at any time and containing an obligation or settlement that is material to the Hospitality Group, as the case may be, at the date of these revised listing particulars.

18. COMMISSIONS PAID OR PAYABLE BY HOSPITALITY

- 18.1 Other than the commissions paid to the underwriters in respect of the rights offer, further details of which will be set out in the rights offer circular, no amount has been paid, or accrued as payable, within the preceding three years, as commission to any person, including commission so paid or payable to any sub-underwriter or a promoter or director or officer of Hospitality, for subscribing or agreeing to subscribe, or procuring, or agreeing to procure, subscriptions for any securities of Hospitality.
- 18.2 No commissions, discounts or brokerages have been paid nor have any other special terms been granted in connection with the issue or sale of any shares or linked units of the company, in the three years preceding the date of these revised listing particulars.
- 18.3 The Hospitality Group is not subject to any royalty agreements and no royalties are payable by the Hospitality Group.

19. TRADING HISTORY OF SHARES

A table of the aggregate volumes and values traded and the highest and lowest prices traded in Hospitality linked units/shares for each month over the 12 months prior to the date of issue of these revised listing particulars and for each day over the 30 days preceding the last practical date prior to the date of these revised listing particulars is set out in **Annexure 12** of the revised listing particulars.

20. ADEQUACY OF CAPITAL

The adequacy of the capital statement is set out in paragraph 19 of the circular.

21. ADVISOR’S AND COMPANY SECRETARY’S INTERESTS IN HOSPITALITY

The names and business addresses of the company’s advisors and the company secretary are set out in the Corporate Information section. Neither the company’s advisors nor the company secretary have any interests in Hospitality shares.

22. GOVERNMENT PROTECTION AND INVESTMENT ENCOURAGEMENT LAW

There is no government protection or any investment encouragement law pertaining to any of the businesses operated by the Group.

23. CORPORATE GOVERNANCE

The corporate governance statement of the Hospitality Group is available on Hospitality's website (www.hpf.co.za) and will also be available for inspection at Hospitality's registered office (The Zone, Phase 2, 2nd Floor, Loft Offices East Wing, Corner Oxford Road and Tyrwhitt Avenue, Rosebank, Johannesburg, 2196) from the date of issue of these revised listing particulars to 9 June 2017. The board has outlined the corporate governance statement in **Annexure 13** of the revised listing particulars.

24. LITIGATION STATEMENT

The litigation statement is set out in paragraph 20 of the circular.

25. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are set out in page 13 of these revised listing particulars, collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that they have made all reasonable enquiries to ascertain such facts and that the circular contains all information required by law and the Listings Requirements.

26. CONSENTS

26.1 Each of the company secretary, the sponsor, the corporate advisor, the transaction sponsor, the independent reporting accountants, the independent property valuer, the independent expert, the transfer secretaries and the legal and tax advisors have consented in writing to act in the capacities stated and to their names appearing in these revised listing particulars and have not withdrawn their consent prior to the publication of these revised listing particulars.

26.2 Each of Hospitality's advisors being the investment bank, the transaction sponsor and the legal advisor have consented in writing to act in the capacities stated and to their names appearing in these revised listing particulars and have not withdrawn their consent prior to the publication of these revised listing particulars.

27. PRELIMINARY EXPENSES AND ISSUE EXPENSES

The company has not incurred any preliminary expenses in respect of the transaction in the preceding three years. The issue expenses incurred as a result of the transaction are set out in paragraph 23 of the circular.

28. DOCUMENTS AND CONSENTS TO BE AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the company's registered office and at the corporate advisor's office at any time during business hours on weekdays (official public holidays excluded) for a period of 14 days from the date of issue of these revised listing particulars and the circular:

28.1 the circular and revised listing particulars;

28.2 the Memoranda of Incorporation of the Hospitality Group and its subsidiaries;

28.3 the transaction agreement referred to in paragraph 3 of the circular;

28.4 the material contracts set out in **Annexure 11** of these revised listing particulars;

28.5 the agreements with hotel management companies referred to in **Annexure 6** of these revised listing particulars;

28.6 the loan agreements in respect of the loans referred to in **Annexure 10** of these revised listing particulars;

28.7 the summary valuation report by the independent property valuer on the Tsogo portfolio as set out in **Annexure 7** of the circular and the detailed valuation reports thereto;

28.8 copies of service agreements with directors, managers or secretary/ies; underwriters, vendors and promoters entered into during the last three years;

28.9 the written consents detailed in paragraph 22 of the circular and paragraph 26 above;

28.10 the signed reports by the independent reporting accountants, the extracts of which are set out in **Annexure 3** and **Annexure 5** of the circular;

- 28.11 the audited annual financial statements of Hospitality for the years ended 30 June 2016, 30 June 2015 and 30 June 2014;
- 28.12 the reviewed condensed results for the nine months ended 31 March 2017;
- 28.13 the unaudited interim financial statements of Hospitality for the period ended 31 December 2016;
- 28.14 the audited annual financial statements of each of Cullinan and Merway for the year ended 31 March 2016; and
- 28.15 the audited financial statements of each of Cullinan and Merway for the period ended 31 March 2017.

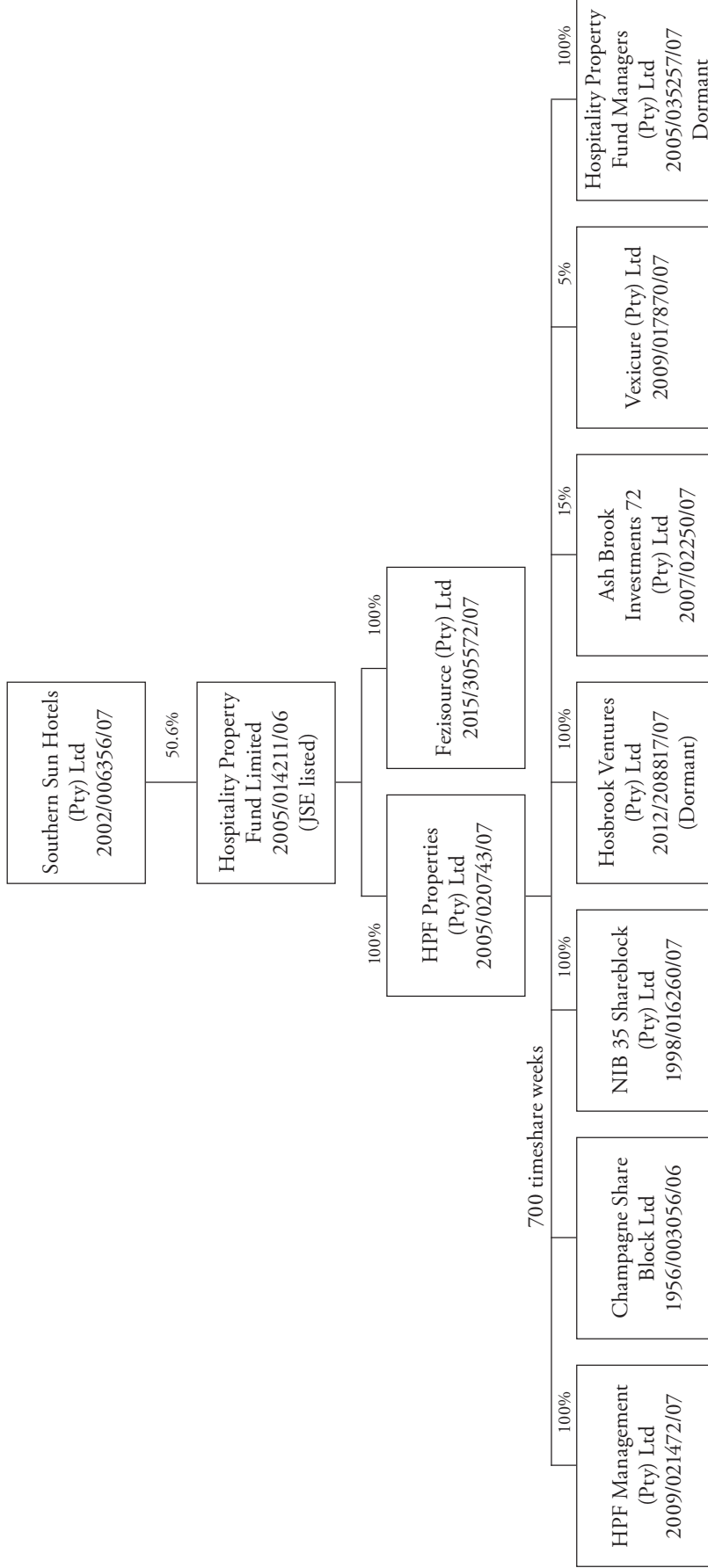
Signed in Johannesburg by Keith Randall on behalf of the Hospitality board, he being duly authorised thereto at a meeting of the Board of Directors held on 16 May 2017.

Keith Randall
Chief executive officer

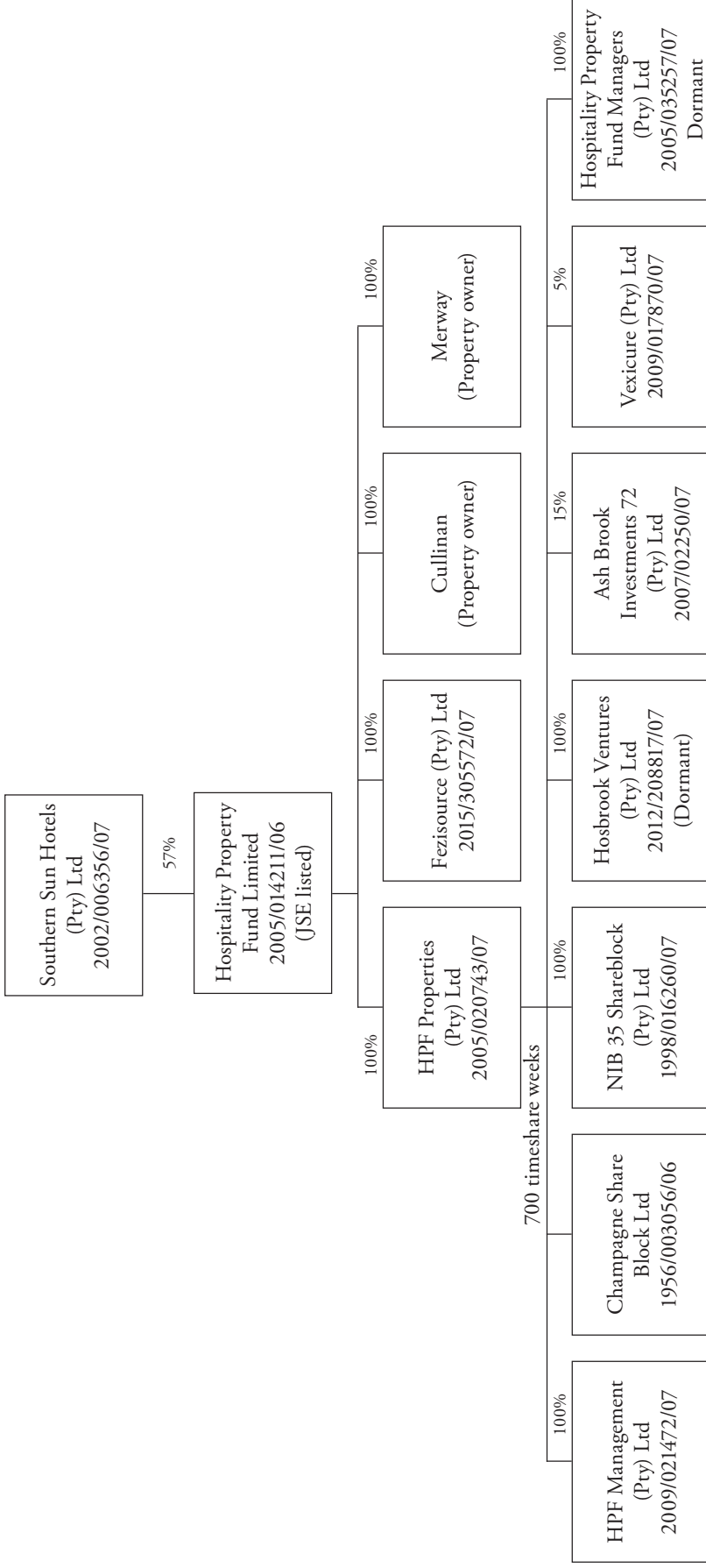
30 May 2017

GROUP STRUCTURE

1. Set out below is the Group structure of the Hospitality Group prior to the implementation of the transaction.



2. Set out below is the Group structure of the Hospitality Group post the implementation of the transaction.



DETAILS OF SUBSIDIARIES

The following table contains a list, as at the last practical date, of the major subsidiary undertakings of the Hospitality Group. Post the implementation of the transaction, Cullinan and Merway will become wholly-owned subsidiaries of Hospitality.

No.	Subsidiary name and registration number	Main business	Date and place of incorporation	Issued capital (R)	Date became a subsidiary	Effective holding	Amount owing to/(by) Hospitality (R'000)*
1.	HPPF Properties Proprietary Limited (Registration number 2005/020743/07)	Property owning company	17 June 2005 South Africa	120.00	20 August 2005	100%	3 903 104
2.	HPPF Management Proprietary Limited (Registration number 2009/021472/07)	Asset management and administration of the existing portfolio	9 November 2009 South Africa	100.00	30 November 2009	100%	(9)
3.	Hospitality Property Fund Managers Proprietary Limited (Registration number 2005/035257/07)	Non-trading	3 March 2005 South Africa	150.28	1 December 2009	100%	–
4.	Fezisource (Pty) Limited (Registration number 2015/305572/07)	Property owning company	28 August 2015 South Africa	120.00	12 December 2016	100%	–
5.	The Cullinan Hotel Proprietary Limited (Registration number 1988/004685/07)	Property owning company	18 August 1988 South Africa	195 000	1 July 2017	100%	–
6.	Merway Fifth Investments Proprietary Limited (Registration number 1991/006478/07)	Property owning company	14 November 1991 South Africa	673 452	1 July 2017	100%	–
7.	Ash Brook Investments 72 (Pty) Ltd (Registration number 2007/022550/07)	Investment in movable and immovable property as principal	14 August 2007 South Africa	100.00	30 April 2013	15%	–

No.	Subsidiary name and registration number	Main business	Date and place of incorporation	Issued capital (R)	Date became a subsidiary	Effective holding	Amount owing to/(by) Hospitality (R'000)*
8.	Vexicure (Pty) Ltd (Registration number 2009/017870/07)	Manage the portfolio of and to undertake the fund management, asset management, general management, administrative and secretarial work	17 September 2009 South Africa	1 000.00	12 May 2011	5%	–
9.	NIB 35 Share Block (Pty) Ltd (Registration number 1998/016260/07)	Financial intermediation insurance, real estate and business services	19 August 1998 South Africa	167.00	14 February 2006	100%	–

* Further details are set out in **Annexure 10** of the revised listing particulars.

DETAILS OF DIRECTORS OF HOSPITALITY

1. DIRECTORS' INTERESTS IN HOSPITALITY SHARES

- 1.1 Set out below are the interests of directors in the company at 30 June 2016. This includes the interest of persons who are no longer directors, but resigned during the last 18 months. Direct and indirect beneficial interests are disclosed. In addition, interests of associates of directors, where the director has no beneficial interest, are separately disclosed (this relates principally to the holdings of a spouse and minor children):

A shares (prior to capital restructure)

Director	Direct beneficial	Indirect beneficial	Held by associates	Total shares held	% of A shares	% of total shares
Gerald Nelson	–	–	288 169	288 169	0.20%	0.20%
Total	–	–	288 169	288 169	0.20%	0.20%

B shares (prior to capital restructure)

Director	Direct beneficial	Indirect beneficial	Held by associates	Total shares held	% of B shares	% of total shares
Zuko Kubukeli	–	118 715	–	118 715	0.08%	0.08%
Gerald Nelson	–	–	825 625	825 625	0.57%	0.57%
Total	–	118 715	825 625	944 340	0.65%	0.65%

- 1.1.1 Other than as disclosed in paragraph 1.1 above, the directors do not hold any interests in Hospitality shares.

- 1.1.2 On 7 December 2016 and 13 December 2016, Elsitime Proprietary Limited acquired 210 000 shares at an average price of R13.00 per share for an aggregate consideration of R2 730 000. Mr M von Aulock is a director and 75% shareholder of Elsitime Proprietary Limited. Mrs L McDonald is a director and 25% shareholder of Elsitime Proprietary Limited.

- 1.1.3 Other than as disclosed in paragraph 1.1.2 and paragraph 1.1.1 there were no changes to the directors' holdings between 30 June 2016 and the date of issue of this circular.

- 1.2 Set out below are the anticipated direct and indirect beneficial interests of the directors in the Hospitality Group post the implementation of the rights offer and the transaction. This includes the interest of persons who are no longer directors, but resigned during the last 18 months. In addition, interests of associates of directors, where the director has no beneficial interest, are separately disclosed (this relates principally to the holdings of a spouse and minor children):

Director	Direct beneficial	Indirect beneficial	Held by associates	Total shares held	% of total shares
Zuko Kubukeli	–	33 918	–	33 918	0.0%
Gerald Nelson	–	–	517 436	517 436	0.0%
Laurelle McDonald	–	–	52 500	52 500	0.0%
Marcel von Aulock	–	–	157 500	157 500	0.0%
Total	–	33 918	937 436	1 001 754	0.0%

2. DIRECTORS' INTERESTS IN TRANSACTIONS

Save as in relation to their holding of Hospitality shares as set out in paragraph 1 above, none of the directors of Hospitality, including a director who resigned during the last 18 months, has or had any material beneficial interest, direct or indirect, in any transactions that were effected by Hospitality during the current or immediately preceding financial year or during any earlier financial year and which remain in any respect outstanding or unperformed.

3. DIRECTORS EMOLUMENTS

3.1 The remuneration of the directors of Hospitality for the year ended 30 June 2016 was as follows:

	Directors fees R'000	Performance bonus R'000	Total R'000	
<i>Non-executive directors</i>				
DG Bowden	371	–	371	
L de Beer	375	–	375	
SA Halliday	341	–	341	
ZN Kubukeli	323	–	323	
GA Nelson	337	1 490	1 827	
ZN Malinga	297	–	297	
WC Ross	290	–	290	
Total	2 334	1 490	3 824	
	Salaries R'000	Bonuses – F2016 R'000	Leave paid out R'000	Total R'000
<i>Executive directors</i>				
Mr VM Joyner (CEO) [#]	2 148	2 700	–	4 848
Mr R Erasmus* (Acting CFO)	1 387	973	–	2 360
	3 737	3 673	541	7 951

[#] In line with the change of control clause contained in Mr Joyner's contract of employment, Mr Joyner's service as CEO and as a member of the board of Hospitality was terminated with effect from 31 December 2016.

* Resigned with effect from 30 September 2016.

3.2 Other than as set out in paragraph 3.2 and the table above, the directors of Hospitality did not receive any emoluments for the the year ended 30 June 2016, in the form of:

- 3.2.1 fees for services as a director;
- 3.2.2 management, consulting, technical or other fees paid for such services rendered, directly or indirectly, including payments to management companies, a part of which is then paid to a director of the company;
- 3.2.3 basic salaries;
- 3.2.4 bonuses and performance-related payments;
- 3.2.5 sums paid by way of expense allowances;
- 3.2.6 any other material benefits received;
- 3.2.7 contributions paid under any pension scheme; or
- 3.2.8 any commission, gain or profit-sharing arrangements.

3.3 No share options or any other right has been given to a director of the Hospitality Group in respect of providing a right to subscribe for shares in Hospitality.

3.4 The share-based payment "scheme" is considered a share appreciation rights cash-settled scheme based on the appreciation of the B share under the prior capital structure.

3.4.1 During 2014, a loan of R10 million was advanced to the HPF Employee Incentive Trust ("**the Trust**") by the company in order to facilitate the acquisition of 1 969 710 B shares at an average price of R5.07.

Set out below are the terms of tranche 1 of the shares appreciation rights scheme:

- 3.4.1.1 Interest rate: Prime interest rate less 2.5%;
 - 3.4.1.2 Loan amount: R10 million;
 - 3.4.1.3 Vesting period: three years with settlement between 2016 to 2018 in three equal instalments;
 - 3.4.1.4 Grant date: 29 November 2013; and
 - 3.4.1.5 Grant date value: R5.50 per B-linked unit.
- 3.4.2 1 969 710 B shares were issued to directors and employees in terms of a share-based payment scheme. 943 493 B shares were forfeited by the directors due to their employment ending before the relevant vesting date.
- 3.4.3 Following the capital structure, the Trust owns 562 774 ordinary shares of no par value, of which 293 204 are issued to employees under a share-based payment scheme.
- 3.4.4 Other than as set out in this paragraph 3.4, no shares or shares have been issued and allotted in terms of a linked unit purchase/option scheme or a share purchase/option scheme for employees.
- 3.5 The executive and non-executive directors are remunerated by Hospitality. Other than as disclosed in paragraph 3.1, 3.2 and 3.4 above, the directors did not receive any remuneration or benefit in any form from any subsidiary, associate, joint venture or other third party management or advisory company.
- 3.6 There are no fees payable or accrued as payable by Hospitality to a third party *in lieu* of directors' fees.
- 3.7 The remuneration received by the directors of Hospitality will not be varied as a consequence of the transaction.
- 3.8 The business of Hospitality, or any part thereof, is not managed or proposed to be managed by any third party under contract or arrangement.
- 3.9 The Group has not entered into any contracts relating to the directors' and managerial remuneration, secretarial and technical fees and restraint payments.

4. TERMS OF EMPLOYMENT OF DIRECTORS

- 4.1 The chief executive officer and the chief financial officer are both full-time salaried employees of HPF Management Proprietary Limited, a wholly-owned subsidiary of Hospitality. Their employment contracts are in accordance with the company's standard terms and conditions of employment and are subject to three month's notice periods, respectively. The chief executive officer and the financial director each earn a salary of R2 600 000 per annum and R1 800 000 per annum, respectively.
- 4.2 Non-executive directors are not subject to fixed terms of employment other than the conditions contained in the company's MOI and, as such, no service contracts have been entered into with the company. Non-executive directors' fees are approved in advance by shareholders by special resolution at the company's annual general meeting, at intervals of no longer than two years at a time. One-third of all executive and non-executive directors retire from office by rotation at the company's annual general meeting and if eligible may offer themselves for re-election. Any of the directors who have reached the age of 70 years prior to the relevant annual general meeting retire annually but may offer themselves for re-election.
- 4.3 No restraints of trade have been imposed on any of the executive or non-executive directors and no payments will be made in this regard.

5. BORROWING POWERS OF THE DIRECTORS

- 5.1 The borrowing powers of the directors are unlimited. Further information related to the borrowing powers of directors are set out in **Annexure 5**.
- 5.2 The directors' borrowing powers have never been exceeded during the previous three years. There are no exchange control or other restrictions on the borrowing powers of Hospitality.

6. INTERESTS OF DIRECTORS AND PROMOTERS

- 6.1 No amount has been paid, or is accrued as payable, within the preceding three years, or proposed to be paid to any promoter or to any partnership, syndicate or other association of which any director is or was a member and no other benefit has been given or proposed to be given to such promoter, partnership, syndicate or other association within the said period.
- 6.2 None of the directors or promoters of Hospitality, have received any material beneficial interest, direct or indirect, in the promotion of the company and its properties, as disclosed in **Annexure 7** of the revised listing particulars, during the three years preceding this circular. This includes a partnership, company, syndicate or other association.
- 6.3 No amount has been paid, or agreed to be paid, within the three years preceding the date of this circular, to any director of Hospitality, or to any company in which he is beneficially interested, directly or indirectly, or of which he is a director (“**the associate company**”) or to any partnership, syndicate or other association of which he is a member (“**the associate entity**”), in cash, securities or otherwise, by any person, either to induce him to become, or to qualify him as a director or otherwise for services rendered by him or by the associate company or the associate entity in connection with the promotion of Hospitality.

7. DIRECTORS’ DECLARATIONS

- 7.1 None of the directors have been involved in:
 - 7.1.1 any bankruptcies, insolvencies or individual voluntary compromise arrangements of such person;
 - 7.1.2 any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of Section 129(7) of the Act, receiverships, compulsory liquidations, creditors’ voluntary liquidations, administrations, company voluntary arrangements or any compromise or arrangement with creditors generally or any class of creditors of any company; where such person is or was a director, with an executive function within such company at the time of, or within the 12 months preceding, any such event(s);
 - 7.1.3 any compulsory liquidations, administrations or partnership voluntary arrangements of any partnerships where such person is or was a partner at the time of or within the 12 months preceding such event(s);
 - 7.1.4 receiverships of any asset(s) of such person or of a partnership of which the person is or was a partner at the time of, or within the 12 months preceding, such event;
 - 7.1.5 any public criticisms of such person by statutory or regulatory authorities, including recognised professional bodies, and whether such person has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
 - 7.1.6 any offence involving dishonesty committed by such person;
 - 7.1.7 a removal from an office of trust, on the grounds of misconduct and involving dishonesty; and
 - 7.1.8 any court order declaring such person delinquent or placing him under probation in terms of Section 162 of the Act and/or Section 47 of the Close Corporations Act, 1984 (Act No. 69 of 1984) or disqualifying him to act as a director in terms of Section 219 of the Companies Act, 1973 (Act No. 61 of 1973);
- 7.2 None of the directors been:
 - 7.2.1 disqualified by a court from acting as a director of a company, or from acting in the management or conduct of the affairs of any company as described in section 7.B of the Listings Requirements;
 - 7.2.2 put into liquidation or been placed under business rescue proceedings or had an administrator or other executor appointed during the period when they were (or within the preceding 12 months had been) one of its directors, or alternate directors or equivalent position;
 - 7.2.3 adjudged bankrupt or sequestrated in any jurisdiction;
 - 7.2.4 a party to a scheme of arrangement or made any other form of compromise with their creditors;
 - 7.2.5 found guilty in disciplinary proceedings, by an employer or regulatory body, due to dishonest activities;
 - 7.2.6 barred from entry into any profession or occupation; and
 - 7.2.7 convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act.

CURRENT AND PAST DIRECTORSHIPS

The table below lists the companies and partnerships of which each director of the Hospitality is currently a director or partner as well as the companies and partnerships of which each director of the company was a director or partner over the five years preceding the date of these revised listing particulars.

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Don Bowden	Foord Unit Trusts (RF) Proprietary Limited The Fruitways Group Proprietary Limited Fruitways Marketing Proprietary Limited Fruitways Farming Proprietary Limited Fruitways Packing Services Proprietary Limited Hospitality Property Fund Limited	Tier 1 Investor Relations Proprietary Limited Fruitways Properties Proprietary Limited
Gerald Nelson	Grapnel Property Investments Proprietary Limited Grapnel Property Asset Managers Proprietary Limited Grapnel Property Development Proprietary Limited Grapnel Property Managers Proprietary Limited Grapnel Property Services Proprietary Limited Hospitality Hotel Developments Proprietary Limited Hospitality Property Fund Limited Hospitality Property Fund Managers Proprietary Limited HPF Management Proprietary Limited HPF Properties Proprietary Limited Nobuntu Investments Proprietary Limited Nobuntu Investments II Proprietary Limited NIB 35 Share Block Proprietary Limited Arabella Country Estates Home Owners Association NPC Vantage Tyrwhitt	Arcadia 580 Limited Coronib E.S.A Proprietary Limited Gallic Courtyard (Arcadia) Share Block Proprietary Limited Gallic Courtyard (Bruma Lake) Share Block Proprietary Limited Gallic Courtyard (Rosebank) Share Block Limited Gallic Courtyard (Sandown) Share Block Limited Gallic Courtyard (Valkenberg) Proprietary Limited Majormatic 194 Proprietary Limited Sycom Property Fund Managers Limited The Bayshore Inn Management Proprietary Limited The Richard's Hotel Proprietary Limited Vexicure Proprietary Limited WT Mcclatchey Associates Project Managers CC DV Developments CC Hosbrook Ventures Proprietary Limited Manappu Investments Ideal Infinity Services Kasle Properties Centre South Properties Linton Projects Fairy Glen Properties Sycom Properties Fourways Crossing Retail Centre Backbone Investments Freestone Property Holdings Zelpy 2199 Proprietary Limited Nobuntu Investments Proprietary Limited Nobuntu Investments II Proprietary Limited

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Linda de Beer	Royal Bafokeng Platinum Limited Hospitality Property Fund Limited Sasfin Bank Limited Sasfin Holdings Limited Aspen Finance Proprietary Limited	Afgri Proprietary Limited Verlorenkloof Share Block Proprietary Limited First South Financial Services Proprietary Limited Kelvin Power Proprietary Limited Kelvin Holdings Proprietary Limited Venturepharm Proprietary Limited Extensible Business Reporting Language South Africa NPC Strategic Partners in Tourism NPC Utilvest Proprietary Limited Tourism Enterprise Partnership NPC
Zuko Kubukeli	Abagold Limited Afropulse 496 Proprietary Limited Automated Outsourcing Services Proprietary Limited Bigwindow Trading 35 Proprietary Limited Black Equity Proprietary Limited Black Equity Tracking Proprietary Limited Blue Falcon 134 Trading Proprietary Limited Bustque 279 Proprietary Limited Calasca Trading 115 Proprietary Limited Cross Colours Consultancy Proprietary Limited Dental Risk Company Proprietary Limited Distinct Global Capital Proprietary Limited Galaxy Net Proprietary Limited Gambare Proprietary Limited Gambare Ad Hoc Promotions Proprietary Limited Gambare Group Holdings Proprietary Limited Hospitality Property Fund Limited KMC Partners Proprietary Limited Makuphe Investments Proprietary Limited Manyano Empowerment Solutions Proprietary Limited Mediscor PBM Proprietary Limited Overview Closed Circuit Video Proprietary Limited Pan-African Automated Services Proprietary Limited Pan-African Capital Holdings Proprietary Limited Pan-African Commercial Properties Proprietary Limited Pan-African Environment Proprietary Limited Pan-African General Equity Properties Proprietary Limited Pan-African Health Services Proprietary Limited Pan-African Healthcare Consortium Proprietary Limited Pan-African Investment and Research Services Pan-African Logistical Services Proprietary Limited Pan-African Managed Care Proprietary Limited Pan-African Private Equity Fund 2012 Proprietary Limited Pan-African Waste Services Proprietary Limited Pape Fund Managers Proprietary Limited	Absolute SA Returns Proprietary Limited African Marble Mining and Export Company Proprietary Limited African Marble Trading Proprietary Limited Bond Alliance Proprietary Limited Civair Proprietary Limited Civair Airways Proprietary Limited Cross Point Trading 45 Proprietary Limited Evolution One General Partner (SA) Proprietary Limited Inspired Evolution Investment Management Proprietary Limited Intellicare Proprietary Limited Pan-African Agri-Ventures Fund Proprietary Limited Siyathenga Property Fund Limited Stowe Holdings Proprietary Limited Wizuza Promotions CC Pan-African Business Solutions Proprietary Limited GC Rieber Compact South Africa Proprietary Limited Nobuntu Investments II Proprietary Limited Pan-African Health Services Proprietary Limited Afropulse 496 Proprietary Limited Pan-African Waste Services Proprietary Limited Denny Mushrooms Proprietary Limited

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
	Ponting Holdings Limited	
	RMB Ventures Investments Proprietary Limited	
	RZT Zelpy 4712 Proprietary Limited	
	Sovereign Seeker Investments 54 Proprietary Limited	
	Taminco Diamond Proprietary Limited	
	Vexicure Proprietary Limited	
	Virtual Colour Cape Town Proprietary Limited	
	Virtual Colour Display Gauteng Proprietary Limited	
	Xlink Communications Proprietary Limited	
	Jo Jo Tanks Proprietary Limited	
	Tessara Proprietary Limited	
	RUTF South Africa Proprietary Limited	
	Wenza Capital Proprietary Limited	
	Wattle Gate (RF) Proprietary Limited	
	Stantraq (RF) Proprietary Limited	
	Landsbourne Investments Proprietary Limited	
	Safrika Enterprise Development Proprietary Limited	
	Zukubu Proprietary Limited	
	Tanabiz Proprietary Limited	
	Clyrobuzz Proprietary Limited	
	Equity Express Securities Exchange Proprietary Limited	
	Pape Fund 3 General Partner Proprietary Limited	
	Westwood Trading Proprietary Limited	
	Pan-African Private Equity Fund 2015 Proprietary Limited	
	Pape 2 Fund Managers Proprietary Limited	
	Pape Group Fund Proprietary Limited	
	Pape Group Properties Proprietary Limited	
	Pape Asset Management Proprietary Limited	
	Escalon Proprietary Limited	
	Pape 1 FM OPCO Proprietary Limited	
	Vapour Products Association NPC	
	HPF Properties Proprietary Limited	
	Pan-African Private Equity Fund 1 (RF) Proprietary Limited	
	Pape 1 Fund Managers Proprietary Limited	
	Excellerate Property Services Proprietary Limited	
	Pape Group Proprietary Limited	
	INCA Portfolio Managers Proprietary Limited	
	Rosebank Wealth Group Proprietary Limited	
	Excess Energy Africa Proprietary Limited	
	Infrastructure Specialist Group Proprietary Limited	
	R and S Consulting Proprietary Limited	

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Willy Ross	Eigenbau Bop Proprietary Limited Hospitality Property Fund Limited Property Fund Managers Limited Stomgeld Beleggings Proprietary Limited Eiprop Two CC Habadee CC Stand 574 Brixton CC	Bravo Group Manco Proprietary Limited Eigenbau Proprietary Limited Free Wheeler Properties Proprietary Limited Sasfin Private Equity Fund Managers Proprietary Limited Bewaarplek Proprietary Limited Darrenwood Eiendomme Proprietary Limited Free-to-air Proprietary Limited Jesop Finance Company Proprietary Limited Kelbrook Joint Finance Company Proprietary Limited Merchant Equipment Finance Proprietary Limited Ross Incentives Proprietary Limited Empowergro Investments Proprietary Limited Garbrooke Investments Proprietary Limited Kagiso Ventures Proprietary Limited Crossroads Distribution Proprietary Limited Capital Property Fund Limited Bravo Group Proprietary Limited 74 Mandeville Road Homeowners Association NPC KTH Media Investments Ivanma Investments Proprietary Limited Property Fund Managers Proprietary Limited Sycom Property Fund Managers Proprietary Limited Kagiso Trust Investments Proprietary Limited Sandvik Mining RSA Proprietary Limited Investment Facility Company Five Zero Eight Proprietary Limited Vunani Limited Treacle Private Equity Proprietary Limited Fluxrab Investments No 110 Proprietary Limited
Syd Halliday	Dipula Income Fund Limited Bahafas Investments CC Hospitality Property Fund Limited	Pretoria Abattoir and Meatpackers Proprietary Limited

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Zola Malinga	<p>Jade Capital Partners Proprietary Limited Jade Property Investments Proprietary Limited Texton Broadbased Empowerment Proprietary Limited Jade Equity Partners Proprietary Limited Jade Industrial Holdings Proprietary Limited Jade Precast Proprietary Limited Tenja Real Estate Proprietary Limited K2016218833 (South Africa) Proprietary Limited Black Industrialists Group Property Management Company Proprietary Limited Jade MNC Proprietary Limited JCP Distributors Proprietary Limited K2017089687 (South Africa) Proprietary Limited Grindrod Limited Four Seina-Morningside Proprietary Limited Ntlantsi Holdings Proprietary Limited Amilia Investment Holdings Proprietary Limited Aperture Lephoi Proprietary Limited Lephoi Investment Holdings Proprietary Limited Pacific Heights Investment 2 107 Proprietary Limited Sasol Inzalo Public Proprietary Limited Sasol Inzalo Public Funding Proprietary Limited Hospitality Property Fund Limited</p>	<p>TPI Leasing Proprietary Limited Riverport Trading 61 Proprietary Limited Integrated Document Access Solutions Proprietary Limited Mintiro Investments 2 Proprietary Limited Zambli 273 NPC</p>
Mara de Lima	<p>Ash Brook Investments 72 Proprietary Limited Fezsource Proprietary Limited HPF Management Proprietary Limited HPF Properties Proprietary Limited Hospitality Property Fund Limited Hospitality Property Fund Managers Proprietary Limited Hosbrook Ventures Proprietary Limited NIB 35 Share Block Proprietary Limited Prima Vista Homeowners Association NPC Vexicure Proprietary Limited</p>	None

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Keith Randall	Fezisource Proprietary Limited Hospitality Property Fund Limited HPF Properties Proprietary Limited HPF Management Proprietary Limited	Sun 1 Hotels Proprietary Limited Merway Fifth Investments Proprietary Limited Property Investment Company No 1 Proprietary Limited Property Investment Company No 2 Proprietary Limited Property Investment Company No 3 Proprietary Limited Property Investment Company No 4 Proprietary Limited Property Investment Company No 5 Proprietary Limited Property Investment Company No 6 Proprietary Limited Property Investment Company No 7 Proprietary Limited Property Investment Company No 8 Proprietary Limited Property Investment Company No 9 Proprietary Limited Property Investment Company No 10 Proprietary Limited Remainder of ERF 7723 Parow Proprietary Limited ERF 151 Roggebaai Cape Town Proprietary Limited Vidual Investments Proprietary Limited Affirmed Investments Proprietary Limited Propalux 179 Proprietary Limited Sheerprops 116 Proprietary Limited Sheerprops 194 Proprietary Limited Sheerprops 193 Proprietary Limited A Safer Parkview NPC

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Marcel von Aulock	<p>Eternity Star Investments 242 CC Elsitime Proprietary Limited Southern Sun Secretarial Services Proprietary Limited The Cullinan Hotel Proprietary Limited Tsogo Sun Holdings Limited Tsogo Sun Casinos Proprietary Limited Tsogo Sun KwaZulu-Natal Proprietary Limited Sunmart 005 Property Holdings Proprietary Limited The South African Apartheid Museum at Freedom Park NPC Southern Sun Hotels Proprietary Limited Tsogo Sun Gaming Proprietary Limited Tsogo Sun Hotels Gaming and Entertainment Proprietary Limited Tsogo Sun Proprietary Limited Lexshell 627 Investments Proprietary Limited Hospitality Property Fund Limited Southern Sun Offshore Proprietary Limited</p>	<p>Southern Sun Hotel Interests Proprietary Limited Sun 1 Hotels Proprietary Limited Merway Fifth Investments Proprietary Limited Property Investment Company No 1 Proprietary Limited Property Investment Company No 2 Proprietary Limited Property Investment Company No 4 Proprietary Limited Property Investment Company No 5 Proprietary Limited Property Investment Company No 6 Proprietary Limited Property Investment Company No 7 Proprietary Limited West Coast Leisure Proprietary Limited Akani-Egoli Proprietary Limited Tsogo Sun Expansion No 2 Proprietary Limited Tsogo Sun Caledon Proprietary Limited Durban Add-Ventures Limited Akani Msunduzi Proprietary Limited Tsogo Sun Newcastle Proprietary Limited Southern Sun Middle East Investment Holdings Proprietary Limited</p>
Laurelle McDonald	<p>Fezisource Proprietary Limited Elsivert Proprietary Limited Elsitime Proprietary Limited Holiday Inns Limited Umhlanga Rocks Hotel Share Block Proprietary Limited South African Hotels Share Block Proprietary Limited Cape Hotels Properties (EP) Limited Poplars Private Hotel Share Block Proprietary Limited Isando Commercial Share Block Proprietary Limited PLI Developments Share Block Proprietary Limited Hotel Seaside Share Block Proprietary Limited Sunnyside Park Hotel Share Block Proprietary Limited North Coast Hotels Share Block Proprietary Limited Strandburg Developments Share Block Proprietary Limited Sunnyside Park Proprietary Limited Umhlanga Beach Investments Share Block Proprietary Limited IKW Development Company Share Block Proprietary Limited Holiday Inns Hotel Corporation Proprietary Limited Hotel President Seepunt Proprietary Limited</p>	

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
	<p>Hofman Property Development Company Share Block Proprietary Limited</p> <p>Southern Sun Hotel Interest Proprietary Limited</p> <p>Transito Hotels Proprietary Limited</p> <p>The Millennium Casino Limited</p> <p>Riverside Holiday Inn Share Block Proprietary Limited</p> <p>Cape Hotels (Bloemfontein) Proprietary Limited</p> <p>Southern Sun's Airport Inn Proprietary Limited</p> <p>Down Inn Proprietary Limited</p> <p>Senath Proprietary Limited</p> <p>Mzamba Properties Proprietary Limited</p> <p>Drakensberg Sun Hotel Proprietary Limited</p> <p>West Coast Leisure Proprietary Limited</p> <p>Silverstar Casino Proprietary Limited</p> <p>Tsogo Sun Casinos Proprietary Limited</p> <p>Acquisitive Investments Proprietary Limited</p> <p>Akani-Egoli Proprietary Limited</p> <p>Volnay Investments Proprietary Limited</p> <p>Tsogo Sun Caledon Proprietary Limited</p> <p>Novaya Investments Proprietary Limited</p> <p>Durban Add-Ventures Limited</p> <p>Tsogo Sun KwaZulu-Natal Proprietary Limited</p> <p>Akani Msunduzi Proprietary Limited</p> <p>Goldfields Casino and Entertainment Centre Proprietary Limited</p> <p>Garden Route Casino Proprietary Limited</p> <p>Tsogo Sun Newcastle Proprietary Limited</p> <p>Tsogo Sun Emonti Proprietary Limited</p> <p>Bedrose Investments Proprietary Limited</p> <p>Adventure World Management Proprietary Limited</p> <p>Jeddler Investments Proprietary Limited</p> <p>Reshub Proprietary Limited</p> <p>Southern Sun Hotels Proprietary Limited</p> <p>Tsogo Sun Gaming Proprietary Limited</p> <p>Hospitality Property Fund Limited</p> <p>Majormatic 194 Proprietary Limited</p> <p>Southern Sun Offshore Proprietary Limited</p>	

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Rob Nicolella	Regal Holding Proprietary Limited Permasolve Investments Proprietary Limited Mironetix Proprietary Limited HCI Invest1 Holdco Proprietary Limited HCI Invest5 Holdco Proprietary Limited HCI Invest8 Holdco Proprietary Limited HCI Invest9 Holdco Proprietary Limited Olympus Village Proprietary Limited K2013204008 Proprietary Limited Mironetix 2 Proprietary Limited HCI-Propco1 Proprietary Limited HCI-Propco2 Proprietary Limited HCI-Propco5 Proprietary Limited HCI-Shell House Proprietary Limited HCI-Propco3 Proprietary Limited HCI-Propco6 Proprietary Limited HCI-Whale Coast Village Proprietary Limited HCI-The Palms Proprietary Limited HCI-Propco9 Proprietary Limited HCI-Propco10 Proprietary Limited HCI-Propco11 Proprietary Limited HCI-Propco12 Proprietary Limited HCI-Propco13 Proprietary Limited HCI-Properties Proprietary Limited Johnnic Properties Proprietary Limited Clare Developments Proprietary Limited Gallagher Estate Holdings Limited Euphorbia Proprietary Limited G E Property and Marketing Proprietary Limited HCI Property Investments Proprietary Limited Business Systems Group (Africa) Proprietary Limited Skyprops 111 Proprietary Limited Skyprops 114 Proprietary Limited NIB 16 Share Block Proprietary Limited Highland Night Investment 93 Proprietary Limited Syntell Proprietary Limited Rowmoor Investments 526 Proprietary Limited Hospitality Property Fund Limited Kalahari Village Mall Proprietary Limited Gallagher Convention Centre Proprietary Limited Lynnridge Shopping Centre Proprietary Limited Curagen Investments Proprietary Limited Curagen Investments Proprietary Limited	Tomaha Properties CC HCI Invest10 Holdco Proprietary Limited Virgin Active Property Company Proprietary Limited Mars Holdings Proprietary Limited Mandela Bay Precinct Development Company Proprietary Limited

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
John Copelyn	Permasolve Investments Proprietary Limited Mironetix Proprietary Limited TIH Prefco (RF) Proprietary Limited HCI Invest5 Holdco Proprietary Limited HCI Invest6 Holdco Proprietary Limited HCI Invest7 Holdco Proprietary Limited TIHC Investments (RF) HCI Invest5 Holdco Proprietary Limited Deneb Investments Limited Mironetix 2 Proprietary Limited HCI-Propco1 Proprietary Limited HCI Sun Energy Two Proprietary Limited HCI Sun Energy Three Proprietary Limited HCI Invest14 Holdco Proprietary Limited HCI Invest15 Holdco Proprietary Limited HCI-The Palms Proprietary Limited HCI Renewable Energy Investments Proprietary Limited HCI Sun Energy One Proprietary Limited HCI Invest19 Holdco Proprietary Limited HCI Invest20 Holdco Proprietary Limited HCI Invest17 Holdco Proprietary Limited HCI Invest18 Holdco Proprietary Limited Glendal Trading Proprietary Limited HCI Invest23 Holdco Proprietary Limited HCI Invest24 Holdco Proprietary Limited HCI Invest25 Holdco Proprietary Limited HCI Invest22 Holdco Proprietary Limited HCI Invest21 Holdco Proprietary Limited Ronaldgate Proprietary Limited Johnnic Holdings Proprietary Limited Johnnic Property Investments Limited IGI Investment Company Limited Johnnies Strategic Investment Holdings Proprietary Limited Johnnic Property Holdings Proprietary Limited Lennings Limited Main Place Holdings Limited E Media Holdings Limited Johnnic Casino Holdings Proprietary Limited Hosken Consolidated Investments Limited Zenzeleni Clothing Proprietary Limited Tsogo Sun Holdings Limited Tsogo Investment Holding Company Proprietary Limited Rivetprops 47 Proprietary Limited FI Developments Proprietary Limited Braylon Investments Proprietary Limited	Vectofon Proprietary Limited HCI Invest1 Holdco Proprietary Limited VPOS Integrated Business Solutions Proprietary Limited HCI Invest8 Holdco Proprietary Limited HCI Invest9 Holdco Proprietary Limited HCI Invest10 Holdco Proprietary Limited Anytime Power Proprietary Limited Griffin Oil and Gas Proprietary Limited Yired Proprietary Limited Vukani Gaming Mpumalanga Proprietary Limited Vukani Gaming KwaZulu-Natal Proprietary Limited Vukani Gaming Western Cape Proprietary Limited Vukani Gaming Gauteng Proprietary Limited Vukani Gaming Equipment Proprietary Limited Vukani Gaming Limpopo Proprietary Limited Vukani Gaming North West Proprietary Limited Vukani Gaming Free State Proprietary Limited Vukani Gaming Northern Cape Proprietary Limited Vukani Gaming Eastern Cape Proprietary Limited Durban Add-Ventures Limited Tsogo Sun KwaZulu-Natal Proprietary Limited Tsogo Sun Hotels Gaming and Entertainment Proprietary Limited Silver Vanity Investments Proprietary Limited

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
	SA Amalgamated Union Fishing Proprietary Limited	
	2 Toman Close Hydepark Proprietary Limited	
	Niveus Investments Limited	
	HCI Property Investments 2 Proprietary Limited	
	HCI Managerial Services Proprietary Limited	
	SACTWU Mining Investments (SPV) Proprietary Limited	
	SACTWU Mining Investments Proprietary Limited	
	Pearl Beach Investments Proprietary Limited	
	HCI – Treasury Proprietary Limited	
	Chearsley Investments Proprietary Limited	
	Merilyn Investments Proprietary Limited	
	Unit 1501 Twin Towers South Proprietary Limited	
	House 22 Ronald Avenue Proprietary Limited	
	Radius Trading Proprietary Limited	
	Mirino Investments Proprietary Limited	
	Leopont 255 Properties Proprietary Limited	
	Leopont 261 Properties Proprietary Limited	
	Tylon Holdings Proprietary Limited	
	Limitless Angel Fund Proprietary Limited	
	Nexrealm Technologies Proprietary Limited	
	21 Impala Road Properties Proprietary Limited	
	Highland Night Investments 93 Proprietary Limited	
	Circumference Investments Proprietary Limited	
	HCI Central Investments Proprietary Limited	
	FI Equity Group Proprietary Limited	
	Move-on-up 104 Proprietary Limited	
	Hollyberry Props 12 Proprietary Limited	
	Hospitality Property Fund Limited	
	HCI Coal Proprietary Limited	
	Kalahari Village Mall Proprietary Limited	
	Main Street 614 Proprietary Limited	
	Blue Beacon Investments 240 Proprietary Limited	
	Fulela Trade and Invest 96 Proprietary Limited	
	Foothills Trading and Investment 8 Proprietary Limited	
	LA Concorde Holdings Limited	
	Lynnridge Shopping Centre Proprietary Limited	
	Curagen Investments Proprietary Limited	
	Montauk Holdings Limited	

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Zibusiso Kganyago	Tarologix Proprietary Limited Phindu Trading and Projects Proprietary Limited Liciawize Proprietary Limited Reya Siya Proprietary Limited Foundation for Human Rights in South Africa (RF) NPC Tsogo Sun Casinos Proprietary Limited The South African National Roads Agency SOC Quantum Leap Investments 223 Proprietary Limited Tsogo Sun Gaming Proprietary Limited Hospitality Property Fund Limited Mmabodiba Investments Proprietary Limited Reyakopele Trading 1 Proprietary Limited Archtograph Investments Proprietary Limited	PPC Limited Victoria and Alfred Waterfront Proprietary Limited City of Joburg Property Company Proprietary Limited Thlolo Proprietary Limited

EXTRACTS OF THE MEMORANDUM OF INCORPORATION OF HOSPITALITY

The salient features of the MOI are set out below. The details below are a direct extract from the MOI.

“5. POWERS OF THE COMPANY

Save for those restrictions, limitations and/or qualifications as contemplated in the JSE Listings Requirements (including as regards Real Estate Investment Trusts), the Company has all of the legal powers and capacity contemplated in the Act, and no provision contained in this Memorandum of Incorporation should be interpreted or construed as negating, limiting, or restricting those powers in any way whatsoever.”

“8. ISSUE OF EQUITY SECURITIES AND VARIATION OF RIGHTS

- 8.1 Securities in each class for which listing is applied shall rank *pari passu* in all respects.
- 8.2 The Company is authorised to issue the Shares as set out in clause 9.
- 8.3 Equity Securities of a particular class in the Company which are authorised but unissued and which are intended to be issued shall be offered to the existing Shareholders of that class of Equity Securities *pro rata* to their shareholding in the Company immediately before the offer was made with a reasonable time allowed to subscribe, unless –
 - 8.3.1 otherwise empowered by a general meeting of Shareholders, subject to the Companies Act and the JSE Listings Requirements (where necessary); or
 - 8.3.2 a capitalisation issue, as contemplated in clause 15, an issue for the acquisition of assets (including another company) or an issue for the purposes of an amalgamation or merger, is to be undertaken; or
 - 8.3.3 the Equity Securities are to be issued in terms of an option to subscribe for unissued Equity Securities or conversion rights pursuant to clause 8.4.7.

After the expiration of the time within which an offer may be accepted, or on the receipt of an intimation from the Person to whom the offer is made that he/she/it declines to accept the Equity Securities offered, the Directors may, subject to the foregoing provisions, issue such Equity Securities in such manner as they think most beneficial to the Company.

- 8.4 Subject to the provisions of the Act and the JSE Listings Requirements, save for –
 - 8.4.1 correcting errors substantiated as such from objective evidence or which are self-evident errors (including, but without limitation *eiusdem generis*, spelling, punctuation, reference, grammar or similar defects) in the Memorandum of Incorporation and for complying with any applicable requirements of the Act when debentures and other debt instruments are created and/or issued, which the board is empowered to do; and
 - 8.4.2 amendments of the Memorandum of Incorporation effected in compliance with a court order in the manner contemplated in section 16(1)(a), read with section 16(4) of the Companies Act,
 all other amendments to this Memorandum of Incorporation, including but not limited to –
 - 8.4.3 an increase or decrease in the number of authorised Equity Securities of any class;
 - 8.4.4 the classification of any unclassified Shares that have been authorised but not issued;
 - 8.4.5 the variation of the preferences, rights, limitations or other terms of any issued Shares other than in accordance with the remaining provisions of this Memorandum of Incorporation and the JSE Listings Requirements, if applicable;
 - 8.4.6 the creation of any class of Shares;
 - 8.4.7 the conversion of any Shares in the capital of the Company to shares of a different class, whether issued or not, and in particular (but without derogating from the generality of the foregoing) convert Ordinary Shares or preference shares to redeemable preference shares;

- 8.4.8 the consolidation and/or sub-division of its Equity Securities;
- 8.4.9 the change of the name of the company,
- must be approved by special resolution of Ordinary Shareholders, save where such an amendment is ordered by a court in terms of section 16(1)(a) and 16(4), subject to the requirements of the Act.
- 8.5 All or any of the preferences, rights, limitations and other terms associated with or for the time being attached to any class of Shares may (unless otherwise provided by the terms of issue of the Shares of that class) whether or not the Company is being wound up, be varied in any manner with the sanction of a special resolution of the Company at a separate general meeting of the holders of the Shares of that class. The provisions of this Memorandum of Incorporation relating to a general meeting shall *mutatis mutandis* apply to any such separate general meeting except that –
- 8.5.1 the necessary quorum shall be Shareholders of the class present at a meeting and holding at least 51% (fifty one per cent) of the issued shares of that class;
- 8.5.2 if at any adjourned meeting of such holders a quorum, as contemplated in clause 8.5.1, is not present, those holders who are present shall be a quorum; and
- 8.5.3 any holder of Shares of the class present at a meeting may demand a poll and, on a poll, shall have 1 (one) vote for each Share of the class of which he is the holder.
- 8.6 Alterations of share capital, authorised shares and rights attaching to a class/es of Shares, all issues of Shares for cash and all issues of options and convertible securities granted or issued for cash must, in addition to the foregoing provisions, be in accordance with the JSE Listings Requirements.
- 8.7 No Shares may be authorised in respect of which the preferences, rights, limitations or any other terms of any class of Shares may be varied in response to any objectively ascertainable external fact or facts as provided for in sections 37(6) and 37(7) of the Act.
- 8.8 The Company may only issue Shares which are fully paid up and freely transferable and only within the classes and to the extent that those Shares have been authorised by or in terms of this Memorandum of Incorporation.
- 8.9 Subject to section 40(5) to (7) of the Act, when the Company has received the consideration approved by the board for the issuance of any Shares –
- 8.9.1 those Shares are fully paid up; and
- 8.9.2 the Company must issue those Shares and cause the name of the holder to be entered onto the Company's Securities Register in accordance with sections 49 to 56 of the Act.
- 8.10 Notwithstanding anything to the contrary in this Memorandum of Incorporation, any issue of Shares, Securities convertible into Shares, or rights exercisable for Shares in a transaction, or a series of integrated transactions shall, in accordance with the provisions of section 41(3) of the Act, require the approval of the Shareholders by special resolution if the voting power of the class of Shares that are issued or are issuable as a result of the transaction or series of integrated transactions will be equal to or exceed 30% (thirty per cent) of the voting power of all the Shares of that class held by Shareholders immediately before that transaction or series of integrated transactions.
- 8.11 Notwithstanding anything to the contrary in this Memorandum of Incorporation, any issue of Shares, Securities convertible into Shares, or a grant of options contemplated in section 42 of the Companies Act, or a grant of rights exercisable for Shares to a –
- 8.11.1 Director, future Director, prescribed officer or future prescribed officer of the Company; or
- 8.11.2 person related or inter-related to the Company, or to a Director or prescribed officer of the Company, or nominees of such person, shall require the approval of Ordinary Shareholders by special resolution, unless section 41(2) of the Act applies.
- 8.12 Except to the extent that any such right is specifically included as one of the rights, preferences or other terms upon which any class of Shares is issued or as may otherwise be provided in this Memorandum of Incorporation, no Shareholder shall have any pre-emptive or other similar preferential right to be offered or to subscribe for any additional Shares issued by the Company.
- 8.13 The granting of special privileges to holders of debt instruments, as defined in section 43(1)(a) of the Companies Act, such as attending and voting at general meetings and the appointment of Directors, as detailed in section 43(3)(b) of the Companies Act, is prohibited.”

“9. AUTHORISED SHARES

The Company is authorised to issue 2 000 000 000 (two billion) Ordinary Shares, each of which ranks *pari passu* with the other Ordinary Shares and each of which entitles the Ordinary Shareholder –

- 9.1 on a vote by poll, to 1 (one) vote per issued Ordinary Share on any resolution to be determined by the Shareholders in accordance with this Memorandum of Incorporation, in person or by proxy; and
- 9.2 to participate proportionally with every other Ordinary Shareholder in distributions (except for the payment in lieu of a capitalisation Share as contemplated in section 47(1)(c) of the Act and any consideration payable by the Company for any of its own Shares or for any shares of another company within the same Group as contemplated in paragraph (a)(iii)(aa) and (a)(iii)(bb) of the definition of “distribution” in the Act), made by the Company;
- 9.3 upon a winding up of the Company, to participate in the proceeds of the winding up proportionately with every other Shareholder.”

“12. TRANSFER OF SECURITIES

- 12.1 The instrument of transfer of any Certificated Securities shall be signed by both the transferor and the transferee and the transferor shall be deemed to remain the holder of such Certificated Securities until the name of the transferee is entered in the Securities Register. The Directors may, however, in their discretion in such cases as they deem fit, dispense with requiring the signature of the transferee on the instrument of transfer.
- 12.2 Subject to such restrictions as may be applicable (whether by virtue of the preferences, rights, limitations or other terms associated with the Securities in question) but in no way derogating from the provisions of clauses 8.8 and 14 regarding Shares and Securities being freely transferable, any Shareholder or holder of other Securities may transfer all or any of its Certificated Securities by instrument in writing in any usual or common form or any other form which the Directors may approve.
- 12.3 Every instrument of transfer shall be delivered to the principal place of business of the Company, alternatively the offices of the Company’s transfer secretaries, as appointed from time to time, accompanied by –
 - 12.3.1 the certificate issued in respect of the Certificated Securities to be transferred; and/or
 - 12.3.2 such other evidence as the Company may require to prove the title of the transferor, or his or her right to transfer the Certificated Securities.
- 12.4 All authorities to sign transfer deeds or other instruments of transfer granted by holders of Securities for the purpose of transferring Certificated Securities which may be lodged, produced or exhibited with or to the Company at its registered office shall, as between the Company and the grantor of such authorities, be taken and deemed to continue and remain in full force and effect, and the Company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at such of the Company’s offices at which the authority was first lodged, produced or exhibited. Even after the giving and lodging of such notice, the Company shall be entitled to give effect to any instruments signed under the authority to sign and certified by any officer of the Company as being in order before the giving and lodging of such notice.
- 12.5 All instruments of transfer, when registered, shall either be retained by the Company or disposed of in such manner as the Directors shall from time to time decide. Any instrument of transfer which the Directors may decline to register shall (unless the Directors shall resolve otherwise) be returned on demand to the person who lodged it.
- 12.6 The transfer of Uncertificated Securities may be effected only –
 - 12.6.1 by a Participant or Central Securities Depository;
 - 12.6.2 on receipt of an instruction to transfer sent and properly authenticated in terms of the rules of a Central Securities Depository or an order of a Court; and
 - 12.6.3 in accordance with section 53 of the Act and the rules of the Central Securities Depository.
- 12.7 Transfer of ownership in any Uncertificated Securities must be effected by debiting the account in the Uncertificated Securities Register from which the transfer is effected and crediting the account in the Uncertificated Securities Register to which the transfer is effected, in accordance with the rules of the Central Securities Depository.

- 12.8 Securities transfer tax and other legal costs payable in respect of any transfer of Securities pursuant to this Memorandum of Incorporation will be paid by the Company to the extent that the Company is liable therefore in law, but shall, to that extent, be recoverable from the person acquiring such Securities.”

“15. CAPITALISATION SHARES

- 15.1 Provided such transaction(s) has/have been approved by the JSE, if so required under the JSE Listings Requirements, (and the JSE Listings Requirements have been complied with), the board shall, in accordance with section 47 of the Act, have the power or authority to –

- 15.1.1 approve the issue of any authorised Shares, as capitalisation Shares, on a *pro rata* basis to the Shareholders of one or more classes of Shares; or
- 15.1.2 issue Shares of one class as capitalisation Shares in respect of Shares of another class; or
- 15.1.3 resolve to permit Shareholders, that are entitled, to elect to receive a cash payment *in lieu* of a capitalisation Share or a Scrip Dividend (as defined in the JSE Listings Requirements), at a value determined by the board,

and accordingly, this Memorandum of Incorporation does not limit, restrict or qualify the authority of the board to do so.

- 15.2 Without derogating from the restrictions in clause 15.1, the board may not resolve to offer a cash payment *in lieu* of awarding a capitalisation Share, as contemplated in clause 15.1.3, unless the board –

- 15.2.1 has considered the Solvency and Liquidity Test as required by section 46, on the assumption that every such Shareholder would elect to receive cash; and
- 15.2.2 is satisfied that the Company would satisfy the Solvency and Liquidity Test immediately upon the completion of the distribution.”

“17. FINANCIAL ASSISTANCE

The board may authorise the Company to provide financial assistance by way of loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription of any option, or any Securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any such Securities, as set out in section 44 of the Act, and the authority of the board in this regard is not limited or restricted by this Memorandum of Incorporation.”

“22. VOTES OF SHAREHOLDERS

- 22.1 Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with this Memorandum of Incorporation, at a meeting of the Company –

- 22.1.1 every person present and entitled to exercise voting rights shall be entitled to one vote on a show of hands, irrespective of the number of voting rights that person would otherwise be entitled to exercise;
- 22.1.2 on a poll any person who is present at the meeting, whether as a Shareholder or as proxy for a Shareholder, has the number of votes determined in accordance with the voting rights associated with the Securities held by that Shareholder; and
- 22.1.3 the holders of Shares other than Ordinary Shares shall not be entitled to vote on any resolution at a meeting of Shareholders, except as provided in clause 22.2.

- 22.2 If any resolution is proposed as contemplated in clause 8.5 in respect of securities other than Ordinary Shares and any special shares created for the purposes of black economic empowerment in terms of the BEE Act and the BEE Codes, as contemplated in the JSE Listings Requirements, (such securities being referred to herein as “**Affected Shares**”), the holders of such Affected Shares (“**Affected Shareholders**”) may be entitled to vote at the meeting of Ordinary Shareholders as contemplated in clause 22.1 (only if expressly included as a term of issue of the Affected Shares), provided that the total voting rights of the Affected Shareholders in respect of the Affected Shares shall not be more than 24,99% (twenty-four comma nine nine per cent) of the total votes (including the votes of the remaining Ordinary Shareholders) exercisable at that meeting (with any cumulative fraction of a vote in respect of any Affected Shares held by an Affected Shareholder rounded down to the nearest whole number).

- 22.3 Voting shall be conducted by means of a polled vote in respect of any matter to be voted on at a meeting of Shareholders if a demand is made for such a vote by –

- 22.3.1 at least five persons having the right to vote on that matter, either as Shareholders or as proxies representing Shareholders, as set out in section 63(7)(a) of the Act; or
 - 22.3.2 a Shareholder who is, or Shareholders who together are, entitled, as Shareholders or proxies representing Shareholders, to exercise at least 10% (ten per cent) of the voting rights entitled to be voted on that matter, as set out in section 63(7)(b) of the Act; or
 - 22.3.3 the chairperson of the meeting.
- 22.4. The demand for a poll may be withdrawn. If a poll is duly demanded, it shall be taken in such manner as the chairperson directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In computing the majority on the poll, regard shall be had to the number of votes to which each Shareholder is entitled.
- 22.5 In the case of an equality of votes, whether on a poll or on a show of hands, the chairperson of the meeting at which the poll or show of hands takes place, shall not be entitled to a second or casting vote.
- 22.6 A poll demanded on the election of a chairperson (as contemplated in clause 20.20) or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairperson of the meeting directs. The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question upon which the poll has been demanded.
- 22.7 Where there are joint registered holders of any Security, any one of such persons may exercise all of the voting rights attached to that Security at any meeting, either personally or by proxy, as if he or she were solely entitled thereto. If more than 1 (one) of such joint holders is present at any meeting, personally or by proxy, the person so present whose name stands first in the Securities Register in respect of such Security shall alone be entitled to vote in respect thereof.
- 22.8 The board of any company or the controlling body of any other entity or person that holds any Securities of the Company may authorise any person to act as its representative at any meeting of Shareholders of the Company, in which event the following provisions will apply –
- 22.8.1 the person so authorised may exercise the same powers of the authorising company, entity or person as it could have exercised if it were an individual holder of Securities; and
 - 22.8.2 the authorising company, entity or person shall lodge a resolution of the directors of such company or controlling body of such other entity or person confirming the granting of such authority, and certified under the hand of the chairperson or secretary thereof, with the Company before the commencement of any Shareholders' meeting at which such person intends to exercise any rights of such Shareholder, unless excused from doing so by the chairperson of such meeting.”

“27. COMPOSITION AND POWERS OF THE BOARD OF DIRECTORS

- 27.1 Until otherwise determined by Shareholders in general meeting, the board must comprise at least 5 (five) Directors (which shall include the minimum number of directors that the Company must have to satisfy any requirement in terms of the Act, to appoint an audit committee and a social and ethics committee), and no more than 15 (fifteen) Directors to be elected by the Shareholders as contemplated in section 68 of the Act.
- 27.2 This Memorandum of Incorporation does not provide for any Shareholder appointed or *ex officio* directors of the Company, as contemplated in section 66(4) of the Act.
- 27.3 Subject to clause 27.13, all Directors shall be elected by an ordinary resolution of the Shareholders at a general or annual general meeting of the Company and no appointment of a Director in accordance with a resolution passed in terms of section 60 of the Act shall be competent.
- 27.4 In any election of Directors –
- 27.4.1 the election is to be conducted as a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy or to confirm an additional appointment, with the series of votes continuing until all vacancies on the board have been filled or all additional appointments have been confirmed; and
 - 27.4.2 in each vote to fill a vacancy or confirm an additional appointment –
 - 27.4.2.1 each vote entitled to be exercised may be exercised once; and
 - 27.4.2.2 the vacancy is filled or the additional appointment confirmed only if a majority of the votes exercised support the candidate.

- 27.5 A Director shall cease to hold office as such if –
- 27.5.1 he becomes insolvent, or assigns his estate for the benefit of his creditors, or suspends payment or files a petition for the liquidation of his affairs, or compounds generally with his creditors;
 - 27.5.2 he becomes of unsound mind;
 - 27.5.3 he is prohibited from being, is removed as or is disqualified from acting as a director of a company in terms of the Act;
 - 27.5.4 he is required to do so in terms of the JSE Listings Requirements;
 - 27.5.5 he absents himself from meetings of the board for 6 (six) consecutive months without the leave of the other Directors and is not represented at such meetings during such 6 (six) months by an alternate Director, and the Directors resolve that his office shall be vacated, provided that the Directors shall have the power to grant any Director leave of absence for an indefinite period; or
 - 27.5.6 he has given notice in writing of his intention to resign, in which instance such Director shall cease to hold office with immediate effect, unless a notice period that has been agreed with the Company applies.
 - 27.5.7 he is removed under clause 27.6;
 - 27.5.8 he has been given notice, signed by Shareholders holding in aggregate more than 50% (fifty per cent) of the total voting rights of all Shareholders entitled to vote at a general meeting, of the termination of his appointment; or
 - 27.5.9 the board resolved to remove him in accordance with section 71(3) of the Act.
- 27.6 The Company may by ordinary resolution in accordance with clause 27.5.8 remove any Director before the expiration of his period of office and by an ordinary resolution elect another person in his stead.
- 27.7 No Director shall be appointed for life or for an indefinite period and all of the Directors shall rotate in accordance with the following provisions –
- 27.7.1 at each annual general meeting referred to in clause 20.4-
 - 27.7.1.1 1/3 (one third) of the Directors for the time being, or if their number is not 3 (three) or a multiple of 3 (three), the number nearest to 1/3 (one third), but not less than 1/3 (one third), shall retire from office; and
 - 27.7.1.2 any Director who is 70 (seventy) years or older, shall (in addition to the Directors retiring from office in terms of clause 27.7.1.1) retire from office at such Meeting (notwithstanding that he may have retired from office at the previous Annual General Meeting either in terms of clause 27.7.1.1 or 27.7.1.2);
 - 27.7.2 the Directors to retire in terms of clause 27.7.1.1 shall be those who have been longest in office since their last election provided that:
 - 27.7.2.1 if more than one of them were elected as Directors on the same day, those to retire shall be determined by lot unless those Directors agree otherwise between themselves;
 - 27.7.2.2 if at any annual general meeting any Director will have held office for 3 (three) years since his or her election, he or she shall also retire at such annual general meeting;
 - 27.7.2.3 the length of time a director has been in office shall, subject to the provisions of clause 27.7.2.2, be reckoned from the date of his or her last election as a Director;
 - 27.7.3 a retiring Director may be re-elected, provided he is eligible for election. If elected or re-elected he shall be deemed not to have vacated his office;
 - 27.7.4 a retiring Director shall act as a Director throughout the annual general meeting at which he retires;
 - 27.7.5 the Company, at the annual general meeting at which a Director retires in the above manner, or at any other general meeting, may fill the vacancy by electing a person thereto, provided that the Company shall not be entitled to fill the vacancy by means of a resolution passed in accordance with the provisions of section 60 of the Act as set out in clause 25;
 - 27.7.6 if at any meeting at which an election of Directors ought to take place the offices of the retiring Directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the further provisions of this Memorandum of Incorporation, including clauses 20.13

to 20.16 (inclusive) will apply mutatis mutandis to such adjournment, and if at such adjourned meeting the vacancies are not filled, the retiring Directors, or such of them as have not had their offices filled, shall be deemed to have been re-elected at such adjourned meeting, subject to their recommendation by the board, in accordance with clause 27.8.

- 27.8 The board shall, through its nomination committee (if so constituted in terms of clause 33), provide the Shareholders with a recommendation in the notice of the meeting at which the re-election of a retiring Director is proposed, as to which retiring Directors are eligible for re-election, taking into account that Director's past performance and contribution. Any Shareholder shall have the right to nominate Directors, provided that such nomination shall –
- 27.8.1 be made in writing;
 - 27.8.2 be accompanied by a written confirmation of the person's willingness to be elected, signed by the person proposed, and by the curriculum vitae of such person; and
 - 27.8.3 be delivered to the company secretary at least 60 (sixty) days before the day appointed for such shareholders meeting or annual general meeting, so as to allow the board sufficient time to comply with the foregoing requirements of this clause, failing which the board does not have to take account the nomination for purposes of the shareholders meeting or annual general meeting in question.
- 27.9 The board has the power to exercise all of the powers and perform any of the functions of the Company, as set out in section 66(1) of the Act, and the powers of the board in this regard are only limited and restricted as contemplated in this clause 27.
- 27.10 The Directors may at any time and from time to time by power of attorney appoint any person or persons to be the attorney or attorneys and agent(s) of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors in terms of this Memorandum of Incorporation) and for such period and subject to such conditions as the Directors may from time to time think fit. Any such appointment may, if the Directors think fit, be made in favour of any company, the shareholders, directors, nominees or managers of any company or firm, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys and agents as the Directors think fit. Any such attorneys or agents as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- 27.11 Save as otherwise expressly provided herein, all cheques, promissory notes, bills of exchange and other negotiable or transferable instruments, and all documents to be executed by the Company, shall be signed, drawn, accepted, endorsed or executed, as the case may be, in such manner as the Directors shall from time to time determine.
- 27.12 All acts performed by the Directors or by a committee of Directors or by any person acting as a Director or a member of a committee shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of the Directors or persons acting as aforesaid, or that any of them were disqualified from or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.
- 27.13 The board may appoint any person who satisfies the requirements for election as a Director to fill any vacancy and serve as a Director on a temporary basis until the vacancy is filled by election in accordance with section 68(1) of the Act.
- 27.14 Subject to the requirements of the Act, the board shall be entitled to appoint any person who satisfies the requirements for election as a Directors as an addition to the board, and to serve as a Director in terms of section 66(4)(a)(i) of the Act, provided that such appointment must be approved by the Shareholders at the next Shareholders' meeting or annual general meeting.
- 27.15 If the number of Directors falls below the minimum number fixed in accordance with this Memorandum of Incorporation, the remaining Directors must as soon as possible and in any event not later than 3 (three) months from the date that the number falls below such minimum, fill the vacancy/ies, provided that such Director/s are elected by the Shareholders at the next annual general meeting or call a general meeting for the purpose of filling the vacancy/ies.
- 27.16 The failure by the Company to have the minimum number of Directors, during a 3 (three) month period from the date that the number of directors falls below the minimum number of directors required in terms of this Memorandum of Incorporation, does not limit or negate the authority of the board of Directors or invalidate anything done by the board of Directors while their number is below the minimum number fixed in accordance with this Memorandum of Incorporation.

- 27.17 The Directors in office may act notwithstanding any vacancy in their body, but if after the expiry of 3 (three) months, their number remains below the minimum number fixed in accordance with this Memorandum of Incorporation, they may, for as long as their number is reduced below such minimum, act only for the purpose of –
- 27.17.1 filling vacancies in their body in terms of section 68(3) of the Act; or
 - 27.17.2 summoning general meetings of the Company for that purpose, provided that if there is no Director able or willing to act, then any Shareholder may convene a general meeting for that purpose but not for any other purpose.
- 27.18 A Director may hold any other office or place of profit under the Company (except that of auditor) or any subsidiary of the Company in conjunction with the office of Director, for such period and on such terms as to remuneration (in addition to the remuneration to which he may be entitled as a Director) and otherwise as a disinterested quorum of the Directors may determine.
- 27.19 A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, provided that the appointment and remuneration in respect of such other office must be determined by a disinterested quorum of Directors.
- 27.20 Each Director and each alternate Director, Prescribed Officer and member of any committee of the board (whether or not such latter persons are also members of the board) shall, subject to the exemptions contained in section 75(2) of the Act and the qualifications contained in section 75(3) of the Act, comply with all of the provisions of section 75 of the Act in the event that they (or any person who is a related person to them) have a personal financial interest in any matter to be considered by the board.
- 27.21 A Director may not vote on any resolution pertaining to any matter in which he has a personal financial interest as contemplated in section 75 of the Act. However, notwithstanding his interest in any matter, such Director may be counted for the purposes of determining a quorum for a board meeting.”

“28. ALTERNATE DIRECTORS

- 28.1 Any Director shall have the power to nominate another person approved by the board to act as alternate Director in his place during his absence or inability to act as such Director, provided 50% (fifty per cent) of all alternate directors shall be elected by an ordinary resolution of the Shareholders at a general or annual general meeting of the Company in accordance with section 66(4)(b) of the Companies Act. Upon being elected or appointed as an alternate Director, the alternate Director shall, in all respects, be subject to the terms and conditions existing with reference to the other Directors of the Company. A person may be elected or appointed as alternate to more than one Director. Where a person is alternate to more than one Director or where an alternate Director is a Director, he shall have a separate vote, on behalf of each Director he is representing in addition to his own vote, if any.
- 28.2 The alternate Directors, whilst acting in the place of the Directors whom they represent, shall exercise and discharge all the duties and functions of the Directors they represent.
- 28.3 The appointment of an alternate Director shall cease on the happening of any event which, if he was a Director, would cause him to cease to hold office in terms of this Memorandum of Incorporation or if the Director whom he represents ceases to be a Director, or gives notice to the secretary of the Company that the alternate Director representing him shall have ceased to do so. An alternate Director shall look to the Director whom he represents for his remuneration.”

“30. DIRECTORS’ COMPENSATION AND FINANCIAL ASSISTANCE

- 30.1 The Company may pay remuneration to the Directors for their services as Directors in accordance with a special resolution approved by the Shareholders within the previous 2 (two) years, as set out in sections 66(8) and (9) of the Act, and the power of the Company in this regard is not limited or restricted by this Memorandum of Incorporation.
- 30.2 In addition remuneration paid to the Directors for their services as Directors, as contemplated in clause 30.1 above, any Director who –
- 30.2.1 serves on any executive or other committee; or
 - 30.2.2 devotes special attention to the business of the Company; or

- 30.2.3 goes or resides outside the Republic for the purpose of the Company; or
- 30.2.4 otherwise performs or binds himself to perform services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director,

may be paid such extra remuneration or allowances in addition to or in substitution of the remuneration to which he may be entitled as a Director, as a disinterested quorum of the Directors may from time to time determine.

- 30.3 The Directors may also be paid all their travelling and other expenses necessarily incurred by them in connection with –
 - 30.3.1 the business of the Company; and
 - 30.3.2 attending meetings of the Directors or of committees of the Directors of the Company.
- 30.4 The board may, as contemplated in and subject to the requirements of section 45 of the Act, authorise the Company to provide financial assistance to a Director, prescribed officer or other person referred to in section 45(2) of the Act, and the power of the board in this regard is not limited or restricted by this Memorandum of Incorporation.”

“31. CHIEF EXECUTIVE OFFICER

- 31.1 The Directors may from time to time appoint one or more of their body to be Chief Executive Officer of the Company or to be the holder of any other executive office of the Company, for such term as they may think fit (subject only to the requirements of sections 66(8) and (9) of the Act), and may revoke such appointment subject to the terms of any agreement entered into in any particular case.
- 31.2 Notwithstanding the provisions of any contract between himself and the Company, a Chief Executive Officer shall be subject to the same provisions as to disqualification and removal as the other Directors of the Company.
- 31.3 The Directors may from time to time entrust to and confer upon a Chief Executive Officer for the time being such of the powers exercisable in terms of this Memorandum of Incorporation by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions, as they think expedient; and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- 31.4 A Director appointed in terms of the provisions of clause 31.1 to the office of Chief Executive Officer of the Company, or to any other executive office in the Company, may be paid, in addition to the remuneration payable in terms of clause 30.1, such remuneration – not exceeding a reasonable maximum in each year – in respect of such office as may be determined by a disinterested quorum of the directors.”

“33. STATUTORY AND BOARD COMMITTEES

- 33.1 The board may –
 - 33.1.1 appoint committees and delegate to any such committee any of the authority of the board as contemplated in section 72(1) of the Act; and/or
 - 33.1.2 include in any such committee persons who are not Directors, as contemplated in section 72(2)(a) of the Act,and the power of the board in this regard is not limited or restricted by this Memorandum of Incorporation.
- 33.2 The authority of a committee appointed by the board as contemplated in sections 72(2)(b) and (c) of the Act is not limited or restricted by this Memorandum of Incorporation.
- 33.3 If and for as long as it is required to do so in terms of the Act or the Regulations and unless the Company is exempted from doing so by the Tribunal in terms of section 72(5) of the Act, the board must appoint a social and ethics committee having the powers and functions prescribed in terms of section 72 of the Act and the Regulations.
- 33.4 If and for as long as any of the Company’s Securities are listed on the JSE, the board shall appoint such board committees as are required by the JSE Listings Requirements, having such functions and powers as are prescribed by or in terms of the JSE Listings Requirements.
- 33.5 The Company must further appoint an audit committee in the manner and for the purposes set out in Part D of Chapter 3 of the Act.”

“37. DISTRIBUTIONS

- 37.1 Subject to the provisions of the Act, and particularly section 46, the Company may make a proposed distribution if such distribution –
- 37.1.1 is pursuant to an existing legal obligation of the Company, or a court order; or
- 37.1.2 is authorised by resolution of the board,
- and in compliance with the JSE Listings Requirements.
- 37.2 No distribution shall bear interest against the Company, except as otherwise provided under the conditions of issue of the Shares in respect of which such distribution is payable.
- 37.3 Subject to the provisions of the Income Tax Act, No 58 of 1962, distributions may be declared either free of or subject to the deduction of income tax and any other tax or duty in respect of which the Company may be chargeable.
- 37.4 All unclaimed monies due to Shareholders will be held in trust by or on behalf of the Company for the benefit of the Shareholder concerned until claimed, provided that, subject to the provisions of the Prescription Act, No 68 of 1969, as amended from time to time and any other applicable laws of prescription, monies unclaimed for a period of 3 (three) years from the date on which they were declared (or such longer period as may be required under the laws of prescription) may be declared forfeited by the board for the benefit of the Company. The Directors may at any time annul such forfeiture upon such conditions (if any) as they think fit.
- 37.5 Without in any way limiting the company’s entitlement to make any payment to a shareholder payable in cash by way of electronic funds transfer, should such an account for receipt of same have been furnished by the Shareholder to the Company at any time, any distribution or other sum payable in cash to the holder of a Share may be paid by cheque or warrant sent by post and addressed to –
- 37.5.1 the holder at his registered address; or
- 37.5.2 in the case of joint holders, the holder whose name appears first in the Securities Register in respect of the share, at his registered address; or
- 37.5.3 such person and at such address as the holder or joint holders may in writing direct.
- 37.6 Should the Directors determine that any payments to Shareholders, either all or any of them, is to be made by cheque or warrant, then the Directors shall be entitled to suppress the issue of cheques or warrants with a value lower than R100.00 (one hundred rand) to any 1 (one) Shareholder. The unpaid distribution will be retained in the Company’s unclaimed distribution account and once the accumulated amount exceeds R100.00 (one hundred rand), such payment may be claimed by the Shareholder by submitting a written claim.
- 37.7 Every such cheque or warrant shall –
- 37.7.1 be made payable to the order of the person to whom it is addressed; and
- 37.7.2 be sent at the risk of the holder or joint holders.
- 37.8 When such cheque or warrant is paid, it shall discharge the Company of any further liability in respect of the amount concerned.
- 37.9 A distribution may also be paid in any other way determined by the Directors, including without limitation by means of electronic funds transfer, and if the directives of the Directors in that regard are complied with, the Company shall not be liable for any loss or damage which a Shareholder may suffer as a result thereof.
- 37.10 Without detracting from the ability of the Company to issue capitalisation Shares, any distribution may be paid wholly or in part
- 37.10.1 by the distribution of specific assets; or
- 37.10.2 by the issue of Shares, debentures or securities of the Company or of any other company; or
- 37.10.3 in cash; or
- 37.10.4 in any other way which the Directors or the Company in general meeting may at the time of declaring the distribution determine.

- 37.11 Where any difficulty arises in regard to such distribution, the Directors may settle that difficulty as they think expedient, and in particular may fix the value which shall be placed on such specific assets on distribution.
- 37.12 The Directors may –
- 37.12.1 determine that cash payments shall be made to any Shareholder on the basis of the value so fixed in order to secure equality of distribution; and
 - 37.12.2 vest any such assets in trustees upon such trusts for the benefit of the persons entitled to the distribution as the Directors deem expedient.
- 37.13 Any distribution must be made payable to Shareholders registered as at a date subsequent to the date of declaration thereof or the date of confirmation thereof, whichever is the later date.
- 37.14 All payments to Shareholders must be provided for in accordance with the JSE Listings Requirements and must not provide that capital shall be repaid upon the basis that it may be called up again.”

HOTEL MANAGEMENT COMPANIES OF THE EXISTING PORTFOLIO

The property asset management function is performed by Hospitality whilst the hotel operators operate the hotel businesses on behalf of Hospitality's tenants. Details of the hotel operators are set out below:

1. AFRICAN HOTELS & ADVENTURES (“AHA”)

AHA Hotels & Lodges is the property management company of Tourvest's Accommodation and Activities division. AHA manages and operates 42 hotels and lodges in South Africa, Botswana, Zimbabwe, Zambia and Zanzibar. AHA drives business into its hotels and lodges through its dedicated sales, marketing and reservations team. Tourvest also owns a number of inbound operators and Travel Services companies, which are incentivised to drive business into AHA-owned lodges and hotels. AHA is the tenant and hotel management company at Kopanong Hotel and Conference Centre.

2. BIRCHWOOD HOTEL MANAGEMENT COMPANY

The Birchwood property is managed and leased by The Birchwood Hotel and OR Tambo Conference Centre (Pty) Ltd. The key role-players in the executive team have managed the property since its inception and have continued operations through its nine expansion phases. The exclusive focus of the management company is the management of the Birchwood.

3. REZIDOR HOTEL GROUP

Carlson Rezidor Hotel Group is one of the world's largest and most dynamic hotel Groups and includes 1 400 hotels in operation and under development with more than 220 000 rooms and a footprint spanning 115 countries and territories. The Carlson Rezidor portfolio includes a powerful set of global brands: Quorvus Collection, Radisson Blu®, Radisson®, Radisson RED, Park Plaza®, Oark Inn® by Radisson and Contry Inns and Suites By CarlsonSM. In most hotels, guests can benefit from Blub CarlsonSM, one of the 2015–2016 “Top Three Hotel Rewards Programmes” ranked by U.S. News and World Report. Carlson Rezidor Hotel Group and its brands employ 90 000 people worldwide and is headquartered in Minneapolis, Minnesota and Brussels, Belgium. For more information, visit www.carlsonrezidor.com and follow on [Twitter@carlsonrezidor](https://twitter.com/carlsonrezidor). Rezidor Hotel Group is the management company at Radisson Blu Gautrain Hotel and Radisson Blu Waterfront.

4. CHAMPAGNE SPORTS RESORT

The tenant and management company of Champagne Sports Resort has been involved with the development and operations of the resort since inception. The management company also manages the timeshare component of the resort on behalf of the Champagne Shareblock company.

5. TSOGO SUN

Effective 1 March 2016, Tsogo Sun acquired Majormatic Proprietary Limited (“**Majormatic**”), the lessee of both the Crowne Plaza Rosebank and the Holiday Inn Sandton. As part of the transaction, the management agreements were ceded to SSHI. These two properties are effectively managed and leased by Tsogo Sun *via* Majormatic with a retention of the franchise agreements for the Holiday Inn and Crowne Plaza brands.

Tsogo Sun is Southern Africa's premier gaming, hotel and entertainment Group. Tsogo Sun's portfolio proudly comprises over 100 hotels with more than 15 000 hotel rooms across all sectors of the market, from luxury to budget in South Africa, Kenya, Tanzania, Zambia, Mozambique, the United Arab Emirates and the Seychelles; 14 premier gaming and entertainment destinations in six provinces of South Africa; theatres, cinemas, restaurants and bars; and over 250 conference and banqueting facilities, including the Sandton Convention Centre.

6. PROTEA HOTELS BY MARRIOTT®

Protea Hotels by Marriott is the largest hospitality brand in Africa with over 100 hotels across eight countries, and growing. Named as the “Coolest Hotel Brand” in South Africa for the last seven years, it garners strong awareness and loyalty with its unique approach to design and personalised service. The portfolio comprises two brands, namely the Protea Hotels by Marriott brand including the lifestyle brand Protea Hotel Fire & Ice by Marriott and the luxury African Pride Hotels brand.

Protea Hotels was bought by Marriott International Inc. (NASDAQ: MAR) in April 2014 and forms part of Marriott's global brand portfolio of more than 4 500 hotels in 97 countries. Marriott International operates and franchises hotels and licences vacation ownership resorts under 19 brands globally and also manages the award-winning comprises more than 56 million members.

Protea Hotels operates the Arabella Hotel and Spa and Mount Grace Country House and Spa under the African Pride Hotels brand. Protea Hotel by Marriott Port Elizabeth Marine, Protea Hotel by Marriott Durban Edward, Protea Hotel by Marriott Hazyview and Protea Hotel by Marriott Cape Town Victoria Junction are managed under the Protea Hotels by Marriott brand for Hospitality.

7. STARWOOD HOTELS AND RESORTS WORLDWIDE

Starwood Hotels and Resorts Worldwide, Inc. is one of the leading hotel and leisure companies in the world with more than 1 300 properties in some 100 countries and approximately 188 000 employees at its owned and managed properties. Starwood is a fully integrated owner, operator and franchisor of hotels, resorts and residences under the renowned brands: St. Regis®, The Luxury Collection®, W®, Westin®, Le Méridien®, Sheraton®, Four Points® by Sheraton, Aloft® and Element® along with an expanded partnership with Design Hotels™. The company also boasts one of the industry's leading loyalty programmes, Starwood Preferred Guest (SPG). Effective 23 September 2016, Marriott International Inc. acquired Starwood. Visit www.starwoodhotels.com for more information and stay connected @starwoodbuzz on Twitter and Instagram and [facebook.com/Starwood](https://www.facebook.com/Starwood). Starwood Hotels and Resorts Worldwide, Inc. is the management company at The Westin Cape Town.

DETAILS OF THE COMBINED PORTFOLIO

The table below sets out the details of the property name, the property title, the ownership, the address, the lease type, the grading, the number of rooms and property holding company in respect of the combined portfolio.

No	Property name	Property title	Ownership	Address	Lease type	Grading	No of rooms	Property holding company
1.	Birchwood Hotel and OR Tambo Conference Centre	Freehold	Direct (450 owned)	14 View Point Road, Boksburg, Gauteng, 1672	F & V	Midscale	665	HPF Properties
2.	Radisson Blu Waterfront	Freehold	Sectional title (54% of accommodation units)	Beach Road, Granger Bay, Waterfront, Cape Town, Western Cape, 8001	F & V	Upscale	177	HPF Properties
3.	Arabella Hotel & Spa	Freehold	Direct	Arabella Country Estate, R44, Kleinmond, Hermanus, 7195	F & V	Luxury	145	HPF Properties
4.	Crowne Plaza Johannesburg – The Rosebank	Freehold	Direct	Corner Tyrwhitt and Sturdee Avenues, Rosebank, Johannesburg, Gauteng, 2196	F & V	Upscale	318	HPF Properties
5.	Holiday Inn Sandton – Rivonia Road	Freehold	Direct	123 Rivonia Road, Sandton, Johannesburg, Gauteng, 2196	F & V	Upscale	301	HPF Properties
6.	Mount Grace Country House & Spa	Freehold	Direct	Old Ruistenburg Road, Magaliesburg, Gauteng, 1791	F & V	Luxury	121	HPF Properties
7.	Protea Hotel Edward	Freehold	Direct	149 O.R. Tambo Parade, Durban, KwaZulu-Natal, 4000	F & V	Midscale	131	HPF Properties
8.	Protea Hotel Marine	Freehold	Direct	Marine Drive, Port Elizabeth, Eastern Cape, 6001	F & V	Midscale	114	HPF Properties
9.	Protea Hotel Victoria Junction	Freehold	Sectional title (94% of units in the scheme)	Corner Somerset and Abenezer Roads, Cape Town, Western Cape, 8001	F & V	Midscale	172	HPF Properties

No	Property name	Property title	Ownership	Address	Lease type	Grading	No of rooms	Property holding company
10.	Radisson Blu Gautrain	Freehold	Sectional title (100% of hotel units)	Corner of Rivonia Road and West Street, Sandton, Johannesburg, Gauteng, 2196	F & V	Upscale	220	HPF Properties
11.	Kopanong Hotel & Conference Centre	Freehold	Sectional title (80% of scheme)	243 Glen Gory Road, Norton Estates, Benoni, Gauteng, 1501	F & V	Midscale	168	HPF Properties
12.	Protea Hotel Hazyview	Freehold	Direct	R40, 1242 Hazyview, Mpumalanga, 1242	F & V	Midscale	87	HPF Properties
13.	Westin Cape Town	Leasehold	Direct	Convention Square, No. 1 Lower Long Street, Cape Town, Western Cape, 8001	F & V	Luxury	483	HPF Properties
14.	Champagne Sports Resort	Freehold	Combined share block and direct	R600, Central Berg, KwaZulu-Natal	Fixed	Upscale	152	HPF Properties
15.	Garden Court Kimberley	Freehold	Direct	120 Du Toitspan Road, Kimberley	F & V	Midscale	135	Fezisoource
16.	Garden Court Milpark	Freehold	Direct	Cnr. Owl & Empire Roads, Auckland Park, Johannesburg, Gauteng	F & V	Midscale	251	Fezisoource
17.	Garden Court O.R. Tambo	Freehold	Direct	2 Hulley Road, Isando Ext. 3, Kempton Park, Johannesburg, Gauteng	F & V	Midscale	253	Fezisoource
18.	Garden Court Polokwane	Freehold	Direct	Cnr. Thabo Mbeki & Paul Kruger Streets, Polokwane	F & V	Midscale	180	Fezisoource
19.	Garden Court South Beach	Freehold	Direct	73 O.R. Tambo Parade, Durban, KwaZulu-Natal	F & V	Midscale	414	Fezisoource
20.	StayEasy Century City Hotel	Freehold	Direct	Century Boulevard, Century City, Milnerton, Western Cape	F & V	Midscale	175	Fezisoource
21.	StayEasy Rustenburg	Freehold	Direct	Cnr. R24 & N4 highway (opp. Waterfall Mall), Rustenburg	F & V	Midscale	125	Fezisoource
22.	SunSquare Cape Town	Freehold	Direct	Mill Street, Gardens, Western Cape	F & V	Midscale	136	Fezisoource
23.	Southern Sun Bloemfontein	Freehold	Direct	Cnr. Nelson Mandela & Melville Drive, Free State	F & V	Upscale	147	Fezisoource
24.	Southern Sun Newlands	Freehold	Direct	Main Road, Newlands, Western Cape	F & V	Upscale	162	Fezisoource

No	Property name	Property title	Ownership	Address	Lease type	Grading	No of rooms	Property holding company
25.	Southern Sun, The Cullinan	Freehold	Direct	Cullinan Street, Waterfront, Cape Town, Western Cape	F&V	Upscale	394	Cullinan
26.	Southern Sun, Katherine Street, Sandton	Freehold	Direct	115 Katherine Street, Sandown, Sandton, Gauteng	F&V	Upscale	122	Cullinan
27.	Southern Sun, Waterfront, Cape Town	Freehold	Direct	1 Lower Buitengracht Street, Cape Town, Western Cape	F&V	Upscale	537	Cullinan
28.	Garden Court, Eastgate	Freehold	Direct	Ernest Oppenheimer Avenue, Bruma, Gauteng	F&V	Midscale	157	Cullinan
29.	Garden Court, Hatfield	Freehold	Direct	Cnr Pretorius and End Streets, Hatfield, Gauteng	F&V	Midscale	157	Cullinan
30.	Garden Court, King's Beach	Freehold	Direct	La Roche Drive, Hunewood, Port Elizabeth, Eastern Cape	F&V	Midscale	280	Cullinan
31.	Garden Court, Morningside	Freehold	Direct	Cnr Rivonia Road and Katherine Street, Cullinan Close, Morningside, Gauteng	F&V	Midscale	150	Cullinan
32.	StayEasy, Eastgate	Freehold	Direct	8 South Boulevard, Bruma, Gauteng	F&V	Midscale	135	Cullinan
33.	StayEasy, Pietermaritzburg	Freehold	Direct	50 Sanctuary Road, Chase Valley, Pietermaritzburg, KwaZulu-Natal	F&V	Midscale	127	Cullinan
34.	Garden Court, Umhlanga	Freehold	Direct	Cnr Aurora Drive & Centenary Boulevard, Umhlanga Ridge, KwaZulu-Natal	F&V	Midscale	204	Cullinan
35.	Sun1, Alberton	Freehold	Direct	St Austrell Street, Alberton, Gauteng	F&V	Economy	76	Merway
36.	Sun1, Benoni	Freehold	Direct	Cnr Bunyan & Mowbray Avenue, Benoni, Gauteng	F&V	Economy	58	Merway
37.	Sun1, Berea	Freehold	Direct	1 Mitchell Street, Berea, KwaZulu-Natal	F&V	Economy	69	Merway
38.	Sun1, Bloemfontein	Freehold	Direct	Cnr Krige and Nelson Mandela Drive, Bloemfontein, Free State	F&V	Economy	64	Merway
39.	Sun1, Cape Town	Freehold	Direct	Jan Smuts & Martin Hammerschlag Foreshore, Cape Town, Western Cape	F&V	Economy	64	Merway
40.	Sun1, Edenvale	Freehold	Direct	130 Boeing Road East, Edenvale, Gauteng	F&V	Economy	76	Merway

No	Property name	Property title	Ownership	Address	Lease type	Grading	No of rooms	Property holding company
41.	Sun1, Kimberley	Freehold	Direct	Cnr Memorial & Welgevonden Avenue, Royalglen, Kimberley, Northern Cape	F&V	Economy	64	Merway
42.	Sun1, Midrand	Freehold	Direct	Cnr Old Pretoria Road & K101 Street, Midrand, Gauteng	F&V	Economy	94	Merway
43.	Sun1, Milnerton	Freehold	Direct	Cnr Koeberg Road & Freedom Way, Milnerton, Western Cape	F&V	Economy	70	Merway
44.	Sun1, Nelspruit	Freehold	Direct	Cnr Kaapsehoop & N4 Streets, Nelspruit, Mpumalanga	F&V	Economy	76	Merway
45.	Sun1, O.R. Tambo	Freehold	Direct	Cnr Herman & Kruis Streets, Germiston, Gauteng	F&V	Economy	78	Merway
46.	Sun1, Parow	Freehold	Direct	Cnr Arnold Wilhelm & Jean Simonis Streets, Parow, Western Cape	F&V	Economy	76	Merway
47.	Sun1, Port Elizabeth	Freehold	Direct	Cnr La Roche Drive & Beach Road, Port Elizabeth, Eastern Cape	F&V	Economy	88	Merway
48.	Sun1, Pretoria	Freehold	Direct	81 Pretorius Street, Pretoria, Gauteng	F&V	Economy	135	Merway
49.	Sun1, Richards Bay	Freehold	Direct	6 White Pear Road, Richards Bay, KwaZulu-Natal	F&V	Economy	64	Merway
50.	Sun1, Southgate	Freehold	Direct	Cnr Columbine Avenue & Rifle Range Road, Southgate, Gauteng	F&V	Economy	138	Merway
51.	Sun1, Vereeniging	Freehold	Direct	Cnr Beethoven & Voortrekker Streets, Vereeniging, Gauteng	F&V	Economy	41	Merway
52.	Sun1, Witbank	Freehold	Direct	3 Pioneer Avenue, Witbank, Mpumalanga	F&V	Economy	90	Merway
53.	Sun1, Wynberg	Freehold	Direct	1 Maree Street, Bramley Park, Johannesburg, Gauteng	F&V	Economy	87	Merway
Total							9 003	

The table below sets out the details of the property name, the valuation, the date of acquisition, the acquisition cost, the capitalised cost post acquisition, the total cost and the surplus/ (deficit) on valuation to total cost in respect of the combined portfolio.

No	Property name	Valuation (R'000)	Date of acquisition	Acquisition cost (R'000)	Capitalised cost post acquisition (R'000)	Total cost (R'000)	Surplus/ (deficit) on valuation to total cost (R'000)
1.	Birchwood Hotel and OR Tambo Conference Centre	587 375	Feb-06	460 859	59 179	520 038	67 337
2.	Radisson Blu Waterfront	519 292	Feb-06	232 963	69 671	302 634	216 658
3.	Arabella Hotel & Spa	166 450	May-11	83 368	30 760	114 128	52 322
4.	Crowne Plaza Johannesburg – The Rosebank	308 545	Feb-06	70 000	336 334	406 334	(97 789)
5.	Holiday Inn Sandton Rivonia Road	309 549	Sep-08	409 247	31 261	440 508	(130 959)
6.	Mount Grace Country House and Spa	132 146	Feb-06	131 562	187 402	318 969	(186 818)
7.	Protea Hotel Edward	200 709	Jun-10	110 400	44 597	154 997	45 712
8.	Protea Hotel Marine	134 158	Feb-06	73 000	50 176	123 176	10 982
9.	Protea Hotel Victoria Junction	330 441	Feb-07	122 839	52 995	175 814	154 627
10.	Radisson Blu Gautrain	471 514	Apr-13	458 878	17 641	476 519	(5 005)
11.	Kopanong Hotel and Conference Centre	65 610	Feb-06	78 130	8 441	86 571	(20 961)
12.	Protea Hotel Hazyview	79 563	Apr-07	41 508	14 947	56 455	23 108
13.	Westin Cape Town	1 850 247	May-11	648 895	85 393	734 288	1 115 959
14.	Champagne Sports Resort	348 488	Feb-06	148 792	68 354	217 146	131 342
15.	Garden Court Kimberley	128 989	Sep-16	Note 8	N/A	N/A	N/A
16.	Garden Court Milpark	324 210	Sep-16	Note 8	N/A	N/A	N/A
17.	Garden Court O.R. Tambo	333 833	Sep-16	Note 8	N/A	N/A	N/A
18.	Garden Court Polokwane	276 811	Sep-16	Note 8	N/A	N/A	N/A
19.	Garden Court South Beach	728 849	Sep-16	Note 8	N/A	N/A	N/A
20.	StayEasy Century City Hotel	284 834	Sep-16	Note 8	N/A	N/A	N/A

No	Property name	Valuation (R'000)	Date of acquisition	Acquisition cost (R'000)	Capitalised cost post acquisition (R'000)	Total cost (R'000)	Surplus/ (deficit) on valuation to total cost (R'000)
21.	StayEasy Rustenburg	133 328	Sep-16	Note 8	N/A	N/A	N/A
22.	SunSquare Cape Town	121 766	Sep-16	Note 8	N/A	N/A	N/A
23.	Southern Sun Bloemfontein	126 427	Sep-16	Note 8	N/A	N/A	N/A
24.	Southern Sun Newlands	140 871	Sep-16	Note 8	N/A	N/A	N/A
25.	Southern Sun, The Cullinan	1 114 108	Note 7	Note 9	N/A	N/A	N/A
26.	Southern Sun, Katherine Street, Sandton	86 175	Note 7	Note 9	N/A	N/A	N/A
27.	Southern Sun, Waterfront, Cape Town	1 186 176	Note 7	Note 9	N/A	N/A	N/A
28.	Garden Court, Eastgate	151 389	Note 7	Note 9	N/A	N/A	N/A
29.	Garden Court, Hatfield	170 266	Note 7	Note 9	N/A	N/A	N/A
30.	Garden Court, King's Beach	190 305	Note 7	Note 9	N/A	N/A	N/A
31.	Garden Court, Morningside	171 334	Note 7	Note 9	N/A	N/A	N/A
32.	StayEasy, Eastgate	86 423	Note 7	Note 9	N/A	N/A	N/A
33.	StayEasy, Pietermaritzburg	137 199	Note 7	Note 9	N/A	N/A	N/A
34.	Garden Court, Umhlanga	298 942	Note 7	Note 9	N/A	N/A	N/A
35.	Sun1, Alberton	69 410	Note 7	Note 9	N/A	N/A	N/A
36.	Sun1, Benoni	24 334	Note 7	Note 9	N/A	N/A	N/A
37.	Sun1, Berea	32 132	Note 7	Note 9	N/A	N/A	N/A
38.	Sun1, Bloemfontein	35 230	Note 7	Note 9	N/A	N/A	N/A
39.	Sun1, Cape Town	60 005	Note 7	Note 9	N/A	N/A	N/A
40.	Sun1, Edenvale	11 786	Note 7	Note 9	N/A	N/A	N/A
41.	Sun1, Kimberley	21 841	Note 7	Note 9	N/A	N/A	N/A
42.	Sun1, Midrand	88 022	Note 7	Note 9	N/A	N/A	N/A

No	Property name	Valuation (R'000)	Date of acquisition	Acquisition cost (R'000)	Capitalised cost post acquisition (R'000)	Total cost (R'000)	Surplus/ (deficit) on valuation to total cost (R'000)
43.	Sun1, Milnerton	67 516	Note 7	Note 9	N/A	N/A	N/A
44.	Sun1, Nelspruit	52 042	Note 7	Note 9	N/A	N/A	N/A
45.	Sun1, O.R. Tambo	33 244	Note 7	Note 9	N/A	N/A	N/A
46.	Sun1, Parow	64 796	Note 7	Note 9	N/A	N/A	N/A
47.	Sun1, Port Elizabeth	69 922	Note 7	Note 9	N/A	N/A	N/A
48.	Sun1, Pretoria	135 612	Note 7	Note 9	N/A	N/A	N/A
49.	Sun1, Richards Bay	27 774	Note 7	Note 9	N/A	N/A	N/A
50.	Sun1, Southgate	91 231	Note 7	Note 9	N/A	N/A	N/A
51.	Sun1, Vereeniging	16 462	Note 7	Note 9	N/A	N/A	N/A
52.	Sun1, Witbank	29 881	Note 7	Note 9	N/A	N/A	N/A
53.	Sun1, Wynnberg	30 229	Note 7	Note 9	N/A	N/A	N/A
Total		12 680 434		3 070 441	1 057 131	4 127 572	1 376 515

Notes:

- All of the properties are fully tenanted.
- The difference between the initial cost and the value attributed by the valuer has arisen primarily as a result of different capitalisation rates and assumptions being applied by the company and the valuer in arriving at their respective valuations. Further to this the value attributed by the valuer is an open market value while the initial cost is a negotiated value.
- The number of rooms as indicated by the table above are the total number of rooms of the respective hotel buildings, notwithstanding the fact that in certain instances Hospitality own less than 100% of the hotel.
- All the properties were valued as at 31 March 2017 by Bryan Nyagah of JHI, who is an independent external valuer registered in terms of the Property Valuers Association Act, (Act 47 of 2000).
- The capitalised costs relate to capital expenditure (such as refurbishment costs) incurred subsequent to or in connection with the acquisition of the properties in order to upgrade the properties.
- Properties numbered 1 to 24 make up the existing portfolio. Properties numbered 25 to 53 make up the Tsogo portfolio.
- The Tsogo properties will be acquired on the effective date as defined in the circular.
- Properties numbered 15 to 24 were acquired by Hospitality through its acquisition of 100% of the issued shares in Fezisoore and as such no purchase price per property has been ascribed.
- Properties numbered 25 to 53 are being acquired by Hospitality through its acquisition of 100% of the issued shares in Cullinan and Merway and as such no purchase price per property has been ascribed.
- The property specific details in respect of the combined portfolio are provided as at 31 March 2017.

DETAILS OF ACQUISITIONS AND VENDORS

The material subsidiaries acquired and to be acquired by Hospitality during the three years preceding the date of the revised listing particulars are detailed in the table below together with the names and addresses of the vendors and the consideration paid or payable to the vendors.

Name of vendor:	Southern Sun Hotels		
Address of vendor:	Palazzo Towers East Montecasino Boulevard Fourways 2055		
Name and nature of asset acquired:	Fezisource Proprietary Limited – property holding company		
Consideration paid detailing the portion(s) settled by the issue of securities or the payment of cash:	145 000 000 consideration shares at the issue price of R13.02 per share		
Valuation:	See Annexure 7 of the revised listing particulars (properties numbered 15 to 29)		
Loans incurred to finance the acquisition:	None		
Date of acquisition:	1 September 2016		
Goodwill paid and manner in which it was accounted for:	N/A		
Price paid by vendor and date of acquisition by vendor if purchased within preceding three years:	Property Polokwane	Cost R80 million	Date acquired March 2015
Amount paid for goodwill by the vendor:	None		
Name of vendor's shareholder:	TSHG&E		
Address of vendor's shareholder:	Palazzo Towers East Montecasino Boulevard Fourways 2055		

Name of vendor:	Southern Sun Hotels		
Address of vendor:	Palazzo Towers East Montecasino Boulevard Fourways 2055		
Name and nature of asset acquired:	The Cullinan Hotel Proprietary Limited – property holding company Merway Fifth Investments Proprietary Limited – property holding company		
Valuation:	See Annexure 7 of the circular		
Consideration paid detailing the portion(s) settled by the issue of securities or the payment of cash:	The purchase consideration will be discharged by Hospitality by: <ul style="list-style-type: none"> • making a cash payment to Southern Sun Hotels of R1.03 billion on the effective date; and the issue to Southern Sun Hotels of the consideration shares on the closing date, being 174 064 861 Hospitality ordinary shares of no par value, in respect of the balance of the purchase consideration. 		
Loans incurred to finance the acquisition:	None		
Date of acquisition:	1 July 2017		
Goodwill paid and manner in which it was accounted for:	N/A		
Price paid by vendor and date of acquisition by vendor if purchased within preceding three years:	Property	Cost	Date acquired
	Garden Court	R220 million	October 2016
	Umhlanga		
	StayEasy		October 2016
	Pietermaritzburg	R90 million	
Amount paid for goodwill by the vendor:	None		
Name of vendor's shareholder:	TSHG&E		
Address of vendor's shareholder:	Palazzo Towers East Montecasino Boulevard Fourways 2055		

CAPITAL STRUCTURE

1. ALTERATIONS TO AUTHORISED SHARE CAPITAL

- 1.1 As at 30 June 2012, the authorised linked unit capital of the company consisted of:
- 1.1.1 200 000 000 A linked units comprising 200 000 000 A shares. Each A share had a par value of R0.0001 each, which was indivisibly linked to an unsecured variable rate A debenture with a nominal value of R9.40; and
- 1.1.2 200 000 000 B linked units comprising 200 000 000 B shares. Each B share had a par value of R0.0001 each, which was indivisibly linked to an unsecured variable rate B debenture with a nominal value of R9.40;
- 1.2 On 28 September 2015, the authorised linked unit capital of the company was converted from:
- 1.2.1 200 000 000 A linked units to 200 000 000 A shares of no par value; and
- 1.2.2 200 000 000 B linked units to 200 000 000 B shares of no par value.
- 1.3 On 12 December 2016, the company's dual-class share capital structure was restructured to a single-class share capital structure and the company increased its authorised share capital to 600 000 000 ordinary shares of no par value.
- 1.4 On 18 April 2017, the company increased its authorised share capital from 600 000 000 ordinary shares of no par value to 2 000 000 000 ordinary shares of no par value.
- 1.5 There have been no other sub-divisions or consolidations of shares during the preceding three years.
- 1.6 Other than as provided in this paragraph, there have been no other alterations to the authorised share capital of the company in the three years preceding the last practical date.

2. OPTIONS AND PREFERENTIAL RIGHTS IN RESPECT OF SHARES

- 2.1 There are no contracts or arrangements, either actual or proposed, whereby any option or preferential right of any kind has been or will be given to any person to subscribe for any shares in the company.
- 2.2 There are no preferential conversion and/or exchange rights in respect of any of the shares.

3. ISSUES AND REPURCHASES OF SHARES

- 3.1 There have been no repurchases of linked units/shares in the three years preceding the last practical date.
- 3.2 Other than as set out in the table below there have been no other issues or offers of linked or shares of the company in the three years preceding these revised listing particulars.

Date of issue	Party/ies to whom linked units/shares were issued	Equal number of linked units/shares issued	Price at which linked units were issued	Reason for the issue
29/04/2013	Savana Property Proprietary Limited	12 476 139	R16.65 per A linked unit R5.39 per B linked unit	Acquisition of 78.2% share of Radisson Blu Gautrain Hotel and 53 parking bays for a consideration of R347 million.
09/04/2014	Champagne Sports Resort Proprietary Limited	346 968	R15.80 per A linked unit R5.20 per B linked unit	Acquisition of 200 timeshare weeks in Champagne Share Block Limited for a consideration of R7.3 million.

Date of issue	Party/ies to whom linked units/shares were issued	Equal number of linked units/shares issued	Price at which linked units were issued	Reason for the issue
28/05/2014	Logoprops 44 CC Delta Trust	565 219	R15.60 per A linked unit R5.10 per B linked unit	Acquisition of three additional sectional title units at the Radisson Blu Waterfront Hotel for a consideration of R11.7 million.
28/07/2014	Mebesa	1 570 050	Average issue price R15.99 per A linked unit R4.69 per B linked unit	Acquisition of 10 additional sectional title units were acquired in the Radisson Blu Waterfront Hotel for R32.5 million.
08/08/2014	Savana Property Proprietary Limited	478 011	R16.48 per A linked unit R5.12 per B linked unit	Acquisition of two sectional title units and 25 parking bays at Radisson Blu Gautrain Hotel for R10 325 037.60.
01/09/2014	Tinsley Properties CC	474 861	Average issue price R16.48 per A linked unit R5.00 per B linked unit	Payment of R10 200 014 towards total acquisition price of R17 000 002 for the acquisition of five additional sectional title units at the Radisson Blu Waterfront.
01/12/2014	Zinzaco 206 Proprietary Limited	308 899	Average issue price R16.34 per A linked unit R3.28 per B linked unit	Payment of R6 060 598 towards total acquisition price of R26 917 500 for the acquisition of 10 additional sectional title units at the Radisson Blu Waterfront.
11/12/2014	Cloversgreen Investments Proprietary Limited	3 303 965	R14.87 per A linked unit R3.29 per B linked unit	Acquisition of a 35% undivided share in Erf 1302, Bardene and 215 rooms erected on this erf at the Birchwood Hotel & O.R. Tambo Conference Centre for R60 million.
10/10/2016	Southern Sun Hotels	145 000 000	R13.02 per share	Acquisition of a portfolio of properties as announced on SENS on 15 December 2015.

3.3 All linked units/shares which have been issued were issued at a negotiated price which the board considered to represent the fair value of the linked units/shares.

3.4 Save as disclosed in the table above, there were no assets acquired or to be acquired out of the proceeds of any issues in the last three years.

4. STATEMENT AS TO LISTING ON STOCK EXCHANGE

Hospitality shares are not listed on any stock exchange other than the JSE Limited.

5. AUTHORISATIONS

As set out in the integrated annual report for the year ended 30 June 2016, 10% of the unissued shares are under the control of the directors of the Company subject to the provisions of the Companies Act, 2008 and the requirements of the JSE Limited.

MATERIAL BORROWINGS AND LOANS RECEIVABLE

1. MATERIAL BORROWINGS OF THE HOSPITALITY GROUP

Set out below are the material loans that were made to the Hospitality Group as at the last practical date.

Lender	Origination	Facility (R'000)	Interest rate	Amount, terms and conditions of repayment or renewal	Repayment date
Nedbank – Property Facility					
Secured – Loan 1	Acquisition of properties	176 300	three-month JIBAR plus 2.67%	Loan becomes due and payable on maturity date	Feb 2020
Secured – Loan 2	Acquisition of properties	400 000	three-month JIBAR plus 2.80%	Loan becomes due and payable on maturity date	Oct 2019
Secured – Loan 3	Acquisition of properties	30 250	three-month JIBAR plus 2.85%	Loan becomes due and payable on maturity date	Oct 2018
Secured – Loan 4	Settlement of all the facilities with Absa Bank Limited	150 000	three-month JIBAR plus 2.38%	Loan becomes due and payable on maturity date	Feb 2018
Secured – Loan 7	Acquisition of properties	67 000	three-month JIBAR plus 2.38%	Loan becomes due and payable on maturity date	July 2018
Secured – Loan 8 (revolving loan)	Settlement of all the facilities with Absa Bank Limited	150 000	three-month JIBAR plus 2.75%	Loan becomes due and payable on maturity date	July 2018
Secured – Loan 9 (Annex facility)	Capital expenditure	100 000	three-month JIBAR plus 2.78%	Loan becomes due and payable on maturity date	April 2019
Sub-total		1 073 550			

Lender	Origination	Facility (R'000)	Interest rate	Amount, terms and conditions of repayment or renewal	Repayment date
Corporate bonds					
Secured – Hospitality 06	The proceeds were utilised to repay the R40 million unsecured note that matured in April 2015 and to fund the capital expenditure programme for 2016.	60 000	3 month JIBAR plus 2.8%	Loan becomes due and payable on maturity date	Feb 2020
Secured – Hospitality 07	The proceeds were utilised to fund the capital expenditure programme for 2016.	80 000	3 month JIBAR plus 2.25%	Loan becomes due and payable on maturity date	Aug 2017
Unsecured – HPF 08	Refinance of expired notes – originally issued to settle Absa Bank Limited facilities.	80 000	3 month JIBAR plus 3.00%	Loan becomes due and payable on maturity date	April 2019
Secured – HPF 09	Refinance of expired notes – originally issued to settle Absa Bank Limited facilities.	150 000	3 month JIBAR plus 2.25%	Loan becomes due and payable on maturity date	April 2019
Secured – HPF 10	Refinance of expired notes – originally issued to settle Absa Bank Limited facilities and acquisition of properties.	600 000	3 month JIBAR plus 1.20%	Loan becomes due and payable on maturity date	February 2018
HPF 11	Refinance of expired notes – originally issued to settle Absa Bank Limited facilities and acquisition of properties.	600 000	3 month JIBAR plus 1.80%	Loan becomes due and payable on maturity date	June 2021
Sub-total		970 000			
Total		2 043 550			

Notes:

- The Nedbank loans 1 – 3, 7 and 9 of R773.6 million are secured in terms of a first mortgage bond over investment properties valued at R2.44 billion (Radisson Blu Waterfront, Arabella Hotel & Spa, PH Edward and The Westin Cape Town).
- The secured notes Hospitality 06, Hospitality 07, Hospitality 09 and Hospitality 10, together with Nedbank loans 4 and 8 totalling R1.12 billion are secured in terms of a mortgage bond over investment properties with a market value of R2.78 billion (Birchwood Hotel, Crowne Plaza, Holiday Inn – Sandton, Mount Grace Country House & Spa, Protea Hotel Marine, Protea Hotel Victoria Junction, Radisson Blu Gautrain Hotel, Champagne Sports Resorts, Kopanong Hotel & Conference, Protea Hotel Hazzyview) and a cession of leases and rentals in respect of the bonded properties.

2. MATERIAL LOANS RECEIVABLE BY THE HOSPITALITY GROUP

Set out below are the material loans that were made by Hospitality as at the last practical date.

Date on which loan was made	Borrower	Origination	Interest rate and repayment terms	Periods of the loan	Nature of any/all security held for any/all loans	If loan is unsecured, the reasons there fore	Capital amount outstanding (R)	Current fair value of such security and the method of valuation
May 2013	HPF Employee Incentive Trust	The loan was advanced to the HPF Employee Incentive Trust by the company in order to facilitate the acquisition of 1 969 710 B-linked units at an average price of R5.07 and are allocated to beneficiaries as trust units.	Prime less 2.5%	Unspecified	Unsecured	Note (a)	R10 000 000	R5 909 130 (current estimated fair value of the B-linked units)
May 2005	HPF Properties Proprietary Limited	Funding new acquisitions	Note (b)	Repayable on demand	Unsecured	Loan to subsidiary	R3 903 104	N/A

Notes:

- The loan was made to the HPF Employee Incentive Trust in order to acquire B shares or B-linked units. Once the B shares vests in the employees (in three equal tranches from June 2016 to June 2018), the shares have to be sold to the market and the proceeds used to first settle the interest outstanding on the loan, then the capital. Only if there is any profit/proceeds left after the sale of the shares would the employee/s receive anything. In effect, the B shares are considered security but it is not explicitly stated in the loan agreement.
- No interest is paid by HPF Properties. The interest payable equals the interest that Hospitality pays on the loans raised in the corporate bond market. The profit of HPF Properties are paid to Hospitality as a dividend.

MATERIAL CONTRACTS

In addition to the agreements referred to in paragraph 17 of the revised listing particulars, the following are details of material contracts, being: (i) contracts entered into otherwise than in the ordinary course of business, within the two years prior to the date of these revised listing particulars or at any time containing an obligation or settlement that is or may be material to the company or its subsidiaries at the last practical date and (ii) contracts that are otherwise considered material by the company.

1. CULLINAN LEASE AGREEMENT

1.1 Commencement and termination

- 1.1.1 Cullinan (“**the lessor**”) and Reshub (“**the lessee**”) have concluded a lease agreement on 1 March 2017, in terms of which the lessee will lease the hotel properties from the lessor. The lessee intends appointing SSHI to manage the hotels on its behalf under and in terms of the management agreement and subject to the terms and conditions contained in the licence agreement, with effect from 1 March 2017 (“**the commencement date**”).
- 1.1.2 As security for its obligations in terms of the lease agreement, the lessee will procure the provision to the lessor of a corporate guarantee issued by Tsogo securing the due compliance by the lessee with all its obligations in terms of the lease agreement.
- 1.1.3 The lease agreement will commence from 1 March 2017 and will continue until 31 March 2037 (“**initial period**”). The lessee will have the option to renew the lease for a further period of 10 years commencing on the date of termination of the initial period (“**the option period**”). The terms applicable to the option period will be the same as are applicable to the initial period. The lessor will be granted the option to renew the lease at the end of the option period for a further period of 10 years commencing on the date of termination of the option period, on the basis that the terms and conditions applicable to any such further option periods will at all times be the same terms and conditions as are applicable to the option period.

1.2 Rentals payable

- 1.2.1 The lease agreement is subject to performance conditions which provide the lessor with the right to terminate the lease if:
- 1.2.1.1 the EBITDAR actually earned by the relevant Tsogo property is less than 80% of the EBITDAR budgeted for in the applicable annual budget in respect of any two consecutive financial years; and
- 1.2.1.2 the room revenue per available room of a hotel (“**REVPAR**”) per Tsogo property in respect of the same two consecutive financial years will:
- 1.2.1.2.1 have grown less than 80% of the average growth in the REVPAR of other hotel properties in the relevant nodal Group in circumstances where there is an average growth in the REVPAR; and
- 1.2.1.2.2 have declined by more than 120% of the average decline in the REVPAR of other hotel properties in the relevant nodal Group in circumstances where there is an average decline in the REVPAR.

1.3 Rentals payable

- 1.3.1 The monthly rentals payable to the lessor comprises a basic rental and a turnover rental (if any), together with VAT.
- 1.3.2 *Basic rental*
- 1.3.2.1 The basic rental payable during the financial year commencing 1 April 2017 will be an amount equal to 50% of the budgeted EBITDAR for the financial year concerned divided by the number of months falling within the financial year commencing 1 April 2017 divided by 12 (being the number of months falling within the financial year commencing 1 April 2017).

- 1.3.2.2 The basic rental payable during each financial year occurring thereafter will escalate annually by a rate equal to the average monthly percentage change on the CPI which is applicable over the prior period of 12 months preceding 1 April in the respective year.
 - 1.3.2.3 The amount of the basic rentals payable during the lease period will reset to a base level at the beginning of every second financial year, with effect from 1 April 2019, so that the basic rentals will be calculated as per paragraph 1.3.2 above.
 - 1.3.2.4 The basic rental is payable monthly in advance. The amount of the basic rentals payable within any financial year will not be adjusted to any revision and will always be payable, as stipulated, even when the budgeted EBITDAR in an annual budget is not actually achieved, in which case the lessee shall be liable for the shortfall.
- 1.3.3 *Turnover rental*
- 1.3.3.1 The turnover rental payable is an amount equal to 98% X [(actual EBITDAR earned during the financial year concerned) less (the aggregate amount of basic rentals paid by the lessee in respect of the financial year concerned)].
 - 1.3.3.2 The lessee will make payment of the estimated monthly portion of the turnover rental as being payable for the previous month.
 - 1.3.3.3 The lessee may deduct from the turnover rental amounts payable by the lessor in respect of the management fees, the management incentive fees and the corporate marketing and license fees payable by the lessee to SSHI in terms of the management agreement and the license agreement.
 - 1.3.3.4 To the extent that there has been an underpayment or overpayment of the estimated turnover rental that was paid for the financial year concerned, based on the actual annual EBITDAR earned and the actual annual basic rentals paid, such underpayment/overpayment will immediately become due and payable by the party responsible for payment together with interest at the prime rate.
- 1.3.4 Should the lease agreement terminate otherwise than on the last day of a month, then the portion of the rentals payable in respect of that interrupted month will be calculated on a *pro rata* basis according to the number of days this hotel lease agreement is in force during that interrupted month.

1.4 **Hotel name and reservations**

- 1.4.1 During the period of the lease, the hotels will at all times be operated under the hotel name.
- 1.4.2 The lessee will use the existing Tsogo Sun Group reservation systems and any upgrades or replacement systems to provide the hotel and its guests with centralised reservation services.

2. **MERWAY LEASE AGREEMENT**

2.1 **Commencement and termination**

- 2.1.1 Merway (“**the lessor**”) and Reshub (“**the lessee**”) have concluded a lease agreement on 27 February 2017, in terms of which the lessee will lease the hotel properties from the lessor. The lessee intends appointing SSHI to manage the hotels on its behalf under and in terms of the management agreement and subject to the terms and conditions contained in the licence agreement, with effect from 1 March 2017 (“**the commencement date**”).
- 2.1.2 As security for its obligations in terms of the lease agreement, the lessee will procure the provision to the lessor of a corporate guarantee issued by Tsogo securing the due compliance by the lessee with all its obligations in terms of the lease agreement.
- 2.1.3 The lease agreement will commence from 1 March 2017 and will continue until 31 March 2037 (“**initial period**”). The lessee will have the option to renew the lease for a further period of 10 years commencing on the date of termination of the initial period (“**the option period**”). The terms applicable to the option period will be the same as are applicable to the initial period. The lessor will be granted the option to renew the lease at the end of the option period for a further period of 10 years commencing on the date of termination of the option period, on the basis that the terms and conditions applicable to any such further option periods will at all times be the same terms and conditions as are applicable to the option period.

2.2 Rentals payable

- 2.2.1 The lease agreement is subject to performance conditions which provide the lessor with the right to terminate the lease if:
- 2.2.1.1 the EBITDAR actually earned by the relevant Tsogo property is less than 80% of the EBITDAR budgeted for in the applicable annual budget in respect of any two consecutive financial years; and
 - 2.2.1.2 the room revenue per available room of a hotel (“**REVPAR**”) per Tsogo property in respect of the same two consecutive financial years will:
 - 2.2.1.2.1 have grown less than 80% of the average growth in the REVPAR of other hotel properties in the relevant nodal Group in circumstances where there is an average growth in the REVPAR; and
 - 2.2.1.2.2 have declined by more than 120% of the average decline in the REVPAR of other hotel properties in the relevant nodal Group in circumstances where there is an average decline in the REVPAR.

2.3 Rentals payable

- 2.3.1 The monthly rentals payable to the lessor comprises a basic rental and a turnover rental (if any), together with VAT.
- 2.3.2 *Basic rental*
- 2.3.2.1 The basic rental payable during the financial year commencing 1 April 2017 will be an amount equal to 50% of the budgeted EBITDAR for the financial year concerned divided by the number of months falling within the financial year commencing 1 April 2017 divided by 12 (being the number of months falling within the financial year commencing 1 April 2017).
 - 2.3.2.2 The basic rental payable during each financial year occurring thereafter will escalate annually by a rate equal to the average monthly percentage change on the CPI which is applicable over the prior period of 12 months preceding 1 April in the respective year.
 - 2.3.2.3 The amount of the basic rentals payable during the lease period will reset to a base level at the beginning of every second financial year, with effect from 1 April 2019, so that the basic rentals will be calculated as per paragraph 1.3.2 above.
 - 2.3.2.4 The basic rental is payable monthly in advance. The amount of the basic rentals payable within any financial year will not be adjusted to any revision and will always be payable, as stipulated, even when the budgeted EBITDAR in an annual budget is not actually achieved, in which case the lessee shall be liable for the shortfall.
- 2.3.3 *Turnover rental*
- 2.3.3.1 The turnover rental payable is an amount equal to 98% X [(actual EBITDAR earned during the financial year concerned) less (the aggregate amount of basic rentals paid by the lessee in respect of the financial year concerned)].
 - 2.3.3.2 The lessee will make payment of the estimated monthly portion of the turnover rental as being payable for the previous month.
 - 2.3.3.3 The lessee may deduct from the turnover rental amounts payable by the lessor in respect of the management fees, the management incentive fees and the corporate marketing and license fees payable by the lessee to SSHI in terms of the management agreement and the license agreement.
 - 2.3.3.4 To the extent that there has been an underpayment or overpayment of the estimated turnover rental that was paid for the financial year concerned, based on the actual annual EBITDAR earned and the actual annual basic rentals paid, such underpayment/overpayment will immediately become due and payable by the party responsible for payment together with interest at the prime rate.
- 2.3.4 Should the lease agreement terminate otherwise than on the last day of a month, then the portion of the rentals payable in respect of that interrupted month will be calculated on *pro rata* basis according to the number of days this hotel lease agreement is in force during that interrupted month.

2.4 Hotel name and reservations

- 2.4.1 During the period of the lease, the hotels will at all times be operated under the hotel name.
- 2.4.2 The lessee will use the existing Tsogo Sun Group reservation systems and any upgrades or replacement systems to provide the hotel and its guests with centralised reservation services.

3. MANAGEMENT AGREEMENT

3.1 Commencement and termination

- 3.1.1 SSHI (“**the manager**”) and Reshub (“**the owner**”) concluded management agreements on 27 February 2017 and 1 March 2017 respectively, in terms of which SSHI has been appointed to manage the hotels as its agent and on its behalf from the commencement of the lease agreement referred to in paragraph 1 above and continuing indefinitely for as long as the lease agreement is in effect. The management agreement is subject to the condition precedent that the lease agreement is entered into simultaneously and is implemented in accordance with its terms.
- 3.1.2 The management agreement will terminate with immediate effect should the lease agreement terminate for any reason.

3.2 Duties of the manager

The manager will manage and administer the hotel. The function of the manager includes, *inter alia*, appointing suitably qualified staff, conducting necessary repairs, alterations and replacements, purchasing supplies, keeping records and books of accounts, preparing statements of results, forecasts and budgets, plan and execute advertising and promotional campaigns, ensure compliance with legislation to which the hotels are subject, prepare agendas, minutes and other reports regarding the state of affairs of the hotels, review and amend the budgeting, accounting and other systems and sales policies of the hotels and negotiate and execute all contracts which the manager may deem reasonably necessary for the operation of the hotels in the ordinary course of business, including leases, licenses, utility and service applications and contracts and agreements with customers and suppliers of goods and services.

3.3 Fees payable to the manager

- 3.3.1 In consideration for the services performed, the manager will receive:
 - 3.3.1.1 a fixed fee equal to 2% of the gross operating revenue derived by the owner from the operation of the hotels;
 - 3.3.1.2 an incentive management fee equal to 7% of the gross operating profit derived by the owner from the operation of the hotels; and
 - 3.3.1.3 any other fees as may be required to be paid for the operation of the hotels including, *inter alia*, reservation system fees, training fees, fees due for travel agent commissions and disbursements.
- 3.3.2 The fixed fee and the incentive management fee will be paid to the manager at monthly intervals, each such payment being calculated on the gross operating revenue and gross operating profit derived from the hotel during each calendar month.

4. LICENSE AGREEMENT

4.1 Commencement and termination

- 4.1.1 SSHI (“**the licensor**”) and Reshub (“**the licensee**”) concluded license agreements on 27 February 2017 and 1 March 2017 respectively, in terms of which SSHI has granted the licensee a license to use certain intellectual property of Tsogo Sun Holdings Limited in the operation of the hotels for the duration of the period of the management agreement, further details of which are set out in paragraph 2 above. The license agreement is subject to the condition precedent that the management agreement is entered into simultaneously and is implemented in accordance with its terms.
- 4.1.2 On termination of the license agreement for any reason, the licensee will procure that the hotel names are changed so as to exclude any reference to the Tsogo Sun Hotel Brands and/or any of the intellectual property or any connotation of any association with the Tsogo Sun Group.

4.2 **Grant of license**

- 4.2.1 In terms of the license agreement, the licensor grants to the licensee a non-exclusive, non-assignable and non-transferable licence to use the intellectual property of whatsoever nature, owned or used by Tsogo in relation to the Tsogo Sun hotel brands (“**intellectual property**”) in connection with the management and operation of the hotels.
- 4.2.2 The licensee acknowledges that the intellectual property is the exclusive property of the licensor or the Tsogo Group and agrees that the intellectual property and any increase in their value through their use by the licensee will be for the benefit of the licensor. The licensee will not authorise others to use the intellectual property or grant any licences or sub-licences in respect of the intellectual property.
- 4.2.3 The licensee will use the intellectual property only in the manner approved by the licensee and in such manner as shall preserve and protect the licensor’s interest therein and the value and distinctiveness thereof.

4.3 **License fees**

In consideration for the rights granted to the licensee in terms of the license agreement the licensee will pay to the licensor a fee calculated as 1.625% of gross rooms revenue for the hotels, in respect of each financial year. The fees are payable monthly and any over or underpayment arising from any error in the management accounts will be adjusted in cash as soon as it has been ascertained.

TRADING HISTORY OF HOSPITALITY SHARES

HPB Period	HIGH (cents)	LOW (cents)	CLOSE (cents)	VOLUME	VALUE (R)
Monthly					
2016					
April	1 120	1 050	1 103	213 372	2 313 201
May	1 155	1 064	1 085	471 532	5 084 562
June	1 138	980	1 113	113 451	1 265 054
July	1 155	1 068	1 103	113 730	1 253 655
August	1 365	1 103	1 330	697 234	8 479 300
September	1 383	1 225	1 383	271 952	3 483 326
October	1 365	1 232	1 307	3 998 464	52 137 192
November	1 325	1 260	1 285	11 963 850	154 410 429
December	1 485	1 277	1 340	4 179 853	54 812 232
2017					
January	1 374	1 305	1 373	1 054 744	14 079 764
February	1 450	1 360	1 449	7 562 158	107 106 410
March	1 450	1 367	1 390	1 787 156	25 413 990
Daily					
2017					
05/04/2017	1 423	1 382	1 389	493	6 895
06/04/2017	1 398	1 375	1 398	22 393	309 142
07/04/2017	1 400	1 380	1 400	267 777	3 746 480
10/04/2017	1 415	1 375	1 398	4 706	64 740
11/04/2017	1 399	1 375	1 375	2 316 268	31 875 322
12/04/2017	1 398	1 375	1 394	111 415	1 531 972
13/04/2017	1 395	1 393	1 393	58 821	819 376
18/04/2017	1 409	1 390	1 395	80 649	1 127 449
19/04/2017	1 424	1 375	1 423	87 420	1 223 265
20/04/2017	1 423	1 419	1 419	1 305	18 524
21/04/2017	1 406	1 375	1 400	928 682	13 002 047
24/04/2017	1 410	1 375	1 409	16 025	224 262
25/04/2017	1 409	1 375	1 409	218 871	3 072 291
26/04/2017	1 410	1 375	1 409	138 447	1 946 656
28/04/2017	1 405	1 374	1 400	260 318	3 629 432
02/05/2017	1 405	1 375	1 400	694 607	9 726 857
03/05/2017	1 400	1 375	1 400	445 393	6 229 565
04/05/2017	1 400	1 376	1 400	742 509	10 394 179
05/05/2017	1 415	1 375	1 415	336 472	4 749 869
08/05/2017	1 420	1 382	1 420	11 706	164 795
09/05/2017	1 430	1 385	1 430	286 565	4 080 059
10/05/2017	1 436	1 390	1 399	8 891	127 115
11/05/2017	1 425	1 386	1 425	20 912	296 164
12/05/2017	1 400	1 385	1 391	890 137	12 460 330
15/05/2017	1 425	1 400	1 425	22 834	322 118
16/05/2017	1 401	1 385	1 400	107 886	1 510 192
17/05/2017	1 400	1 385	1 385	1 087 166	15 218 805
18/05/2017	1 399	1 376	1 399	113 675	1 574 312
19/05/2017	1 400	1 385	1 399	40 798	566 567
22/05/2017	1 400	1 390	1 399	106	1 482

CORPORATE GOVERNANCE STATEMENT

1. RESPONSIBILITY FOR GOVERNANCE

The board is the focal point of corporate governance for the Group. It takes responsibility and ensures the establishment of structures and processes to create a governance framework for responsible leadership and the sustainable success of the Group. It recognises that strategy, risk, sustainability and performance are all linked.

The guiding principles set in King III are continuously considered for application throughout the Group. Existing policies and procedures are reviewed and where necessary new policies are adopted and implemented in order to strengthen governance and its processes within the Group.

2. THE BOARD AND ITS COMMITTEES

2.1 Changes in composition

2.1.1 Mr Vincent Joyner was appointed as the chief executive officer (“CEO”) of the company on 15 September 2015. In line with the change of control clause contained in Mr Joyner’s contract of employment, Mr Joyner was terminated as CEO and a member of the board of Hospitality with effect from 31 December 2016. Mr Keith Randall was appointed as a member of the board and the CEO with effect from 1 January 2017.

2.1.2 Mr Riaan Erasmus, the former Group Financial Manager, took on the role as acting Financial Director (“FD”) from Mr Ridwaan Asmal, who resigned on 12 August 2015. The JSE granted Hospitality extension to 30 September 2016 to appoint an FD. Mrs Mara de Lima was appointed as permanent FD with effect from 30 September 2016. Mr Erasmus continues with the Group in the role of Senior Group Financial and Treasury Manager.

2.1.3 Mrs Laurelle McDonald, Ms Zibusiso Kganyago and Messrs John Copelyn, Rob Nicolella and Marcel von Aulock were appointed as non-executive directors to the board, with effect from 1 September 2016. Mr John Copelyn was appointed as the non-executive Chairman with effect from 30 November 2016. Mrs Linda De Beer was appointed as the lead independent non-executive director with effect from 30 November 2016. Marcel von Aulock subsequently resigned as a non-executive director with effect from 1 June 2016.

2.2 Composition, roles, responsibilities and focus areas

As at 31 December 2016, the board comprised seven independent non-executive directors, two executive directors and five non-executive directors.

The board meets at least four times a year and holds an annual strategy session.

The composition of the Board and its committees as well as summaries of their roles and responsibilities are set out below.

	Summary of roles and responsibilities	Members
Hospitality board (“the board”)	Role and responsibilities of the Chairman	J C Copelyn (Chairman)
	<ul style="list-style-type: none"> Provide leadership to the board and the company. Responsible for the effective functioning of the board and its committees. Acts as a direct liaison between the board and the management of the company, through the CEO. Directors and management have unrestricted access to the Chairman. 	L de Beer (Independent Non-executive Chairman) D G Bowden M de Lima S A Halliday Z J Kganyago Z N Kubukeli L McDonald
	Role and responsibilities of the board	Z N Malinga
	<ul style="list-style-type: none"> Accountable to shareholders and acts in the best interest of the company. 	J R Nicolella G A Nelson

	<ul style="list-style-type: none"> • Exercises control of the Group and provides leadership and strategic direction • Monitors the implementation of strategies by management in order to create sustainable results. • Sets the ethical standard of conduct for the Group. • Ensures the implementation of a Group risk management framework. • Monitors the Group's performance 	<p>K G Randall W C Ross M N von Aulock</p>
	<p>Key focus areas for 2017</p> <ul style="list-style-type: none"> • Diversifying the company's financing structure. • Monitor the level of hedging and debt maturity profile of the company. • Consider the current size of the board, its composition and the requirement for specific skills on its respective committees. • Monitor the integration of the Tsogo properties and any other potential Tsogo hotel assets into the Hospitality portfolio. • Oversee shareholder and stakeholder relationships. 	
<p>Audit and risk committee ("ARC")</p>	<p>Role and responsibilities of the committee</p> <ul style="list-style-type: none"> • Reviews the Group's financial statements and oversees integrated reporting. • Carries out its statutory duties set out in section 90 of the Companies Act, 2008. • Satisfies itself of the expertise and experience of the FD and the company's finance function. • Considers and recommends the risk policy, framework and plan to the board for approval and monitor the implementation thereof. • Assists the social and ethics committee with its responsibility of monitoring ethics by overseeing the Company's fraud and anti-corruption policy and process. • Interacts with the external auditor. <p>The ARC report can be found on page 69 of the integrated annual report for the year ended 30 June 2016.</p> <p>Meetings and conduct</p> <ul style="list-style-type: none"> • The Chairman of the board, CEO, FD, and external auditor attend Committee meetings by invitation. • The external auditor has unrestricted access to the Committee and its Chairman. • The external auditor meets with the members of the Committee biannually to report their findings to the Committee without members of the executive Committee in attendance. <p>Key focus areas for 2017</p> <ul style="list-style-type: none"> • Continue to monitor the risk management and risk identification processes. • Expanding the reach and independence of an internal audit function. • Reviews IT governance, controls and infrastructure and assess potential cyber security risks. 	<p>L de Beer (Chairman) D G Bowden SA Halliday ZN Malinga</p>

Nomination committee (“Nomco”)	Role and responsibilities of the committee <ul style="list-style-type: none"> • Ensures the board has the appropriate composition and balance of skills for it to execute its duties effectively. • Ensures that the appointments of directors are transparent and made through a formal process. • Identify and evaluate potential candidates for appointment to the board. • Ensures that induction and ongoing training and development of directors take place. • Considers succession for the board, and executive management. Key focus areas for 2017 <ul style="list-style-type: none"> • To enhance succession planning within the Group. • Focus on the enhancement of annual Committee and board assessments at an individual and collective level. • Review new directors’ induction process. 	J C Copelyn (Chairman) L de Beer ZN Kubukeli GA Nelson MN von Aulock
Remuneration committee (“Remco”)	Role and responsibilities of the committee <ul style="list-style-type: none"> • Oversees the setting of remuneration policies for the Group. • Ensures that directors and executives are remunerated fairly and responsibly. • Evaluates the performance of the CEO and executive directors and sets annual key performance indicators. • Recommends the remuneration of non-executive directors to shareholders for approval. Key focus areas for 2017 <ul style="list-style-type: none"> • Consider the effectiveness of the current long-term incentive scheme. • Consider current remuneration principles and alignment thereof with industry and King III principles. 	D G Bowden (Chairman) J C Copelyn L de Beer Z N Malinga M von Aulock

Social and ethics committee (“S&E”)	<p>Role and responsibilities of the committee</p> <p>The role of the committee is to assist the board with the oversight of environmental, social and ethical matters relating to the sustainability of the Group. These include:</p> <ul style="list-style-type: none"> • employment equity and transformation; • monitoring stakeholder relationships; • human capital management; • ethics management; • safety; • environment; • health; • anti-corruption; and • the carrying out of its statutory duties in compliance with the Companies Act, 2008. <p>Key focus areas for 2017</p> <ul style="list-style-type: none"> • Continue to focus on the implementation of anti-corruption and bribery strategies and reporting mechanisms. • Monitor progress on social and human capital management. • Changes to monitor B-BBEE and Sector Codes and strategically plan so as to avoid any negative impact on the company scorecard. 	<p>ZN Kubukeli (Chairman) G A Nelson K Randall R Huddy^o</p>
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^oNon board member and Tsogo Sun Group Chief Financial Officer

3. COMPANY SECRETARY

The company secretary is responsible for the statutory administration of the Group and ensures that all regulations and governance codes are observed. She supports the board in performing its functions and ensures that board and committee processes and procedures are implemented. She provides guidance to management and the board on governance, compliance and their fiduciary duties.

Directors have unrestricted access to the advice and services of the company secretary.

Rosa van Onselen is the appointed company secretary. She has 18 years’ experience in company secretariat, which includes 12 years with listed entities.

She is not a member of the board and the board is therefore satisfied that an arm’s length relationship exists between the board of directors, the executive team, individual directors and the company secretary.

The board is satisfied that the company secretary is competent and has the appropriate qualifications and experience required by the Group.

4. SEGREGATION OF DUTIES AND INTERNAL CONTROLS

The Group has established and maintains financial and operational systems of internal control to support the reliability of financial statements, ensure that transactions are concluded in accordance with management’s authority, are accurately recorded and that the Group’s assets are appropriately protected against material losses, unauthorised disposals or acquisitions.

These systems include policies and procedures regarding authorisation and the segregation of duties.

The internal controls, including internal financial controls are documented and assessed by management and considered by the ARC. In the 2017 financial year, the external audit scope was expanded in order to test internal financial controls which had been enhanced and adopted during the 2016 financial year to deal with any control deficiencies recognised in the 2015 financial year.

The board takes responsibility for the company’s internal controls. At this point in time no written independent assessment of internal controls is obtained as internal audit functions are only operational at individual hotel level. The company does not have an internal audit function. In 2016, focus will be placed on expanding the internal audit function, as reported above.

4.1 Delegation of authority

The formal delegation of authorities is set out in the terms of reference of each committee of the board as well as to management. Authority limits to conduct the daily operations of the company have been approved by the board and management acts within these authorities.

4.2 Whistle blowing

A whistle-blowing channel is in place at Group and hotel operator levels and is independently managed by Deloitte. All tip-offs are investigated, followed up, resolved and reported to the ARC and/or the social and ethics committee.

4.3 Code of Ethics

The ethical character and morals of Hospitality are set by the board and flows through to management, who are tasked to lead by example.

The code of ethics adopted by the board, is underpinned by supporting policies which include the conflicts of interest and share dealing policies.

4.4 Assurance of the integrated report

The board has reviewed and approved the integrated report after satisfying itself of the integrity of the report insofar as it highlights matters material to the company and provides a balanced view of the company's strategy to maintain and create value in a sustainable manner over the long term.

The process of integrated reporting continues to evolve and at this early stage the Group has not sought external verification of the content or part thereof apart from the annual financial statements, which the external auditor, PWC, has provided assurance on, as confirmed in the independent auditor's report.

5. APPLICATION OF KING III

In compliance with the guidance note on corporate governance, issued by the JSE Limited on 31 January 2013, the report below addresses the application of all the principles contained in Chapter 2 of the King Code and highlights areas of non or partial compliance.

Every one of the 75 King principles are addressed in the form of a register on the Hospitality website <http://www.hpf.co.za>.

6. CORPORATE GOVERNANCE DISCLOSURE REQUIRED BY THE LISTINGS REQUIREMENTS

Hospitality applies the mandatory principles contained in paragraph 3.84 of the Listings Requirements.

Requirement	Principle	Approach
3.84(a)	<p>There must be a policy detailing the procedures for the appointment to the board.</p> <p>Appointments must be formal and transparent and a matter for the board as a whole, assisted where appropriate by a nomination committee.</p> <p>If a nomination committee is appointed, such committee must only constitute non-executive directors and the majority must be independent. The committee must be chaired by the Chairman of the board.</p>	<p>The policy for board appointments is set out in the terms of reference of the nomination committee.</p> <p>Appointments to the board are dealt with in a formal and transparent manner by the board as a whole. Appointments are made on recommendations by the nomination committee, following an assessment of any prospective director's qualifications, abilities and experience so as to make a meaningful contribution to the board and its committees.</p> <p>The composition of the nomination committee is set out above. The committee is chaired by the Chairman of the board.</p>

Requirement	Principle	Approach
3.84(b)	There must be a policy evidencing a clear balance of power and authority at board level to ensure that no one director has unfettered powers.	<p>The board charter and MOI demonstrates that there is a clear balance of power and authority at board level and that no one director has unfettered powers. Decisions, if not unanimous, are taken by a simple majority with one vote per director. The Chairman does not have a deciding vote.</p> <p>Authority limits to conduct the daily operations of the company have been approved by the board and management acts within these authorities.</p>
3.84(c)	<p>Issuers must have a CEO and a Chairman and these positions must not be held by the same person.</p> <p>The Chairman must either be an independent director or the issuer must appoint a lead independent director as defined in the King Code.</p>	The CEO and Chairman positions are held by different individuals. The Chairman is not independent, but a lead independent director has been appointed.
3.84(d)	<p>Issuers must appoint an audit committee in compliance with the King Code.</p> <p>Issuers must appoint a remuneration committee in compliance with the King Code.</p> <p>Where appropriate, issuers must appoint a risk and nomination committee.</p> <p>The composition of such committees, a brief description of their mandates, the number of meetings held and any other relevant information must be disclosed in the annual report.</p>	<p>Hospitality has a combined audit and risk committee. Its composition is set out in paragraph 2 above. The committee has four members, all of whom are independent non-executive directors, as set out in the King Code. The Chairman of the board is invited to attend committee meetings.</p> <p>Hospitality's remuneration committee has five members, three of whom are independent non-executive directors. Details of the committee's composition, role and responsibilities is set out above.</p> <p>Hospitality has a combined audit and risk committee and a nomination committee. Details of the committees' composition, role and responsibilities is set out above.</p> <p>Brief descriptions of the mandates of these committees and the number of meetings held during the year were disclosed in the 2016 annual report. Details of the committees' composition are set out above.</p>
3.84(e)	Brief CV of each director standing for election or re-election must accompany relevant notice of meeting.	Set out in the 2016 annual report.
3.84(f)	Capacity of directors in relation to executive, non-executive and independent must be categorised and disclosed in the relevant documentation.	Disclosed above. The composition of committees is in accordance with the requirements of the Companies Act and King III.
3.84(g)	Issuers must have a full-time executive financial director.	Mrs de Lima was appointed as full-time executive financial director on 30 September 2016.
3.84(h)	The audit committee must consider on an annual basis, and satisfy itself of the appropriateness of the expertise and experience of the financial director and report thereon in the annual report.	The audit and risk committee annually considers and satisfies itself of the appropriateness of the expertise and experience of the FD and finance team and has reported on its findings in its audit and risk committee report.

Requirement	Principle	Approach
3.84(i)	The provision deals with the competence, qualifications and experience of the company secretary and the board of directors' responsibility in relation thereto.	The company secretary's competence, skills and experience and the board's assessment of her abilities is disclosed in its annual report, the latest being 2016.
3.84(j)	The provision deals with the arm's-length relationship between the board of directors and the company secretary and the board of directors' responsibility in relation thereto.	The board is comfortable that the company secretary maintains an arm's-length relationship with the executive team, the board and the individual directors.
3.84(k)	The provision deals with the company's policy on the promotion of gender diversity at board level.	The board recognises and embraces the benefits of having a diverse board and obtaining the best possible board composition, with a balance of skills, experience, race, gender, and industry knowledge. The nomination committee annually reviews and assesses the board's composition and effectiveness. The nomination committee also identifies and/or evaluates potential candidates for appointment to the board. As part of these processes the committee will consider the diversity representation of the board and whether it optimal to its effectiveness.