



Tsogo Sun Hotels Limited

(previously known as Southern Sun Hotels Proprietary Limited)

Incorporated in the Republic of South Africa

Registration number 2002/006356/06

Share code: TGO ISIN: ZAE000272522

("Tsogo Sun Hotels" or "the Group" or "the Company")

NOTICE OF SUBMISSION OF PROPOSED RESOLUTIONS TO THE SHAREHOLDERS OF TSOGO SUN HOTELS TO BE ADOPTED IN TERMS OF SECTION 60 OF THE COMPANIES ACT, NO. 71 OF 2008 (THE "COMPANIES ACT")

Dear Shareholders,

- Shareholders of the Company ("Shareholders") are notified that the board of directors of the Company (the "Board") have resolved to propose that the Shareholders consider and approve the ordinary and special resolutions set out in Annexure 1 to this notice by written consent in terms of section 60 of the Companies Act.
- Tsogo Sun Hotels is, subject to sections 9 and 10 of the JSE Listings Requirements, considering acquiring additional ordinary shares in Hospitality Property Fund Limited ("Hospitality") as Hospitality has consistently traded at a substantial discount to its net asset value.
- To preserve cash resources in order to withstand the impact of the COVID-19 pandemic, the Board considers it prudent to use ordinary shares in the Company, as opposed to cash, for the purposes of the potential acquisition of additional Hospitality shares. Furthermore, the nature of the business of Tsogo Sun Hotels and Hospitality are substantially similar and have in principle the same economic drivers. Hotels owned by Hospitality and operated by Tsogo Sun Hotels make up the majority of both Groups' economic value and therefore the acquisition of Hospitality shares in exchange for the issue of shares in the Company results in the new Tsogo Sun Hotels shareholders being exposed to substantially the same industry risks and rewards
- In terms of the Company's Memorandum of Incorporation ("MOI") the Board requires the prior approval of an ordinary resolution supported by more than 50% of the voting rights exercisable by shareholders, in order to allot and issue ordinary shares in the authorised and unissued share capital of the Company for the purpose of an acquisition issue in terms of the JSE Listings Requirements. Accordingly, ordinary resolution number 1 is being proposed to allow the board to acquire Hospitality shares in exchange for shares in the Company, subject to compliance with the JSE Listings Requirements.
- In acquiring additional Hospitality shares, the Company may have to issue ordinary shares in the Company to persons related or inter-related to Tsogo Sun Hotels and/or directors, future directors, prescribed officers, or future prescribed officers of the Company (or persons related to them), who hold shares in Hospitality subject to section 41(1) of the Companies Act.
- By way of example, the HCI Foundation is a Hospitality shareholder and controlled by Hosken Consolidated Investments Limited, Tsogo Sun Hotels' controlling shareholder. In terms of the Companies Act, the HCI Foundation is therefore related and/or inter-related to Tsogo Sun Hotels. In addition, certain directors and/or prescribed officers (or persons related to them) of Tsogo Sun Hotels hold shares in Hospitality and may wish to dispose of their Hospitality shares to the Company.
- In order to allow the Company to acquire Hospitality shares held by persons related or inter-related to the Company and/or any directors or prescribed offices (or persons related to them) of the Company in exchange for ordinary shares in the Company, the Board requires the authority of a special resolution in terms of section 41(1) of the Companies Act. To cater for this eventuality, special resolution number 1 is being proposed.
- In terms of section 60 of the Companies Act, a resolution that could be voted on at a shareholders meeting may instead be submitted for consideration to the shareholders entitled to exercise voting rights in relation to the resolution and be voted on in writing by shareholders entitled to exercise voting rights in relation to the resolution, within 20 (twenty) business days after the resolution was submitted to them.
- Section 60(2) of the Companies Act further provides that a resolution contemplated in section 60(1) of the Companies Act will have been adopted if it is supported by persons entitled to exercise sufficient voting rights for it to have been adopted as an ordinary or special resolution, as the case may be, at a properly constituted shareholders meeting, and, if adopted, such resolution will have the same effect as if it had been approved by voting at a meeting.
- Section 65(2) of the Companies Act provides that the Board may propose any resolution to be considered by shareholders, and may determine whether that resolution will be considered at a meeting, or by vote or written consent in terms of section 60 of the Companies Act. The Board has resolved that the resolutions be considered by the shareholders of the Company by written consent in terms of section 60 of the Companies Act. The form of written consent is attached as Annexure 1 to this notice (the "**written consent**").

- Shareholders who have dematerialised their shares (other than own-name dematerialised shareholders) in terms of the Financial Markets Act, 19 of 2012, should advise their Central Securities Depository Participant ("**CSDP**") or broker as to what action they wish to take. This must be done in terms of the agreement entered into between them and their CSDP or broker. Shareholders who have dematerialised their shares (other than own-name dematerialised shareholders) must not return the written consent to the transfer secretaries. Their instruction must be sent to the CSDP or broker for action.
- The Company does not accept responsibility and will not be held liable, under any applicable law or regulation, for any action of, or omission by, the CSDP or broker of a dematerialised shareholder, including, without limitation, any failure on the part of the CSDP or broker of any beneficial owner to notify such beneficial owner of this letter or of the matters set forth herein.**
- Certificated shareholders and own-name dematerialised shareholders may indicate, by insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided, on the form of written consent how they cast their votes in relation to the resolutions. Please return a copy of the completed and signed form of written consent to Link Market Services South Africa Proprietary Limited (the transfer secretaries of the Company) within 20 (twenty) business days of the date of delivery (or deemed delivery) hereof at the following address:
 - Physical address: 13th Floor, 19 Ameshoff Street, Braamfontein, 2001
 - Postal address: PO Box 4844, Johannesburg, 2000
 - Fax: 086 674 2450; and/or
 - Email: meetfax@linkmarketservices.co.za.

14. IMPORTANT DATES AND TIMES

	2020
Record date for Shareholders to be recorded in the securities register in order to receive this notice and vote on the resolutions referred to herein	Friday, 26 June 2020
Notice distributed to Shareholders and announcement of distribution of this notice on	Friday, 3 July 2020
Deemed date of submission of this notice to Shareholders (for purposes of calculating the 20 (twenty) Business Day period referred to in section 60(1) of the Companies Act)	Friday, 10 July 2020
Voting period opens	Friday, 10 July 2020
Last day for voting on the resolutions and to return the form of written consent	Friday, 7 August 2020
Results of the voting published on SENS on	Tuesday, 11 August 2020

Notes:

- All dates and times above and quoted generally in this notice are South African local times.
- The above dates and times are subject to amendments. Any such amendment will be released on SENS.
- In order for a resolution to be adopted, the requisite percentage of the voting rights exercised on that resolution must have been exercised in favour of that resolution within 20 (twenty) Business Days after that resolution was submitted to Shareholders. Notwithstanding this, a resolution shall be adopted and become effective as soon as the voting rights exercised in favour thereof equate to requisite percentage of all voting rights that were entitled to be exercised on that resolution, which may be sooner than the closing date stipulated above.

Yours faithfully

J Mahloele

For Southern Sun Secretarial Services Proprietary Limited

Company secretary

3 July 2020



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RESOLUTIONS OF THE SHAREHOLDERS OF TSOGO SUN HOTELS TO BE ADOPTED IN TERMS OF SECTION 60(I) OF THE COMPANIES ACT, NO. 71 OF 2008, AS AMENDED (THE "COMPANIES ACT")

ORDINARY RESOLUTION NUMBER 1: GENERAL AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE AUTHORISED BUT UNISSUED SHARES

"**RESOLVED THAT**, to the extent required by and subject to the MOI of the Company, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, the Board is, as a general authority and approval, authorised, as the Board members in their discretion think fit, to allot and issue the authorised but unissued ordinary shares in the Company to such person(s) and upon such terms and conditions as the Board may determine.

The Company Secretary or any member of the Board be and is hereby authorised to sign all such documents and do all such things as may be necessary for or incidental to the implementation of this resolution."

Voting requirements

In order for this ordinary resolution to be adopted, the support of more than 50% of the total voting rights exercisable by Shareholders is required to pass this resolution.

Reason and effect of the ordinary resolution

In terms of the Company's MOI, shareholders may authorise the Board to allot and issue authorised but unissued shares as the directors in their discretion think fit, but at all times subject to the Companies Act. The Board considers it advantageous to approve this authority to enable the Company to take advantage of any business opportunities that may arise. Being able to act promptly on such opportunities through the issue of shares, puts the Company in an advantageous position at the time of negotiations.

The granting of this ordinary resolution by shareholders, will allow the Company to make acquisitions of Hospitality shares using its ordinary shares as consideration as opposed to cash.

SPECIAL RESOLUTION NUMBER 1 – AUTHORISATION TO ISSUE THE COMPANY'S ORDINARY SHARES IN TERMS OF SECTION 41(I) OF THE COMPANIES ACT

"**RESOLVED THAT** the Board be and is hereby authorised, to the extent required in terms of section 41(I) of the Companies Act, to allot and issue such number of ordinary shares in the authorised and unissued share capital of the Company, as consideration for the acquisition of Hospitality ordinary shares, to any person related or inter-related (as defined by the Companies Act) to the Company

and/or directors, future directors, prescribed officers, or future prescribed officers of the Company (or persons related to them).

The Company Secretary or any member of the Board be and is hereby authorised to sign all such documents and do all such things as may be necessary for or incidental to the implementation of this resolution."

Voting requirements

In order for this special resolution to be adopted, the support of more than 75% of the total voting rights exercisable by Shareholders is required to pass this resolution.

Reason for and effect of the special resolution

In terms of section 41(I) of the Companies Act the issue of ordinary shares to a person related or inter-related to Tsogo Sun Hotels, must be approved by a special resolution of the shareholders. The HCI Foundation is a Hospitality shareholder and a subsidiary of Hosken Consolidated Investments Limited, Tsogo Sun Hotels' controlling shareholder. In terms of the Companies Act, the HCI Foundation is therefore related and/or inter-related to Tsogo Sun Hotels. In addition, any directors or prescribed officers (or persons related to them) of Tsogo Sun Hotels who hold shares in Hospitality are considered to be related and/or inter-related to the Company as defined by the Companies Act.

The effect of this special resolution is to authorise the directors of the Company, in terms of section 41(I) of the Companies Act, to allot and issue ordinary shares to any person related or inter-related to the Company as defined in the Companies Act and/or directors, future directors, prescribed officers, or future prescribed officers of the Company (or persons related to them), subject to the provisions of section 9 and 10 of the JSE Listings Requirements.

Notice and written consent

By its signature hereto to the form of written consent set out in Annexure 1, each shareholder hereby confirms that:

- the ordinary and special resolutions contained herein were submitted to it on or after 3 July 2020 and is signed by it at the date and place stated opposite such shareholder's name below; and
- it votes such number of the ordinary shares held by it in the issued share capital of the Company on the ordinary and special resolution contained herein, as is set out in the form of written consent.



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FORM OF WRITTEN CONSENT IN TERMS OF SECTION 60 OF THE COMPANIES ACT, NO. 71 OF 2008, AS AMENDED

FOR USE BY CERTIFICATED SHAREHOLDERS AND OWN-NAME DEMATERIALISED SHAREHOLDERS IN TERMS OF SECTION 60 OF THE COMPANIES ACT

Shareholders who have dematerialised their shares, other than own-name dematerialised shareholders, should advise their Central Securities Depository Participant ("CSDP") or broker as to what action they wish to take. This must be done in terms of the agreement entered into between them and their CSDP or broker. Shareholders, other than own-name dematerialised shareholders who have dematerialised their shares must not return this form of written consent to the transfer secretaries of the Company, Link Market Services South Africa Proprietary Limited. Their instructions must be sent to their CSDP or broker for action.

I/We (FULL NAME IN BLOCK LETTERS)

of (ADDRESS)

being the holder/s of shares in the issued share capital of the Company

hereby vote as follows:

	For	Against	Abstain
Ordinary resolution number 1 – General authority to directors to allot and issue authorised but unissued shares			
Special resolution number 1 – Authorisation to issue the Company’s ordinary shares in terms of section 41(I) of the Companies Act			

Signed this _____ day of _____ 2020

Signature of shareholder (s)

Assisted by me (where applicable)

Please indicate how you wish your votes to be cast in the appropriate box provided.

Notes:

1. A person signing this written consent in a representative capacity must attach the documentary evidence establishing such authority to this form of written consent, unless previously recorded by the transfer secretaries of the Company.
2. The completed and signed written consent and authority (if any) under which it is signed must be either delivered, posted, faxed, and/or emailed to Link Market Services South Africa Proprietary Limited (the transfer secretaries of the Company) within 20 (twenty) business days of the date of submission hereof, at the following addresses:
 - physical address: 13th Floor, 19 Ameshoff Street, Braamfontein, 2001
 - postal address: PO Box 4844, Johannesburg, 2000;
 - fax: 086 674 2450; and/or
 - email: meetfax@linkmarketservices.co.za.
3. A certified or own-name dematerialised shareholder's instructions on the form of written consent must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. A certified or own-name dematerialised shareholder is not obliged to use all the votes exercisable by the shareholder but the total number of votes cast and in respect of which an abstention is recorded may not exceed the total number of votes exercisable by the certified or own-name dematerialised shareholder.
4. Where Shares are held jointly, all joint Shareholders are required to sign this form of written consent.
5. A minor Shareholder must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretary.
6. Any alteration or correction made to this form of written consent must be initialled by the signatory/ies.
7. The Board is entitled, in its discretion, to accept a form of written consent which does not comply with the requirements set out herein.