

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 5 of this Circular apply throughout this Circular, including this front cover.

### Action required

- This Circular is important and should be read in its entirety, with particular attention to the section entitled "Action required by Shareholders", which commences on page 2.
- If you are in any doubt as to what action you should take, please consult your Broker, CSDP, banker, attorney or other professional adviser immediately.
- If you have disposed of all your Shares, this Circular should be handed to the purchaser of such Shares or to the Broker, CSDP, banker or other agent through whom the disposal was effected.
- Sun International does not accept responsibility, and will not be held liable, for any action of, or omission by, any Broker or CSDP including, without limitation, any failure on the part of the Broker or CSDP of any beneficial owner of Shares to notify such beneficial owner of the details set out in this Circular.



### Sun International Limited

(Incorporated in the Republic of South Africa)  
(Registration number 1967/007528/06)  
Share code: SUI & ISIN code: ZAE000097580  
LEI: 378900835F180983C60  
("Sun International" or "the Company")

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## CIRCULAR TO SHAREHOLDERS

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### regarding:

- certain amendments to the Memorandum of Incorporation (MOI) of the Company;
- the authorisation to issue additional Shares for the purpose of implementing the Proposed Rights Offer considering that the voting power of such Shares, upon issue, may be equal to or exceed 30% of the voting power of the Shares currently in issue and in order to issue Shares under the Proposed Rights Offer to Shareholders contemplated in sections 41(1) and 41(3) of the Companies Act;
- the placing of the unissued Shares under the control of the Directors and the granting of authority to the Directors to issue additional Shares for the purpose of implementing the Proposed Rights Offer; and
- the approval of the Waiver of any Mandatory Offer.

### and incorporating:

- a notice convening the General Meeting; and
- a form of proxy (*blue*) in respect of the General Meeting (for use by Certificated Shareholders and Dematerialised Shareholders with Own-name Registration only).

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#### Financial Advisor and Sponsor

*Out of the Ordinary*<sup>®</sup>



Specialist Bank

#### Corporate Law Advisor



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Date of issue: Friday, 12 June 2020

Copies of this Circular, which are available in English only, may be obtained at the Company's registered office during normal business hours from 9am until 5pm, on Business Days, from Friday, 12 June 2020 until Monday, 13 July 2020 and is also available on the Company's website [www.suninternational.com/investors](http://www.suninternational.com/investors) from Friday, 12 June 2020. The addresses of the Company, The Transfer Secretaries and The Meeting Specialist are set out in the "Corporate Information" section.

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## CORPORATE INFORMATION

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### **Company Secretary and Registered Office**

Sun International Limited  
(Registration number 1967/007528/06)  
Company Secretary: AG Johnston  
6 Sandown Valley Crescent  
Sandton  
2196  
(PO Box 784487, Sandton, 2146)

### **Financial Advisor and Sponsor**

The Corporate Finance Division of Investec Bank Limited  
(Registration number 1969/004763/06)  
2nd Floor  
100 Grayston Drive  
Sandown  
Sandton, 2196  
(PO Box 785700, Sandton, 2146)

### **The Meeting Specialist**

The Meeting Specialist Proprietary Limited  
(Registration number 2017/287419/07)  
JSE Building  
One Exchange Square  
Gwen Lane  
Sandown  
2196  
(PO Box 62043, Marshalltown, 2107)

### **Corporate Law Advisor**

Cliffe Dekker Hofmeyr Incorporated  
(Registration number 2008/018923/21)  
1 Protea Place  
Sandton  
2196  
(Private Bag X36, Sunninghill, 2157)

### **Transfer Secretaries**

Link Market Services Proprietary Limited  
(Registration number 2000/007239/07)  
13th Floor  
19 Ameshoff Street  
Braamfontein  
2001  
(PO Box 4844, Johannesburg, 2000)

**Date and Place of Incorporation:** 11 July 1967, South Africa

**Company website:** [www.suninternational.com](http://www.suninternational.com)

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## TABLE OF CONTENTS

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The definitions and interpretations commencing on page 5 of this circular apply *mutatis mutandis* to this contents page.

	<b>Page</b>
CORPORATE INFORMATION	Inside front cover
ACTION REQUIRED BY SHAREHOLDERS	2
SALIENT DATES AND TIMES	4
DEFINITIONS AND INTERPRETATIONS	5
CIRCULAR TO SHAREHOLDERS	8
1. INTRODUCTION	8
2. PURPOSE OF THIS CIRCULAR	8
3. THE PROPOSED RIGHTS OFFER	9
4. INTENDED USE OF THE FUNDS	11
5. MANDATORY OFFER AND WAIVER	11
6. INFORMATION REQUIRED IN TERMS OF THE COMPANIES REGULATIONS	12
7. THE PROPOSED AMENDMENTS TO THE MOI	13
8. MAJOR SHAREHOLDERS	13
9. OPINIONS AND RECOMMENDATIONS	13
10. GENERAL MEETING OF SHAREHOLDERS	14
11. DIRECTORS' RESPONSIBILITY STATEMENTS	14
12. CONSENTS	14
13. DOCUMENTS AVAILABLE FOR INSPECTION	14
NOTICE OF GENERAL MEETING	15
FORM OF PROXY	attached

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## ACTION REQUIRED BY SHAREHOLDERS

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**This Circular is important and requires your immediate attention.**

**Please take careful note of the following provisions regarding the action required by Shareholders:**

- If you are in any doubt as to what actions to take, please consult your Broker, CSDP, banker, attorney, accountant or other professional adviser immediately.
- If you have disposed of all of your Shares, this Circular should be handed to the purchaser of such Shares or to the Broker, CSDP, banker, attorney or other agent through whom the disposal was effected.
- The General Meeting will be held at 09:00 on, Monday, 13 July 2020 at the Maslow Hotel, corner Grayston Drive and Rivonia Road, Sandton, Gauteng, South Africa for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions set out in the attached Notice of General Meeting and forming part of this Circular; provided, however, that in the event that the General Meeting either cannot be held as a physical meeting due to the declaration of the COVID-19 pandemic as a “national disaster” in terms of the Disaster Management Act, 2002 and the regulations issued pursuant thereto, or the Company subsequently in its discretion, elects not to hold the General Meeting as a physical meeting, then the General Meeting will only be accessible through electronic communication as permitted by the JSE, the provisions of the Companies Act and the Company’s MOI. In such an event, the Company will notify Shareholders by way of a Virtual Meeting Notice, to be released on SENS, that the General Meeting will only be held by way of electronic communication as a virtual General Meeting and will advise Shareholders of the basis upon which they can participate and vote in the virtual General Meeting.

### 1. **DEMATERIALIZED SHAREHOLDERS WHO ARE NOT OWN-NAME DEMATERIALIZED SHAREHOLDERS**

#### 1.1 **Voting at the General Meeting**

- 1.1.1 Your Broker or CSDP should contact you to ascertain how you wish to cast your vote at the General Meeting and should thereafter cast your vote in accordance with your instructions.
- 1.1.2 If you have not been contacted by your Broker or CSDP, it is advisable for you to contact your Broker or CSDP and furnish it with your voting instructions.
- 1.1.3 If your Broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your Broker or CSDP.
- 1.1.4 You must **not** complete the attached form of proxy.

#### 1.2 **Attendance, Participation and Representation at the General Meeting**

In accordance with the mandate between you and your Broker or CSDP, you must advise your Broker or CSDP if you wish to attend and/or participate in the General Meeting and if so, your Broker or CSDP will issue the necessary letter of representation to you to attend and/or participate and vote at the General Meeting.

### 2. **CERTIFICATED SHAREHOLDERS AND DEMATERIALIZED SHAREHOLDERS WHO ARE OWN-NAME DEMATERIALIZED SHAREHOLDERS**

#### 2.1 **Voting, Attendance and Participation at the General Meeting**

- 2.1.1 You may attend, participate and vote in the General Meeting in person, provided, however, that should the General meeting be held as a virtual General Meeting as per above, your rights of attendance and participation therein will be as stipulated in the Virtual Meeting Notice to be released on SENS prior to the General Meeting.
- 2.1.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy (*blue*) in accordance with the instructions contained therein and returning it to The Meeting Specialist, to be received by them, for administrative purposes only, by no later than 09:00 on Friday, 10 July 2020, alternatively to be handed to the chairman of the General Meeting prior to its commencement.

**Sun International does not accept any responsibility, and will bear no liability, for any failure or delay on the part of a CSDP or Broker to notify a Dematerialised Shareholder of this Circular, the General Meeting or otherwise.**

3. **DEMATERIALIZATION**

If you wish to dematerialise your Shares, please contact your Broker.

4. **ELECTRONIC PARTICIPATION**

- 4.1 Please note that in the event that the General Meeting is held as a physical meeting, the Company intends to make provision for Shareholders, or their proxies, who are entitled to attend thereat, to participate in the General Meeting by way of a teleconference call, provided that the Shareholders or their CSDP or Broker (as the case may be) must give written notice to the Company, per the Company Secretary, Mr AG Johnston, either by e-mail at [andrew.johnston@suninternational.com](mailto:andrew.johnston@suninternational.com) or at the Company's registered office address (by way of physical delivery) and such notice must be received by the Company by no later than 48 hours prior to the date of the General Meeting.
- 4.2 If no notice is received by the Company at least 48 hours prior to the date of the General Meeting, then the Company shall not make provision for Shareholders to participate in the General Meeting by way of a teleconference call. However, if the Company timeously receives the above notice, then the Company will provide a teleconference facility and furnish the Shareholders or their CSDP or Broker (as the case may be) with the dial in code and pin number. Shareholders participating in this manner will still need to appoint a proxy to vote on their behalf at the General Meeting. Access to this means of electronic communication will be at the expense of Sun International. Shareholders and their proxies will not, unless otherwise advised by the Company beforehand, be entitled to vote by way of electronic participation at the General Meeting. Shareholders who wish to exercise their voting rights should do so as set out in paragraphs 1 or 2 above (as applicable).
- 4.3 In the event that the Company holds the General Meeting solely by way of electronic communication as a virtual General Meeting, Shareholders will be advised of the basis upon which they can participate and vote in the virtual General Meeting in accordance with the Virtual Meeting Notice, to be released on SENS prior to the General Meeting.

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## SALIENT DATES AND TIMES

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The definitions commencing on page 5 of this Circular apply *mutatis mutandis* to this salient dates and times section.

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**2020**

Record date to determine which Shareholders are entitled to receive the Circular incorporating the Notice of General Meeting	Friday, 5 June
Announcement advising of the posting of this Circular and giving the date and place of the General Meeting released on SENS on	Friday, 12 June
Circular and Notice of General Meeting posted to Shareholders on	Friday, 12 June
Last day to trade in the Shares in order to participate and vote at the General Meeting	Tuesday, 30 June
Record date to participate in and vote at the General Meeting	Friday, 3 July
Last day to lodge forms of proxy for the General Meeting by 09:00, for administrative purposes only, on	Friday, 10 July
General Meeting held at 09:00 on	Monday, 13 July
Results of the General Meeting released on SENS on	Monday, 13 July

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### Notes:

1. All times referred to in this Circular are local times in South Africa.
2. Any variation of the above dates and times will be approved by the JSE and released on SENS.
3. Shareholders should note that, as transactions in Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, persons who acquire Shares after the last day to trade in order to be eligible to vote at the General Meeting, namely, Tuesday, 30 June 2020, will not be able to vote thereat.
4. A Shareholder may submit the form of proxy (*blue*) at any time before the commencement of the General Meeting (or any adjournment of the General Meeting).
5. If the General Meeting is adjourned or postponed, forms of proxy submitted for the initial General Meeting will remain valid in respect of any such adjournment or postponement.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular, unless otherwise stated or the context indicates otherwise, the words and expressions in the first column shall have the meanings stated opposite them in the second column, and words and expressions in the singular shall include the plural and *vice versa*, words importing natural persons shall include juristic persons and unincorporated associations of persons and *vice versa*, and any reference to one gender shall include the other gender.

<b>"AGM"</b>	the annual general meeting of the Shareholders of Sun International convened in terms of the MOI and the Companies Act;
<b>"Board"</b> or <b>"Directors"</b>	the board of directors of Sun International, whose names appear on page 8 of this Circular;
<b>"Broker"</b>	any person registered as a broking member (equities) in terms of the rules of the JSE made in accordance with the provisions of the Financial Markets Act;
<b>"Business Day"</b>	any day other than a Saturday, Sunday or official public holiday in South Africa;
<b>"Certificated Shareholders"</b>	all registered holders of Certificated Shares;
<b>"Certificated Shares"</b>	Shares represented by share certificates or other written instruments, which have not been surrendered for dematerialisation in terms of the requirements of Strate;
<b>"CIPC"</b>	the Companies and Intellectual Property Commission, established in terms of the Companies Act;
<b>"Circular"</b>	this circular to Shareholders, dated Friday, 12 June 2020, the Notice of General Meeting and the form of proxy ( <i>blue</i> ) in respect of the General Meeting;
<b>"Companies Act"</b>	the Companies Act, 2008 (Act 71 of 2008), as amended;
<b>"Companies Regulations"</b>	the Companies Regulations, 2011, published in terms of the Companies Act;
<b>"CSDP"</b>	a "participant" as defined in the Financial Markets Act, being a person that holds in custody and administers securities or an interest in securities and that has been accepted by a central securities depository as a participant in terms of section 31 of the Financial Markets Act;
<b>"Dematerialised Shareholders"</b>	all registered holders of Dematerialised Shares;
<b>"Dematerialised Shares"</b>	Shares that have been dematerialised through a Broker or CSDP in terms of the requirements of Strate and which are recorded in an uncertificated securities register forming part of Sun International's securities register;
<b>"Financial Markets Act"</b>	the Financial Markets Act, 2012 (Act 19 of 2012), as amended;
<b>"General Meeting"</b>	the general meeting of Shareholders to be held at 09:00 on Monday, 13 July 2020, at the Maslow Hotel, corner Grayston Drive and Rivonia Road, Sandton, Gauteng, South Africa, or wholly by electronic participation if the Company announces the Virtual Meeting Notice, for the purpose of considering and if deemed fit, passing, with or without modification, the resolutions set out in the Notice of General Meeting forming part of this Circular;
<b>"Group"</b>	Sun International and its subsidiaries;
<b>"Independent Board"</b>	the independent Directors, in terms of Takeover Regulations 81 and 108(9), acting as the "independent board" for purposes of the Companies Act and the Takeover Regulations in relation to the Waiver of Mandatory Offer;
<b>"Independent Shareholders"</b>	Sun International Shareholders who are independent as contemplated in Takeover Regulation 86(4);

<b>“Issued Shares”</b>	the total number of Sun International ordinary Shares in issue (being 136 730 964), including Treasury Shares (being 6 719 759). As at the Last Practicable Date the total number of issued Shares was 136 730 964 Sun International ordinary shares;
<b>“JSE”</b>	either JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, and which is licensed to operate an exchange under the Financial Markets Act, or the securities exchange operated by JSE Limited, depending on context;
<b>“Last Practicable Date”</b>	Thursday, 11 June 2020 being the last practicable date prior to the finalisation of this Circular;
<b>“Listings Requirements”</b>	the Listings Requirements of the JSE;
<b>“Mandatory Offer”</b>	any potential mandatory offer that would be required to be made by a Shareholder to the remaining Shareholders, in terms of section 123 of the Companies Act, to acquire all of the remaining Shares in issue held by the remaining Shareholders as a result of Shares acquired pursuant to the Proposed Rights Offer;
<b>“MOI”</b>	the Memorandum of Incorporation of Sun International;
<b>“Notice of General Meeting”</b>	the notice convening the General Meeting, which is attached to and forms part of this Circular;
<b>“Own-name Registration”</b>	Dematerialised Shareholders who have instructed their CSDP to hold their Shares in such Shareholders’ own name on the uncertificated securities registers of Sun International;
<b>“Prescribed Percentage”</b>	the percentage prescribed in terms of section 123(5) of the Companies Act, which percentage is 35% of the voting securities of a company;
<b>“Proposed Rights Offer”</b>	the proposed rights offer as described in paragraph 3 of this Circular, further details of which will be set out in the Rights Offer Circular;
<b>“R”</b>	South African Rand, the official currency of South Africa;
<b>“Register”</b>	the register of Certificated Shareholders maintained by the Transfer Secretaries and the sub-register of Dematerialised Shareholders maintained by the relevant CSDPs;
<b>“Rights Offer Circular”</b>	the circular to be posted to Shareholders in accordance with the Companies Act and Listings Requirements, which will contain details of the Proposed Rights Offer;
<b>“SENS”</b>	the Stock Exchange News Service, operated by the JSE;
<b>“Shareholders”</b>	all Certificated Shareholders and Dematerialised Shareholders of Sun International;
<b>“Shares”</b>	ordinary shares of no-par value in Sun International;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“Strate”</b>	Strate Proprietary Limited (registration number 1998/022242/07), a private company duly registered and incorporated in accordance with the company laws of South Africa, and which is a registered central securities depository responsible for the electronic settlement system used by the JSE;
<b>“Sun International” or “the Company”</b>	Sun International Limited (registration number 1967/007528/06), a limited liability public company duly incorporated in South Africa and listed on the JSE;
<b>“Takeover Regulations”</b>	the regulations published in terms of section 120 of the Companies Act, which form part of the Companies Regulations;
<b>“Transfer Secretaries”</b>	Link Market Services Proprietary Limited (registration number 2000/007239/07), a private company duly registered and incorporated in accordance with the company laws of South Africa, the details of which are set out in the <i>Corporate Information</i> section of this Circular;
<b>“Treasury Shares”</b>	Shares held by the Company’s subsidiary companies;



<b>“TRP”</b>	The Takeover Regulation Panel established in terms of section 196 of the Companies Act;
<b>“Virtual Meeting Notice”</b>	an announcement by the Company prior to the General Meeting that the General Meeting will be held wholly by way of electronic participation; and
<b>“Waiver” or “Waiver of Mandatory Offer”</b>	the proposed waiver by the Independent Shareholders of the right to receive the Mandatory Offer; in terms of Takeover Regulation 86(4), by way of a resolution adopted at the General Meeting.



## Sun International Limited

(Incorporated in the Republic of South Africa)

(Registration number 1967/007528/06)

Share code: SUJ & ISIN code: ZAE000097580

LEI: 378900835FI80983C60

("Sun International" or "the Company")

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## CIRCULAR TO SHAREHOLDERS

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### Directors:

#### Executive

AM Leeming (*Chief Executive*)

N Basthdaw (*Chief Financial Officer*)

#### Non-executive

JA Mabuza\* (*Chairman*)

PD Bacon\*

EAMMG Cibie\*

GW Dempster\* (*Lead Independent Director*)

CM Henry\*

V Khanyile\*

SN Mabaso-Koyana\*

BLM Makgabo-Fiskerstrand\*

S Sithole (alternate: TR Ngara)

ZP Zatu\*

\*Independent

## 1. INTRODUCTION

- 1.1 Shareholders are referred to the announcement released by the Company on SENS on Friday, 12 June 2020, wherein the Company advised that given, *inter alia*, the impact of COVID-19 on the business of the Group and the requirement for Sun International to improve its liquidity and strengthen its balance sheet in the short- to medium-term, it would approach its Shareholders for a capital raise exercise.
- 1.2 The Board has decided that a capital raise exercise would be beneficial for Sun International and that it intends raising approximately R1,200 million in gross proceeds by way of the Proposed Rights Offer.

## 2. PURPOSE OF THIS CIRCULAR

- 2.1 The purpose of this Circular, and accompanying Notice of General Meeting, is to provide Shareholders with relevant information as regards the proposed amendments to the MOI and the Proposed Rights Offer. This information will enable Shareholders to make an informed decision as to whether or not they should vote in favour of the resolutions to be proposed at the General Meeting.
- 2.2 A General Meeting has been convened in terms of the Notice of General Meeting as attached to this Circular, for Monday, 13 July 2020 at 09:00 or at any other adjourned or postponed time and date determined in accordance with the provisions of the Companies Act, as read with the Listings Requirements, at which the Shareholders can consider and if deemed fit, pass, with or without modification, the resolutions as set out in the Notice of General Meeting attached hereto.

### 3. THE PROPOSED RIGHTS OFFER

#### 3.1 Background to the Proposed Rights Offer

As reported in the Company's financial results announcement for the year ended 31 December 2019, which was released on 16 March 2020, the 2019 financial year marked a period of critical inflection in terms of delivering against the Company's strategy to drive sustainable growth and profitability and unlocking value in the business. The Board remains focused on Sun International's key strategic priorities which continued to be:

- investing in quality assets for growth;
- protecting and leveraging the existing portfolio;
- accelerating balance sheet de-gearing;
- driving efficiencies, optimisation and quality of earnings; and
- dealing with loss making units.

Sun International achieved significant progress against all of these objectives during the 2019 financial year. Total income for the year increased by 4% from R16.6 billion to R17.2 billion, primarily driven by above-market organic growth from key operations in South Africa and the impact of acquisitions made in Latin America ("Latam") during the prior year. Adjusted EBITDAR, was marginally up on the prior year at R4.6 billion, with pleasing margin expansion achieved in South Africa, offset by the impact of unexpected social unrest and instability in Chile. Given the increase in adjusted EBITDAR, lower interest and depreciation and a significantly lower effective tax rate, Sun International has achieved strong growth in adjusted headline earnings which increased by 109% to R763 million with adjusted headline earnings per Share increasing by 91% to 605 cents per Share.

During January and February, as well as the first two weeks of March of the current financial year, the Company continued to show a similar trajectory to that of the 2019 financial year. This trajectory ended on 15 March 2020 following the South African State President declaring a national state of disaster in an attempt to curb the spread of the COVID-19 pandemic.

Thereafter, with effect from midnight on Thursday, 26 March 2020, a national lockdown was implemented. In compliance with the lockdown, Sun International closed all of its hotels and casinos in South Africa. In Chile, in compliance with instructions issued by the Chilean Superintendency of Gambling Casinos, the Group also closed all of its casinos along with its hotels and food and beverage operations with effect from 18 March 2020. The relevant authorities also closed the Group's operations in Peru, Argentina, Colombia and Panama.

The Company's response to the crisis has been swift and decisive and includes:

- pro-actively engaging with the Group's lenders in respect of debt service and covenant waivers;
- immediately addressing the short-term liquidity risks, including a 60% reduction in payroll costs across the Group, deferring all capital investment other than critical spend, reducing operating costs and negotiating with service providers and suppliers for a either a waiver, reduction or deferment of payments;
- engaging and communicating with government, regulators, customers, suppliers and staff;
- formulating start-up operational post lockdown plans including detailed safety protocols for staff and customers;
- announcing the closure of both Naledi Sun and Sun Carousel;
- focusing on cost reductions, optimising working capital, prioritising capital investment, formulating plans to achieve operational efficiencies and articulating plans to restructure certain parts of the Group's business; and
- accelerating the disposal of certain non-core assets.

These actions have assisted the Group to significantly reduce costs and manage cash flow and available facilities. The costs that could not be eliminated entirely include employee costs, rates and taxes, licence costs, security, certain IT software and services, insurance and water and electricity. The table below summarises the approximate cash and amortised costs incurred for payroll and other expenses (excluding depreciation and amortisation) during April and May and the anticipated costs for June 2020:

	<b>April 2020</b> <b>Rm</b>	<b>May 2020</b> <b>Rm</b>	<b>June 2020</b> <b>Rm</b>
<b>South Africa</b>	<b>143</b>	<b>110</b>	<b>110</b>
Payroll*	73	40	40
Other	70	70	70
<b>Latam</b>	<b>68</b>	<b>76</b>	<b>76</b>
Payroll	36	46	46
Other	32	30	30

\* The reduction in payroll costs in May 2020 is due to the Group paying the higher of 40% of Total Cost Of Employment ("TCOE") or the Temporary Employee Relief Scheme ("TERS") benefit whereas in April 2020 employees were paid 40% of TCOE including the TERS benefit.

As previously advised to Shareholders, the Company is in the process of disposing of the Royal SwaziSpa in eSwatini and the Federal Palace Hotel in Nigeria. While Sun International anticipates receiving proceeds from these disposals, it will not provide any further funding to these two operations.

### 3.2 Rationale for the Proposed Rights Offer

Due to the anticipated challenges and uncertainty in the short- to medium-term and with the Group having to deal with the effects of a sharp decline in economic activity and prolonged closure of its operations, the Board has deemed it prudent to embark on the Proposed Rights Offer, which will improve Sun International's liquidity and strengthen its balance sheet. The proceeds of the Proposed Rights Offer will enable the Company to position itself for the resumption of full trading post the Covid-19 pandemic lockdown.

Sun International is a company with robust fundamentals, quality assets and a proven track record of being capable and resilient in dealing with the challenges that lie ahead. Amongst others:

- the Company has a highly experienced, committed and motivated management team with an experienced Board that is chaired by Jabu Mabuza, who himself has significant industry expertise and experience;
- at normalised trading levels, the Group is highly cash generative as demonstrated in its 2019 financial year where:
  - debt was reduced from R9.2 billion at 31 December 2018 to R8.8 billion at 31 December 2019 post the acquisition of Sibaya's minority interests for R593 million;
  - debt to adjusted EBITDA (after lease payments) was at 2.8 x, down from 3.0 x and significantly lower than the lender covenant of 3.5 x;
  - debt to adjusted EBITDA was at 2.6 x, excluding the Sibaya transaction;
- the Group operates in a sector with high regulatory hurdles which creates significant barriers to entry;
- the Group has made significant progress over the last few years in terms of improving the bottom line through continuous margin improvement, the restructure of several of its operations, reducing tax leakages, and long-term de-gearing enabled by high free cash flow conversion;
- the Group corporate office restructure was concluded in January 2020 with the benefits of this restructure still to reflect in the Company's results. Prior to the lockdown, the clarified structure was already beginning to deliver enhanced focus on the guest experience, meaningful head office cost reduction, and support continued margin improvement at our casino and hotel properties;
- in order to further reduce costs and improve margins, Sun International has during the lockdown period identified further opportunities to restructure its operations, which it is in the process of implementing;
- one of the Company's largest investments, Sun Time Square is well positioned for growth, which was demonstrated in 2019 with:
  - income increasing by 15% to R1.4 billion;
  - adjusted EBITDAR increasing by 42% to R452 million with margin improvement to 32%;
  - casino market share at 16.0% at 31 December 2019 up from the prior year's 13.6%; and
  - the hotel showing continuous improvement in occupancy and rates;
- the Group is also in the process of implementing initiatives to significantly improve the contribution of underperforming properties, with a full operational turnaround plan at Sun City already under way;
- alternative gaming continues to be an exciting and significant strategic opportunity for the Group. Sun International is well positioned to capitalise on online gambling opportunities in South Africa and Latam. SunBet, the Company's online sports betting business, has shown its potential during 2019 with income increasing by 82% from R77 million to R140 million and adjusted EBITDAR increasing from R8 million to R44 million, driven by customer numbers growth of over 60% in 2019 alone. The Group also recruited new leadership and invested in new software for the sport betting business and continues to positively engage with regulators around licencing and regulating online casino gambling;

- Sun International has significant brand loyalty. Its MVG tiered loyalty programme celebrated 25 years of serving and rewarding customers, showing a 5.2% increase in the active member base in 2019;
- the Group is well diversified with approximately 30% of its revenue been generated from Latam. The Chilean operations have a significant market share and are well positioned to further entrench this position; and
- management has identified a number of initiatives to further augment its liquidity position in the medium term, which includes:
  - disposal of property surplus to the Group's requirements;
  - making substantial progress regarding the disposal of Sun International's interests in eSwatini and Nigeria;
  - utilising an employer surplus in the provident fund of approximately R289 million over the next 24 months thereby reducing the Company's cash contributions to the fund; and
  - having been successful in the Group's challenge in the Western Cape High Court in respect of the deductibility of freeplay for purposes of the calculation of gaming taxes, the Group will have a credit against which future gaming taxes payable will be set off.

### 3.3 Details of the Proposed Rights Offer

The Proposed Rights Offer is intended to be completed on the terms and subject to the conditions to be stipulated in the Rights Offer Circular to be posted to Shareholders during July 2020.

Further details relevant to the proposed resolutions and/or the Proposed Rights Offer will be announced to Shareholders on SENS in due course.

## 4. INTENDED USE OF THE FUNDS

As indicated in paragraph 3.2 of this Circular, the rationale for the Proposed Rights Offer is to improve Sun International's liquidity in order to ensure that the Group is well positioned to resume full trading post the Covid-19 pandemic lockdown and to strengthen its balance sheet.

Based on a prudent estimation of when normal trading is likely to resume, the funds raised as a result of the Proposed Rights Offer will be used to ensure that the Group not only recovers post the COVID-19 pandemic but is well positioned to create future sustainable value for Shareholders.

## 5. MANDATORY OFFER AND WAIVER

The Proposed Rights Offer may result in a Shareholder or any other third party which undertakes to underwrite the Proposed Rights Offer, acquiring (with any related or inter-related parties and/or any persons acting in concert with it) more than the Prescribed Percentage of the voting rights attaching to the Shares in terms of section 123 of the Companies Act. In such event and in terms of section 123 of the Companies Act, such a person would be obliged to make a Mandatory Offer to the remaining Shareholders of Sun International. In accordance with Takeover Regulation 86(4), Shareholders may waive their right to receive a Mandatory Offer.

It would manifestly not be the intention of any such Shareholder or third party to obtain control of Sun International and the risk of a Mandatory Offer being inadvertently triggered would prejudice participation in and the underwriting of, the Proposed Rights Offer. Accordingly, and in order to achieve the desired capitalisation of the Company by way of the Proposed Rights Offer without exposing Shareholders or underwriters to such an unintended consequence, Independent Shareholders will be requested to waive the right to receive any Mandatory Offer by way of an ordinary resolution to be proposed at the General Meeting. This resolution must be approved at the General Meeting by Independent Shareholders holding more than 50% of the voting rights held by all Independent Shareholders present at the General Meeting.

The TRP has advised that it is willing to consider the application to grant an exemption from the obligation to make a Mandatory Offer if the majority of Independent Shareholders waive their entitlement to receive any such Mandatory Offer by resolution in accordance with Takeover Regulation 86(4). The TRP has not considered the commercial advantages or disadvantages of any possible Mandatory Offer or the Proposed Rights Offer when reviewing and/or approving this Circular.

Included in the Notice of General Meeting is a resolution for the Waiver of Mandatory Offer for Independent Shareholders to consider and, if deemed fit, to approve at the General Meeting. Should the requisite majority of Independent Shareholders vote in favour of the Waiver of Mandatory Offer, an application will be made to the TRP to exempt any Shareholder or underwriter from any obligation to make a Mandatory Offer which it might otherwise be obliged to make in terms of section 123 of the Companies Act as a result of the implementation of the Proposed Rights Offer.

Any Shareholder which wishes to make representations relating to the exemption to be sought from the TRP shall have 10 business days from the date of the posting of the Circular to make such representations to the TRP before the ruling is considered. Representations should be made in writing and delivered by hand, posted, couriered or faxed to:

If delivered by hand, posted or couriered: The Executive Director  
Takeover Regulation Panel  
First Floor, Block 2  
Freestone Park  
135 Patricia Road  
Atholl, Johannesburg  
2196

If faxed: The Executive Director  
Takeover Regulation Panel  
+27 86 274 9056

and should reach the TRP by no later than the close of business on Tuesday, 30 June 2020 in order to be considered.

If any representations are made to the TRP within the permitted timeframe, the TRP will consider the merits thereof before making a ruling.

## 6. INFORMATION REQUIRED IN TERMS OF THE COMPANIES REGULATIONS

6.1 In terms of Takeover Regulation 86(7), as the Proposed Rights Offer is to be implemented at a discount to the prevailing market price at the date of announcement of the Proposed Rights Offer, it is not necessary for a fair and reasonable opinion to be included in this Circular.

6.2 In terms of Guideline 1/2013 issued by the TRP, the Company may approach five or fewer Independent Shareholders, each holding more than 5% of the issued Shares, to obtain irrevocable undertakings in favour of the Waiver subject to appropriate non-disclosure undertakings. The Company will be approaching Shareholders following the date of posting of this Circular to procure irrevocable undertakings or letters of support to vote in favour of the resolutions proposed in the Notice of General Meeting. Shareholders will be advised of the outcome thereof by way of an announcement to be released on SENS prior to the date of the General Meeting.

6.3 The published financial results of the Company for the financial years ended 31 December 2017, 31 December 2018 and 31 December 2019 are available for inspection and can be obtained on the Company's website at: [www.suninternational.com/investors](http://www.suninternational.com/investors)

### 6.4 Directors' Interests in Securities

As at the Last Practicable Date, the Directors held, directly and indirectly, beneficial interests in the Company's issued ordinary Shares as reflected below:

Name of Director	Ordinary Shares Direct Beneficial		Ordinary Shares Indirect Beneficial
	Unrestricted	Restricted	Unrestricted
N Basthdaw	50 251	7 682	–
AM Leeming	189 881	17 652	–
JA Mabuza	12 660	–	–
S Sithole (alt. TR Ngara)	–	–	27 656 719
<b>Total</b>	<b>252 792</b>	<b>25 334</b>	<b>27 656 719</b>

### 6.5 Directors' Remuneration

The remuneration of the Directors will not be affected by the Proposed Rights Offer.

### 6.6 Directors' Service Contracts

The service contracts of the Directors contain terms and conditions that are standard for agreements of that nature and are terminable on written notice, during which period the director would be remunerated in full. Summaries of the terms of Directors' service contracts are available for inspection in the manner indicated in paragraph 13 of this Circular. No service contract has been entered into with a Director or amended during the six-months preceding the date of issue of this Circular.

## 7. THE PROPOSED AMENDMENTS TO THE MOI

### 7.1 Rationale for the Proposed Amendments to the Sun International MOI

The Board has proposed amending its MOI to, among others, increase its authorised shares for purposes of the Proposed Rights Offer and to further align it with recent changes to the Listings Requirements and any applicable legislation, including the Companies Act.

The principal amendments being proposed to the MOI are summarised below.

- **Issue of Shares**

**Article 5.1.1:** It is proposed that the authorised share capital of the Company be increased from 200 000 000 (two hundred million) Shares to 800 000 000 (eight hundred million) Shares in order to accommodate the Proposed Rights Offer. This increase in the number of authorised Shares takes into account the current Share price of the Company and the expected number of Shares that will need to be issued at a discount to the then prevailing market price on the date of announcement of the Proposed Rights Offer. This increase in the authorised share capital will, following Shareholder approval, be implemented in accordance with section 36 of the Companies Act and submitted to CIPC for approval.

- **Proxies**

**Article 21.4:** It is proposed that article 21.4 of the Company's MOI be amended to accurately reflect section 58(l) of the Companies Act and a recent Supreme Court of Appeal decision which held that *at any time*, a shareholder of a company may appoint any individual as proxy to participate in, and speak and vote at, a shareholders meeting on behalf of a shareholder.

## 8. MAJOR SHAREHOLDERS

As at the Last Practicable Date, insofar as is known to Sun International, the following Shareholders (other than Directors) had greater than a 5% direct and/or indirect beneficial shareholding in Sun International:

Shareholder	Number of Shares*	%
Allan Gray	15 141 561	11.07
Value Capital Partners H4 QI Hedge Fund	13 152 757	9.62
PSG Konsult	11 373 946	8.32
Alexander Forbes Investments	7 814 455	5.72
Old Mutual	7 399 003	5.41

\*Source: VACO shareholder analysis as of 30 April 2020.

As at the Last Practicable Date, insofar as is known to Sun International, the following fund managers had greater than a 5% shareholding in Sun International:

Fund Managers	Number of Shares*	%
Allan Gray Asset Management	32 554 534	23.81
Value Capital Partners	27 656 719	20.23
Prudential Investment Managers	18 887 611	13.81
PSG Asset Management	11 373 946	8.32
Steyn Capital Management	8 907 994	6.51

\*Source: VACO shareholder analysis as of 30 April 2020, updated for Value Capital Partners.

## 9. OPINIONS AND RECOMMENDATIONS

The Directors recommend that Shareholders vote in favour of all the resolutions tabled in the Notice of General Meeting which forms part of this Circular and advise that, in respect of their own shareholding in Sun International, they intend to vote in favour of all the resolutions contained in such notice.

## 10. GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders will be held at 09:00 on, Monday, 13 July 2020 to consider and, if deemed fit, pass, with or without modification, the resolutions contemplated in the Notice of General Meeting required to amend the MOI, implement the Proposed Rights Offer and waive any Mandatory Offer.

A notice convening the General Meeting and a form of proxy (*blue*), for use by Certificated Shareholders and Dematerialised Shareholders with Own-name Registration who are unable to attend and/or participate in the General Meeting, forms part of this Circular. Dematerialised Shareholders without own name registration must inform their CSDP or Broker of their intention to attend and/or participate in the General Meeting and obtain the necessary letter of representation to attend and/or participate, or provide their CSDP or Broker with their voting instructions should they wish to vote and are not able to attend and/or participate in the General Meeting in person. This must be done in terms of the agreement entered into between the Shareholders and the CSDP or Broker concerned.

## 11. DIRECTORS' RESPONSIBILITY STATEMENTS

### 11.1 Independent Board's responsibility statement

The members of the Independent Board established to consider the Waiver of Mandatory Offer, accept full responsibility for the accuracy of the information contained in this Circular in relation to the Waiver of Mandatory Offer, and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading, that they have made all reasonable enquiries to ascertain such facts and that this Circular contains all information required by law in relation to the Waiver of Mandatory Offer. After taking the relevant factors referred to under Takeover Regulation 110 into account, the Independent Board has considered the terms and conditions of the Waiver of Mandatory Offer and is unanimously of the opinion that the terms and conditions thereof are fair and reasonable to Shareholders.

### 11.2 Directors Responsibility Statement

The Directors, whose names appear on page 8 of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading, that they have made all reasonable enquiries to ascertain such facts and that this Circular contains all information required by law.

## 12. CONSENTS

The financial advisor, sponsor and corporate law advisor have consented in writing to act in the capacities stated and to their names being stated in this Circular and have not withdrawn their consent prior to its publication.

## 13. DOCUMENTS AVAILABLE FOR INSPECTION

Originals (or copies thereof) of the following documents relating to Sun International and relevant to this Circular, will be available on request to the Company Secretary during business hours at [andrew.johnston@suninternational.com](mailto:andrew.johnston@suninternational.com) or on the Company's website on [www.suninternational.com/investors](http://www.suninternational.com/investors) from Friday, 12 June 2020 until Monday, 13 July 2020:

- Amended MOI;
- Directors' service contracts referred to in paragraph 6.6 of this Circular;
- the audited financial statements for the Company for the financial years ended 31 December 2017, 31 December 2018 and 31 December 2019; and
- the consent letters referred to in paragraph 12 above.

For and on behalf of:

### **Sun International Limited**

#### **AM Leeming**

*Chief Executive*

12 June 2020

Johannesburg

### **GW Dempster**

*Chairman: Independent Board*

12 June 2020

Johannesburg





## Sun International Limited

(Incorporated in the Republic of South Africa)

(Registration number 1967/007528/06)

Share code: SUJ & ISIN code: ZAE000097580

LEI: 378900835F180983C60

("Sun International" or "the Company")

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## NOTICE OF GENERAL MEETING

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In this Notice of General Meeting words and expressions defined in the Circular accompanying same, and not otherwise defined in this notice, shall have the same meanings in this notice as those ascribed to them in the Circular.

Notice is hereby given that a General Meeting of the Shareholders will be held at 09:00 on, Monday, 13 July 2020 at the Maslow Hotel, corner Grayston Drive and Rivonia Road, Sandton, Gauteng, South Africa, or wholly by electronic participation if the Company announces the Virtual Meeting Notice.

### SPECIAL RESOLUTION NUMBER I: AMENDMENTS TO MOI OF THE COMPANY

"Resolved, that in terms of article 42 of the Sun International MOI and in accordance with section 16(1)(c)(i) and (ii) read together with section 16(5)(b) of the Companies Act, Sun International's existing MOI be and is hereby amended per the draft MOI tabled at this General Meeting and initialled by the Chairman of the General Meeting for the purposes of identification, with effect from the date of filing of the required notice of amendment with the Companies and Intellectual Property Commission, as follows:

- In article 5.1.1 of the MOI, the reference to the authorised share capital of 200 000 000 (two hundred million) Shares be amended and replaced by 800 000 000 (eight hundred million) Shares as follows:

*"5.1.1 800 000 000 (eight hundred million) Shares of the same class, each of which rank pari passu in respect of all rights and shall entitle the holder thereof to the following rights—..."; and*

- In article 21.4 of the MOI, the existing article be deleted and substituted with the following amended article 21.4:  
*"21.4 The requirement that a shareholder must deliver to the Company a copy of the instrument appointing a proxy before that proxy may exercise the shareholder's rights at a General Meeting, as set out in section 58(3)(c) of the Act is not limited or restricted by this Memorandum of Incorporation. Subject to the provisions of the Act, a proxy form shall be handed in at the offices of the transfer secretaries and/or any other designated party appointed to administer a General Meeting on behalf of the Company, at any time before the time (excluding Saturdays, Sundays and public holidays) appointed for the holding of the General Meeting or resumption of an adjourned General Meeting at which the person named therein proposes to vote, provided, however and for administrative purposes only, the Company shall be entitled to call for a proxy form to be handed in at the offices of the transfer secretaries and/or any other designated party appointed to administer a General Meeting on behalf of the Company by no later than 24 (twenty-four) hours before the time (excluding Saturdays, Sundays and public holidays) appointed for the holding of the General Meeting or resumption of an adjourned General Meeting at which the person named therein proposes to vote"*
- In compliance with section 65(4) of the Act, a summary of the amendments made to the MOI has been included in section 5 of the Circular.

*For special resolution number 1 to be passed, votes in favour of the resolution must represent at least 75% of the voting rights exercised at the General Meeting.*

## **SPECIAL RESOLUTION NUMBER 2: AUTHORISATION TO ISSUE ADDITIONAL SHARES UNDER SECTION 41 OF THE COMPANIES ACT**

“Resolved as a special resolution that, subject to the passing of special resolution 1 above and ordinary resolution 2 below, in the event that the Shares to be issued pursuant to the Proposed Rights Offer will have voting power which is equal to or exceeds 30% of the voting power of all the issued Shares immediately prior to such issue, and in order to issue Shares under the Proposed Rights Offer to Shareholders contemplated in section 41(1) of the Companies Act, the Directors be and are hereby authorised, in terms of section 41(1) and section 41(3) of the Companies Act, to issue such Shares.”

*For special resolution number 2 to be passed, votes in favour of the resolution must represent at least 75% of the voting rights exercised at the General Meeting.*

## **ORDINARY RESOLUTION NUMBER 1: PLACING OF THE AUTHORISED BUT UNISSUED SHARES UNDER THE CONTROL OF THE DIRECTORS**

“Resolved that, subject to the passing of special resolutions 1 and 2 above, in terms of the MOI, the Shares in the authorised but unissued share capital of the Company be and are hereby placed under the control of the Directors for the purpose of implementing the Proposed Rights Offer, subject to the provisions of the Companies Act, the MOI and the Listings Requirements.”

*For ordinary resolution number 1 to be passed, votes in favour of the resolution must represent more than 50% of the voting rights exercised at the General Meeting.*

## **ORDINARY RESOLUTION NUMBER 2: MANDATORY OFFER AND WAIVER**

“Resolved that, the requirement that a Mandatory Offer be made by any person to the Shareholders by reason of that person acquiring a beneficial interest in voting rights attaching to Shares which result in that person (together with its related or inter-related parties or any person acting in concert with it) being able to exercise 35% or more of the voting rights attaching to the issued Shares as a consequence of the implementation of the Proposed Rights Offer, be and is hereby waived.”

*For ordinary resolution number 2 to be passed, votes in favour of the resolution by Independent Shareholders must represent more than 50% of the voting rights exercised by Independent Shareholders at the General Meeting.*

## **RECORD DATE**

The record date for the purpose of determining which Shareholders are entitled to receive Notice of the General Meeting was Friday, 5 June 2020.

The record date for purposes of determining which Shareholders are entitled to participate in and vote at the General Meeting is Friday, 3 July 2020. Accordingly, only Shareholders who are registered in the register of members of the Company on Friday, 3 July 2020 will be entitled to attend, participate and vote at the General Meeting.

## **VOTING**

The Shareholders will be entitled to attend and/or participate in the General Meeting and to vote on the resolutions set out above. All voting at the General Meeting will take place by way of a poll and every Shareholder shall have one vote for every Share held or represented. All the issued Shares rank *pari passu* with each other.

In terms of, among others, the Companies Act and the Listings Requirements, no voting rights attaching to the Treasury Shares may be exercised at the General Meeting.

## **IDENTIFICATION**

All participants at the General Meeting (whether Shareholders or proxies) are required in terms of section 63(1) of the Companies Act to provide satisfactory identification.

## **ELECTRONIC PARTICIPATION**

Please note that in the event that the General Meeting is held as a physical meeting, the Company intends to make provision for Shareholders of the Company, or their proxies, who are entitled to attend thereat, to participate in the General Meeting by way of a teleconference call, provided that the Shareholders or their CSDP or Broker (as the case may be) must give written notice to the Company, per the Company Secretary, Mr AG Johnston, either by e-mail at

[andrew.johnston@suninternational.com](mailto:andrew.johnston@suninternational.com) or at the address given below (by way of physical delivery) and such notice must be received by the Company by not later than 48 hours prior to the date of the General Meeting. If no notice is received by the Company at least 48 hours prior to the date of the General Meeting, then the Company shall not make provision for Shareholders to participate in the General Meeting by way of a teleconference call.

However, if the Company timeously receives the above notice, then the Company will provide a teleconference facility and furnish the Shareholders or their CSDP or Broker (as the case may be) with the dial in code and pin number.

In the event that the Company holds the General Meeting solely by way of electronic communication as a virtual General Meeting, Shareholders will be advised of the basis upon which they can participate and vote in the virtual General Meeting in accordance with the Virtual Meeting Notice, to be released on SENS prior to the General Meeting.

Shareholders and their proxies will not, unless advised otherwise by the Company beforehand, be entitled to vote by way of electronic participation at the General Meeting. Shareholders who wish to exercise their voting rights should do so as provided for in the Circular.

## **PROXIES**

A Certificated Shareholder or an Own-name Registration Dematerialised Shareholder may appoint one or more persons as its proxy to attend, speak, participate in and vote in its stead. A proxy need not be a Shareholder.

A form of proxy (*blue*) is attached for the convenience of Certificated Shareholders and Own-name Registration Dematerialised Shareholders who are unable to attend and or participate at the General Meeting, but who wish to be represented thereat. Duly completed forms of proxy must be received by The Meeting Specialist Proprietary Limited, JSE Building, One Exchange Square, Gwen Lane, Sandown, 2196 (P O Box 62043, Marshalltown, 2107), by no later than 09:00 (South African time) on Friday, 10 July 2020, for administrative purposes only. Notwithstanding the foregoing, a duly completed form of proxy for any Certificated Shareholder or Own-name Registration Dematerialised Shareholder may nevertheless be delivered to the chairman of the General Meeting at any time prior to the start of the meeting.

Dematerialised Shareholders, other than with Own-name Registration, who have not been contacted by their CSDP or Broker with regard to how they wish to cast their votes, should contact their CSDP or Broker and instruct their CSDP or Broker as to how they wish to cast their votes at the General Meeting in order for their CSDP or Broker to vote in accordance with such instructions. If such Dematerialised Shareholders wish to attend the General Meeting in person, they must request their CSDP or Broker to issue the necessary letter of representation to them. This must be done in terms of the agreement entered into between such Dematerialised Shareholders and their CSDP or Broker.

By order of the Board

### **AM Leeming**

*Chief Executive*

12 June 2020

### **Registered office:**

6 Sandown Valley Crescent

Sandton

2196

(PO Box 784487, Sandton, 2146)



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## FORM OF PROXY

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### Sun International Limited

(Incorporated in the Republic of South Africa)

(Registration number 1967/007528/06)

Share code: SUI & ISIN code: ZAE000097580

LEI: 378900835F180983C60

("Sun International" or "the Company")

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## FORM OF PROXY FOR THE GENERAL MEETING TO BE HELD AT THE MASLOW HOTEL, CORNER OF GRAYSTON DRIVE AND RIVONIA ROAD, SANDTON, JOHANNESBURG (OR WHOLLY BY WAY OF ELECTRONIC PARTICIPATION IN THE EVENT THAT THE COMPANY ANNOUNCES THE VIRTUAL MEETING NOTICE) ON MONDAY, 13 JULY 2020 AT 09:00 – FOR USE BY CERTIFICATED SHAREHOLDERS AND DEMATERIALISED SHAREHOLDERS WITH "OWN NAME" REGISTRATION ONLY

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The definitions and interpretations commencing on page 5 of the Circular to which this form of proxy is attached also apply to this form of proxy.

Holders of Dematerialised Shares other than Own-name Registration must inform their CSDP or Broker of their intention to attend the General Meeting and request their CSDP or Broker to issue them with the necessary authorisation to attend the General Meeting in person or provide their CSDP or Broker with their voting instructions should they not wish to attend the General Meeting in person but wish to be represented thereat.

I/We \_\_\_\_\_ (Please print)

of (address) \_\_\_\_\_

Telephone number \_\_\_\_\_ Cell Phone number \_\_\_\_\_ E-mail address \_\_\_\_\_

1. \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ or failing him/her,

the chairman of the General Meeting as my/our proxy to act for me/us and on my/our behalf at the General Meeting of the Company which will be held on Monday, 13 July 2020 at 09:00 and at any adjournment thereof for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the Shares registered in my/our name/s, in accordance with the following instructions:

	Number of Shares		
	For	Against	Abstain
Special resolution 1: Amendments to Memorandum of Incorporation			
Special resolution 2: Authorisation to issue additional Shares under section 41 of the Companies Act			
Ordinary resolution 1: Placing the authorised but unissued Shares under the control of the Directors			
Ordinary resolution 2: Mandatory Offer and Waiver			

**Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast. If no indication is given, the proxy will be entitled to vote or abstain as he/she deems fit.**

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2020.

Signature \_\_\_\_\_

Assisted by me (where applicable) \_\_\_\_\_

**Notes to Form of Proxy and summary of applicable rights established by section 58 of the Companies Act:**

1. A Shareholder holding Dematerialised Shares by Own-name Registration, or who holds Shares that are not dematerialised, is entitled to appoint any individual (including an individual who is not a Shareholder) as a proxy to participate in, and speak and vote at, a Shareholders meeting on behalf of the Shareholder. Such Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space provided, with or without deleting 'the chairman of the General Meeting', provided that any such deletion must be signed in full by the Shareholder. The person whose name stands first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the chairman of the General Meeting. A proxy need not be a Shareholder of the Company.
2. All resolutions put to the vote shall be decided by way of a poll. A Shareholder is entitled on a poll, to 1 (one) vote per Share held. A Shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the Shareholder in the appropriate box(es). An "X" in the appropriate box indicates the maximum number of votes exercisable by that Shareholder. Failure to comply with the above will result in the proxy not being authorised to vote or to abstain from voting at the General Meeting in respect of the Shareholder's votes, except in the case where the chairman of the General Meeting is the proxy. A Shareholder or his/her proxy is not obliged to use all the votes exercisable by the Shareholder, or to cast all those votes exercised in the same way, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the Shareholder.
3. A proxy appointment must be in writing, dated and signed by the relevant Shareholder.
4. Any alteration or correction made to this form of proxy must be signed in full and not initialled by the signatory.
5. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form, unless previously recorded by the Company or waived by the chairman of the General Meeting.
6. A minor must be assisted by his/her parent/guardian and the relevant documentary evidence establishing his/her legal capacity must be attached to this form of proxy unless previously recorded by the Company or waived by the chairman of the General Meeting.
7. When there are joint holders of Shares, any one holder may sign the form of proxy.
8. The chairman of the General Meeting may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.
9. A proxy may not delegate his/her authority to act on behalf of the Shareholder, to another person other than the chairman of the General Meeting.
10. The appointment of a proxy or proxies:
  - a. is suspended at any time to the extent that the Shareholder chooses to act directly and in person in the exercise of any rights as a Shareholder;
  - b. is revocable in which case the Shareholder may revoke the proxy appointment by:
    - i. cancelling it in writing or making a later inconsistent appointment of a proxy; and
    - ii. delivering a copy of the revocation instrument to the proxy and to the Company.
11. Should the instrument appointing a proxy or proxies have been delivered to the Company, as long as the appointment remains in effect, any notice that is required by the Companies Act or the Company's MOI to be delivered by such Company to the Shareholder, must be delivered by such Company to:
  - a. the Shareholder; or
  - b. the proxy or proxies, if the Shareholder has directed the Company to do so in writing and has paid any reasonable fee charged by the Company for doing so.
12. The proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
13. It is requested that this form of proxy should be completed and returned to The Meeting Specialist Proprietary Limited, JSE Building, One Exchange Square, Gwen Lane, Sandown, 2196 (P O Box 62043, Marshalltown, 2107), so as to reach them, for administrative purposes only, by not later than 09:00 on Friday, 10 July 2020, alternatively to be handed to the chairman of the General Meeting prior to its commencement at 09:00 on Monday, 13 July 2020.

**ADDITIONAL FORMS OF PROXY ARE AVAILABLE FROM THE MEETING SPECIALIST ON REQUEST.**