

Phumelela Gaming & Leisure Limited  
(Registration number 1997/016610/06)  
(Incorporated in the Republic of South Africa)  
Share Code: PHM ISIN: ZAE000039269  
("Phumelela" or the "Company")

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## REPORT OF THE PUBLIC PROTECTOR

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The Public Protector has released her final report regarding an investigation into allegations of maladministration and improper conduct in connection with the corporatisation of the horseracing industry in South Africa.

Although the Public Protector has not directed Phumelela to take any remedial action, she has, inter alia, directed the Premier of the Gauteng Provincial Government and the Gauteng Gambling Board ("the GGB") to ensure that Phumelela's portion of the 6% levy on punters' winnings on fixed-odds bets, is withdrawn. This levy is collected and paid to Phumelela in terms of the Gauteng Gambling Act and Regulations and forms the subject of pending High Court litigation between Phumelela, the Premier, the GGB and the Gauteng MEC for Economic, Environment, Agriculture and Rural Development.

Phumelela has been advised that this directive, as well as other portions of the Public Protector's report, is reviewable and Phumelela is considering its options.

Johannesburg  
07 May 2019

**Sponsor and Investment Bank**  
Investec Bank Limited