

THE APPOINTMENT OF A SERVICE PROVIDER TO OPERATIONALISE CAPE MORGAN NATURE RESERVE'S RESTAURANT, AND KITCHEN

FACILITIES FOR A PERIOD OF 10 YEARS.BID NO: RFP 05/22/23

APPOINTMENT OF A SERVICE PROVIDER TO OPERATIONALISE CAPE MORGAN NATURE RESERVE'S ACCOMMODATION AND CONFERENCE

FACILITIES FOR A PERIOD OF 10 YEARS RFP 06/22/23

No	QUESTIONS	ECPTA RESPONSES
1	Could you kindly send us the presentation briefing session we held on the 10 March 2023 at Morgan's Bay as promised	Presentation is now circulated to bidders and has been uploaded in the dataroom.
2	The company making the bid does not reflect the level of reserves with retained earnings of just over R1m, but it does have a shareholder's loan of R2.5m and hidden reserves in terms of the business valued at around R30m and various properties valued at R9.3m bonded to commercial banks for R6.8m. Would the entity still qualify in terms of the bid requirements for an equity base of R4m	The R4m equity shall include share capital, retained earnings, distributable and non-distributable reserves and subordinated shareholders loans to other creditors (where applicable). The net asset value has to be reflected on the balance sheet of the bidder, if the assets are housed in another entity i.e. property company etc., group financial statements will be acceptable or a joint venture to meet the R4m equity requirement. Value which can only be realised through the sale of the business will not be considered.
3	Would there be a restraint on the accommodation/conferencing facility preparing their own meals for guests and conference delegates considering that the restaurant which is a separate bid will be largely dependent on the resort's guests for patronage?	The accommodation, conferencing and kitchen facilities are co-dependent and must to co-exist. The appointed bidders are expected to enter into a co-operation agreement, which shall detail how the parties work together. Accommodation and conferencing facilities'

appointed bidder will be not permitted to organise their own meals. These must only be procured from restaurant facility.

- 4 What is the timeline in terms of Eastern Cape Parks and Tourism making the decision on the approved bidder?

The estimated timeline to finalise the bid from the closing date is 150 days.
- 5 At the site visit it was indicated that only one hard copy and soft copy of the documents needed to be provided please confirm?

One hard copy and one soft copy (USB/CD) must be submitted on the closing date at 17-25 Oxford Street, East London, 5201
- 6 Is a copy of the draft concession document available for review?

The bid document is the base document for the concession agreement and all terms outlined in the bid document are contained in the concession agreement. The concession agreement will only be issued to the appointed bidders so as to incorporate any Addendums that the prospective bidder has suggested.
- 7 Are there penalties should my client be successful and then withdraw, the document does speak to it but it does not quantify the cost?

On signature of the concession agreement by both the ECPTA and appointed bidder, the concession agreement becomes legally binding on both parties. Parties may only withdraw their submission prior to signature of the concession agreement. Penalties will be imposed on the party withdrawing, to cover the bid preparation related costs.
- 8 The bid documents refers to environmental impact I can't seem to find the document, in the brief it was indicated that the bidders responsibility will be limited to the grounds of the accommodation and not the reserve?

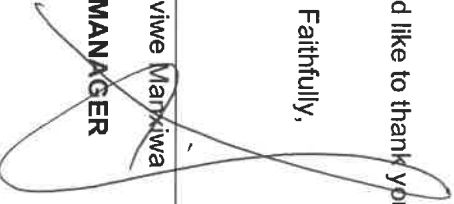
The EIA is contained in the Data Room as detailed in the bid document. EIA is now circulated.
- 9 The company making the bid does not reflect the level of reserves with retained earnings of just over R1m, but it does have a shareholders loan of R2.5m and hidden reserves in terms of the business valued at around

The R4m equity shall include share capital, retained earnings, distributable and non-distributable reserves and subordinated shareholders loans to other creditors (where applicable). The net

R30m and various properties valued at R9.3m bonded to commercial asset value has to be reflected on the balance sheet of the bidder, if banks for R6.8m. Would the entity still qualify in terms of the bid the assets are housed in another entity i.e. property company etc. requirements for an equity base of R4m group financial statements will be acceptable or a joint venture to meet the R4m equity requirement. Value which can only be realised through the sale of the business will not be considered.

I would like to thank you on behalf of Eastern Cape Parks and Tourism Agency (ECPTA) for expressing your interest in the bid.

Yours Faithfully,


Mr. Siviwe Mankiwa

SCM MANAGER

DATE

03/04/2023