

**Rights, limitations and other terms relating to the "A" Class Ordinary Share**

**1. Definitions and interpretation**

1.1 Expressions defined in the MOI to which this Annexe B is attached, shall bear the same meaning in this Annexe B, as that assigned to them in the MOI. The following additional words and phrases shall have the meanings in this Annexe B ascribed thereto below:

- 1.1.1 **"Annual Shareholder Return"** means at any balance sheet date of the Company, the total return to Shareholders who held their shares for the 12 preceding months, resulting from movements in NAV and from Shareholder distributions that are paid to Shareholders, adjusted downwards for operational expenses but excluding the Special Dividend and taxes;
- 1.1.2 **"Chrissen"** means Chrissen Beleggings Proprietary Limited, registration number 1998/002641/07, a private company incorporated in accordance with the laws of the Republic of South Africa;
- 1.1.3 **"CPI"** means the index as published from time to time by Statistics SA in Statistics Release P0141, which is referred to as the "Consumer Price Index" for all expenditure groups, all urban areas and all items (Base Dec 2016=100), or such index as may be determined by Statistics SA to replace or supersede same;
- 1.1.4 **"Cumulative Alpha"** means, at any balance sheet date of the Company, the Total Shareholder Value minus the Total Benchmark Value, unless the Total Benchmark Value is greater than the Total Shareholder Value, in which case Cumulative Alpha means zero;
- 1.1.5 **"Growth Factor"** means Annual Shareholder Return plus one;

- 1.1.6            **"Incremental Alpha"** means, at any balance sheet date of the Company, the Cumulative Alpha in respect of the most recent financial year minus the sum of Incremental Alphas in respect of the period from 28 June 2019 to the year preceding the balance sheet date, provided that Incremental Alpha is equal to or greater than zero;
- 1.1.7            **"Management Agreement"** means the written management agreement entered into on or about 28 June 2021 between the Company and Chrissen pursuant to which Chrissen is appointed to provide certain management and administrative services to the Company;
- 1.1.8            **"NAV"** means the net asset value of the Company, calculated with reference to the most recent audited financial statements of the Company, provided that (1) all listed investments will be valued at their 30-day volume weighted average trading prices preceding in the Company's most recent balance sheet date, and (2) all unlisted investments will be valued at the cost in the year of acquisition and thereafter will be valued at external valuations prepared annually, as reflected in the Company's most recent balance sheet date, by an independent expert appointed by the Company, and (3) all cash investments (including any bank account held by the Company from time to time) shall be excluded;
- 1.1.9            **"Special Dividend Percentage"** means 20%;
- 1.1.10           **"Termination Date"** means the date upon which the Management Agreement is terminated, for any reason whatsoever;

- 1.1.11            **"Total Benchmark Value"**            means, subject to paragraph 1.2 below, at any balance sheet date of the Company, any amount raised in new equity as a result of Raise 1, escalated annually utilising all preceding Hurdle Rates, on a cumulative basis;
- 1.1.12            **"Total Shareholder Return"**            means, at any balance sheet date of the Company, the product of the Growth Factor at that balance sheet date and at all previous balance sheet dates after 28 June 2019, minus one; and
- 1.1.13            **"Total Shareholder Value"**            means, subject to paragraph 1.2 below, at any balance sheet date of the Company, the amount in fact raised in new equity as a result of Raise 1, multiplied by one plus the Total Shareholder Return as at that balance sheet date.

1.2            The definitions of Total Shareholder Value and Total Benchmark Value in paragraph 1.1 of this Annexe A contemplate a single equity raise, being Raise 1, in the calculation of Cumulative Alpha and Incremental Alpha. The calculation of Cumulative Alpha and Incremental Alpha shall be adjusted by the Company to account for additional equity raises (to the extent applicable) by making appropriate adjustments to Total Shareholder Value and to Total Benchmark Value to ensure that equity contributions are not treated as investment returns. An illustrative example hereof is attached as Annexe D.

## 2.    **General**

The "A" Class Ordinary Share shall confer upon the "A" Class Ordinary Shareholder only the rights and privileges provided for in this Annexe B and, for the avoidance of doubt, the "A" Class Ordinary Share shall not confer upon the "A" Class Ordinary Shareholder any rights:

- 2.1            to receive dividends or distributions other than Special Dividends; or
- 2.2            to attend, speak at and vote at general meetings of the Company save as set out in paragraph 5 of this Annexe B.

### 3. **Special Dividends**

3.1 The "A" Class Ordinary Shareholder shall, subject to the requirements of the Act, be entitled to receive an annual Special Dividend calculated in accordance with the following formula:

$$a = (b \times c) + d$$

where –

*a* represents the Special Dividend for the relevant financial year of the Company;

*b* represents the Special Dividend Percentage;

*c* represents the Incremental Alpha (as per Annexe D);

*d* represents the lesser of:

a) 0.75% of the NAV for the relevant financial year of the Company;

and

b) R3,600,000, adjusted annually effect from 1 January in each Financial Year in line with the movement in CPI.

3.2 The Special Dividend shall be calculated annually in arrears in respect of every financial year of the Company, effective as of the relevant balance sheet date.

### 4. **Share Repurchase**

The Company shall, subject to the requirements of the Act, be entitled to repurchase the "A" Class Ordinary Share from the "A" Class Ordinary Shareholder at the issueprice of the "A" Class Ordinary Share at any time after the later of:

4.1 the Termination Date; or

4.2 the date on which the final Special Dividend that has accrued is declared and paid, if on the Termination Date a Special Dividend has accrued but has not beendecared and paid.

### 5. **Meetings and Voting**

5.1 The "A" Class Ordinary Shareholder shall, subject to the requirements of the Act, be entitled:

5.1.1 to receive notice of, and to be present at any meeting of the Shareholders; and

5.1.2 to receive notice of, and to participate in any resolution of Shareholderscontemplated in section 60 of the Act,

if a resolution is proposed which affects the rights, privileges, limitations or other terms attaching to the "A" Class Ordinary Share.

5.2 The "A" Class Ordinary Shareholder shall not (in its capacity as "A" Class Ordinary Shareholder) be entitled to vote at or participate in, either in person, by representation or by proxy, any meeting of Shareholders or resolution of Shareholders contemplated in section 60 of the Act, unless a resolution is proposed which affects the rights, privileges, limitations or other terms attaching to the "A" Class Ordinary Share.

5.3 The "A" Class Ordinary Share shall carry one vote in accordance with section 37(2) of the Act.

## 6. **Ranking**

Notwithstanding anything to the contrary contained in this Annexe B, the "A" Class Ordinary Shareholder's entitlement to the Special Dividend shall at all times rank in priority to any distributions in respect of the Ordinary Shares.

## 7. **Corporate transactions and restructurings**

Where the Company undergoes a merger, amalgamation, recapitalisation, restructuring or similar transaction, including any transaction where the Shareholders dispose of their shares in exchange for shares in a new entity, the board shall propose any amendments required to the terms of the "A" Class Ordinary Share as a result of such transaction on the basis of the commercial principles set out in these terms, or alternatively, propose the creation of a new instrument to be issued to the "A" Class Ordinary Shareholder to give effect to the same commercial principles. The "A" Class Ordinary Shareholder shall be obliged to take all steps and pass all resolutions necessary to approve the required changes.

## 8. **Restriction on sale or encumbrance**

The "A" Class Ordinary Shareholder shall not be entitled to sell, encumber or otherwise dispose of the "A" Class Ordinary Share, except with the prior written consent of the Company.

## 9. **No Conflict**

If there is any conflict or inconsistency between this Annexe B and any other provision of the MOI, the provisions of this Annexe B shall prevail to the extent of the inconsistency.