



HULISANI LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2015/363903/06)
JSE share code: HUL ISIN: ZAE000212072
("Hulisani" or "the Company")

PRE-LISTING STATEMENT

The definitions and interpretations commencing on page 5 of this document apply, *mutatis mutandis*, to this entire document, including this cover page, except where the context indicates a contrary intention.

This Pre-Listing Statement relates to a private placement by way of an offer for subscription made by the Company, subject to certain conditions, to selected persons who fall within one of the specified categories listed in section 96(1)(a) of the Companies Act, to whom the offer will specifically be addressed, and by whom the offer will be capable of acceptance, of the Offer Shares at the offer price of R10 per Offer Share, to raise an amount of R500 000 000, being the minimum amount required to be raised in order to list as a SPAC on the Main Board. Consequently, this Pre-Listing Statement is not an offer, or an invitation or solicitation of an offer, to the general public to subscribe for, or otherwise acquire, Offer Shares in any jurisdiction and is issued in compliance with the Listings Requirements for the purpose of providing information to selected persons. The JSE has approved this Pre-Listing Statement.

The JSE has granted the Company a listing as a SPAC on the main Board of the JSE, in respect of the Offer Shares that will be issued pursuant to the Private Placement classified in the "Nonequity Investment Instrument" sub-sector of the FTSE Global Classification System, under the abbreviated name: "**HULISANI**", JSE ordinary share code: "**HUL**" and ISIN: ZAE000212072, with effect from the commencement of trade on Thursday, 7 April 2016.

As at the Listing Date:

- the authorised share capital of the Company will comprise 1 000 000 000 Shares;
- the issued share capital of the Company will comprise 50 000 020 Shares; and
- no Shares will be held in treasury.

This Pre-Listing Statement does not, nor does it intend to, constitute a "registered prospectus", as contemplated by the Companies Act. No prospectus has been filed with the South African Companies and Intellectual Property Commission in respect of the Private Placement.



**Auditors and Independent
Reporting Accountants**



On the Listing Date, all the Shares in issue shall rank *pari passu* with each other in all respects, including in respect of voting rights and dividends.

Shareholders are advised that their Shares may only be traded on the JSE in Dematerialised form. Furthermore, the Shares will be delivered in Dematerialised form only. No documents of title will be issued to shareholders that participate in the Private Placement. Ordinary Shares held by the Founders in certificated form immediately prior to the Listing will be Dematerialised on or immediately prior to the Listing.

The Directors, whose names are given on page 8 of this Pre-Listing Statement, collectively and individually, accept full responsibility for the accuracy of the information provided in this Pre-Listing Statement and certify

that to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Pre-Listing Statement contains all information required by the Listings Requirements.

All the advisors whose names are included in this Pre-Listing Statement have given and have not, prior to the publication of this Pre-Listing Statement, withdrawn their written consents for the inclusion of their names in the form and context in which they appear.

This Pre-Listing Statement does not constitute an offer to the public for the sale of or subscription for, or an advertisement or the solicitation of an offer to buy and/or subscribe for, securities as defined in the Companies Act or otherwise and will not be distributed to any person in South Africa in any manner which could be construed as an offer to the public in terms of the Companies Act. Furthermore, this Pre-Listing Statement does not constitute an advertisement or a prospectus registered and/or issued under the Companies Act.

The distribution of this document in certain jurisdictions may be restricted by law. No action has been taken or will be taken to permit the possession or distribution of this document (or any other offering or publicity materials relating to the Offer Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted or prohibited by law. Accordingly, neither this document, nor any advertisement, nor any other offering material may be distributed or published except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer or an invitation or solicitation of an offer to subscribe for Ordinary Shares in any jurisdiction in which such an offer or invitation would be unlawful.

An abridged version of this Pre-Listing Statement will be released on SENS on Thursday, 31 March 2016 and published in the South African press on Friday, 1 April 2016.

Date of issue: 31 March 2016

This Pre-Listing Statement is only available in English. Copies of this Pre-Listing Statement may be obtained during normal business hours from the registered office of the Company and the offices of the Transaction Sponsor at their respective addresses set out in the "Corporate Information and Advisors" section of this Pre-Listing Statement from the date of issue hereof until Thursday, 7 April 2016.

CORPORATE INFORMATION AND ADVISORS

Registered Office

11th Floor, Sandton Eye
126 West Street
Corner Rivonia
Sandton, 2196
(PO Box 784583, Sandton, 2146)

Legal Advisors to the Company

Allen & Overy (South Africa) LLP
2nd Floor, Graysand Office
2 Sandton Drive
2196
(PO Box 785553, Sandton, 2196)

Bank

RMB Corporate Banking
4 Merchant Place
1 Fredman Drive
Sandton, 2196
(PO Box 786273, Sandton, 2146)

Auditors and Independent Reporting Accountants

KPMG Inc.
KPMG Crescent
85 Empire Road
Parktown, 2193
(Private Bag 9, Parktown, 2122)
Audit Partner: Ahmed Jaffer

Date of Incorporation: 13 October 2015

Place of Incorporation: South Africa

Company Secretary

ER Goodman Secretarial Services CC
Houghton Estate Office Park
2nd Floor, Palm Grove
2 Osborn Road
Houghton, 2198

Sponsor

PSG Capital Proprietary Limited
(Registration number 2006/015817/07)
1st Floor
Ou Kollege Building
35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)

and at

1st Floor, Building 8
Inanda Greens Business Park
54 Wierda Road West
Wierda Valley
Sandton, 2196
(PO Box 987, Parklands, 2121)

Transfer Secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

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FORWARD-LOOKING STATEMENTS

This document contains statements about the Company that are or may be deemed to be forward-looking statements. All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current views concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditures, acquisition strategy, prospects, future expansion projects or future capital expenditure levels and other economic factors, such as, among other things, interest and exchange rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions and liquidity may differ materially from those made in, or suggested by, the forward-looking statements contained in this document.

All these forward-looking statements are based on estimates and assumptions made by the Company, all of which estimates and assumptions are inherently uncertain although the Company believes them to be reasonable. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include matters not yet known to the Company or not currently considered material by the Company. Important factors that could cause actual events to differ materially from the Company's expectations include the following: changes in political, economic, legal and social conditions in South Africa and elsewhere; fluctuations in currencies; future legislation, including regulations and rules, as well as changes in enforcement policies; and other factors beyond the Company's control.

Any forward-looking statement made in this document or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of the Company not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement is not known. The Company has no duty to, and does not intend to, update, review or revise the forward-looking statements contained in this document after the date of issue of this document, except as may be required by applicable law or the requirements of the JSE.

None of the forward-looking statements have been reviewed or reported on by the Auditors.

Date of Information Provided

Unless the context clearly indicates otherwise, all information provided in this Pre-Listing Statement is provided as at the Last Practicable Date.

IMPORTANT DATES AND TIMES

2016

Abridged Pre-Listing Statement published on SENS on	Thursday, 31 March
Publication of the Pre-Listing Statement in the South African press on	Friday, 1 April
Expected Listing Date	Thursday, 7 April
CSDP and broker accounts will be updated and debited with the monies on	Thursday, 7 April

1. All references to time above are to South African Standard Time.
2. The above dates may change, and any such change will be published on SENS and in the South African press.

DEFINITIONS AND INTERPRETATIONS

In this document, unless otherwise stated or the context otherwise indicates, the words in the first column shall have the meanings stated opposite them in the second column, words in the singular shall include the plural and *vice versa*, words importing natural persons shall include corporations and associations of persons and an expression denoting any gender shall include the other genders:

“Allen & Overy”	Allen & Overy (South Africa) LLP, a limited liability partnership registered in England and Wales with registered number OC395239;
“Asanda Notshe”	Asanda Vuyolwethu Notshe, identity number 810612 5477 080, a Director and one of the Founders of the Company;
“Auditors” or “KPMG”	KPMG Inc., a personal liability company incorporated in accordance with the laws of South Africa;
“Board” or “Directors”	the board of directors of the Company as at the Last Practicable Date, whose names appear on page 8 of this Pre-Listing Statement;
“Business Day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“Common Monetary Area”	collectively, South Africa, the Kingdoms of Swaziland and Lesotho and the Republic of Namibia;
“Companies Act”	the Companies Act, No. 71 of 2008, as amended;
“Completed”	means, with reference to the acquisition of Viable Assets by the Company, that an acquisition has become unconditional and that the assets have been transferred into the name of the Company or a wholly-owned subsidiary of the Company (if any) and “Complete” and “Completion” shall be construed accordingly;
“CSDP”	a participant as defined in terms of section 1 of the Financial Markets Act;
“Custody Agreement”	custody agreement entered into between the Directors, on the one hand, and the Custodian, on the other hand;
“Custodial Period”	in relation to the Directors means, the period commencing on the Listing Date and terminating on the earlier of six months after the Completion of an acquisition of Viable Assets by the Company, or the two-year anniversary of the Listing Date, unless otherwise advised by the JSE Limited;
“Custodian”	FirstRand Bank Limited, registration number 1929/001225/06 (acting through RMB Corporate Banking Custody and Trustee Services), appointed by the Company to hold the shares subscribed for by the Directors pursuant to the Listing, being 5% of the total issued share capital of the Company at the Listing Date;
“Dematerialise”	the process whereby Ordinary Shares are recorded by electronic records of ownership in the Strate system in the sub-register of the Company maintained by a CSDP or broker;
“Dematerialised Shares”	Shares which have been incorporated into Strate and which are no longer evidenced by physical documents of title, rather the ownership thereto is determined electronically and recorded in the sub-register maintained by a CSDP or broker;
“Escrow Account”	the escrow account managed by the Escrow Agent in terms of the Escrow Agreement in accordance with paragraph 4.36 of the Listings Requirements, relating to the proceeds of the Listing;

“Escrow Account Holder”	Rand Merchant Bank (a division of FirstRand Bank Limited), registration number 1929/001225/06, appointed by the Company to act as the escrow account holder;
“Escrow Administrators”	the Escrow Agent and the Escrow Account Holder;
“Escrow Agent”	Norton Rose Fulbright South Africa Incorporated (registration number 1984/003385/21), a personal liability company duly incorporated in South Africa;
“Escrow Agreement”	the escrow agreement referred to in paragraph 7.2 of this Pre-Listing Statement, dated 8 March 2016;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012;
“Founders”	Asanda Notshe, Marubini Raphulu and Malungelo Zilimbola, who have subscribed for Offer Shares as part of the Private Placement in accordance with paragraph 4.34(e) of the Listings Requirements; and “Founder” shall mean any one of them;
“Initial Period”	a period of 24 months from the Listing Date or such longer period as the JSE may permit;
“JSE”	JSE Limited, registration number 2005/022939/06, a limited liability public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“King Code”	the King Report on Corporate Governance Principles for South Africa (2009);
“Last Practicable Date”	Friday, 18 March 2016, being the last practicable date prior to the finalisation of this document;
“List”	the list maintained by the JSE of securities admitted to listing;
“Listing”	the admission to the List of the entire issued share capital of the Company, as a SPAC on the Main Board of the JSE, classified in the “Nonequity Investment Instrument” sub-sector of the FTSE Global Classification system, which will comprise 50 000 020 Shares;
“Listing Proceeds”	all the monies raised by the Company pursuant to the Private Placement, being R500 million;
“Listings Requirements”	the listings requirements, of the JSE, as amended from time to time;
“Listing Date”	the proposed date of the Listing, which is expected to be on Thursday, 7 April 2016;
“Main Board”	the Main Board of the List;
“Malungelo Zilimbola”	Malungelo Headmen Zilimbola, a Director and one of the Founders of the Company;
“Marubini Raphulu”	Marubini Eugene Raphulu, a Director and one of the Founders of the Company;
“Minimum Capital Amount”	the minimum capital amount that the Company intends to raise pursuant to the Private Placement in order to qualify for a listing as a SPAC on the Main Board of the JSE, being R500 million;
“MOI”	the memorandum of incorporation of the Company, in force as at the Last Practicable Date;
“Offer Price”	R10 per Offer Share;
“Offer Proceeds”	all the monies raised by the Company pursuant to the Private Placement, being R500 000 000;

“Offer Shares”	50 000 000 new Shares which will be offered as part of and pursuant to the Private Placement;
“Pentomore”	Pentomore Proprietary Limited, registration number 2015/393711/07, a limited liability private company duly incorporated and registered in South Africa, and 100% owned indirectly by Marubini Raphulu who is also the sole director;
“Permissible Operating Expenses”	fees and expenses incurred by the Company which may be paid by the Company from the Escrow Account, as disclosed in paragraph 6.2 of this Pre-Listing Statement;
“Pre-Listing Statement”	this pre-listing statement dated 31 March 2016, including all annexures hereto;
“Private Placement”	the private placement by way of an offer for subscription made by the Company, subject to certain conditions, to selected persons who fall within one of the specified categories listed in section 96(1)(a) of the Companies Act, to whom the offer will specifically be addressed, and by whom the offer will be capable of acceptance, of the Offer Shares at the Offer Price;
“Register”	the register of Shareholders of the Company (including the relevant sub-registers maintained by the CSDPs;
“Residual Capital”	the Offer Proceeds plus all interest accrued thereon, less: <ul style="list-style-type: none"> (i) the Permissible Operating Expenses; and (ii) the purchase price of Viable Assets;
“SARB”	the South African Reserve Bank;
“SENS”	the Stock Exchange News Service, the news service operated by the JSE;
“Shares” or “Ordinary Shares”	ordinary shares of no par value in the authorised and issued ordinary share capital of the Company;
“Shareholders”	the holders of Shares in the issued ordinary share capital of the Company;
“South Africa”	the Republic of South Africa;
“SPAC”	a special purpose acquisition company, being a special purpose vehicle established for the purpose of facilitating the primary capital raising process to enable the acquisition of Viable Assets in pursuit of a listing on the Main Board, as envisaged in terms of the Listings Requirements;
“Strate”	Strate Proprietary Limited, registration number 1998/022242/07, a limited liability private company duly incorporated and registered in South Africa, which is a registered central securities depository in terms of the Financial Markets Act and which is responsible for the electronic settlement system for transactions that take place on the JSE and off market trades;
“Takeover Regulation Panel”	The Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
“Transfer Secretaries”	Computershare Investor Services Proprietary Limited, registration number 2004/003647/07, a limited liability private company incorporated in accordance with the laws of South Africa;
“Viable Assets”	assets that, if acquired, will enable the Company to qualify for a listing, other than as a SPAC, pursuant to the listing criteria of the Main Board;
“ZAR” or “R” or “Rand”	the lawful currency of South Africa; and
“Zelmaro”	Zelmaro Proprietary Limited, registration number 2015/387223/07, a limited liability private company duly incorporated and registered in South Africa, an associate of Malungelo Zilimbola.



HULISANI LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2015/363903/06)
JSE share code: HUL ISIN: ZAE000212072
("Hulisani" or "the Company")

DIRECTORS

Executive

MH Zilimbola (*Chief Executive Officer*)

ME Raphulu (*Chief Investment Officer*)

MA Booysen (*Chief Financial Officer*)

Non-executive

PC Mdoda (*Chairman*)*

H Schaaf *

FM Modau *

AV Notshe#

NP Gosa*

DR Hlatshwayo*

* *Independent*

Non-independent

PRE-LISTING STATEMENT

1. INTRODUCTION

A SPAC is a public company, the shares of which are listed on the JSE. The purpose of a SPAC is to raise capital which must be used to acquire assets that will, on their own, enable the company to qualify for a listing, other than as a SPAC, pursuant to the listing criteria of the JSE. Until such assets are acquired, the only asset of a SPAC is the cash which it holds pursuant to a capital raise through the issue of shares.

This cash must be held in escrow and invested conservatively in accordance with paragraph 4.36(b) of the Listings Requirements. The interest on the cash held in escrow will accrue in favour of the SPAC and accumulate in escrow. If an acquisition of such assets is not completed within a period of 24 months from the date on which the SPAC is listed (or such later date as the JSE may permit), the SPAC is required to return the monies initially invested to its shareholders, plus accrued interest, less certain permitted expenses.

2. THE COMPANY

Hulisani was established by the Founders and incorporated as a public company on 13 October 2015. The intended purpose of the Company following the Listing will be to pursue the acquisition of, and investment in, companies focused on, and operating in, the energy sector and which evidence good potential for growth. As a result, the Company has not traded and has not conducted any business, other than in connection with the preparation of this Pre-Listing Statement and the Private Placement.

As at the Listing Date, the share capital of the Company comprised:

- 1 000 000 000 authorised but unissued Shares; and
- 50 000 020 issued Shares.

If the Company does not Complete an acquisition of Viable Assets within the Initial Period, the Company will return the monies then held by, or on behalf of, the Company less the aggregate of all amounts payable by, or on behalf of, the Company, including (i) Permissible Operating Expenses; and (ii) any amounts payable by, or on behalf of, the Company to implement the distribution and anticipated voluntary liquidation.

3. **BACKGROUND AND RATIONALE**

3.1 **Background**

Worldwide, the energy mix that countries employ is become more and more critical given a number of key considerations. Developing nations are contending with rapidly urbanising populations that result in increasing energy demands, whilst developed countries are grappling with pressure from citizens to shift away from technologies that are perceived to be harmful to the environment such as coal. All of this is taking place against the backdrop of the climate change tug-of-war between the developing and developed nations with regards to concessions that need to be made in order to limit and arrest the pace of global warming.

Energy is of immense significance and importance to the development of the African continent. From infrastructure to urbanisation, energy is central to propelling economic development on the continent. It is estimated by PWC that infrastructure spending globally will reach USD\$9 trillion annually by 2025. According to the World Bank, even with the recent weakness in the oil price, more than 50% of the fastest growing countries in the world are African. According to McKinsey Global Institute analysis, in terms of urbanisation, Africa has as many cities with more than one million people as Europe does. The graph below illustrates the distribution of urban and rural populations in different parts of the world:

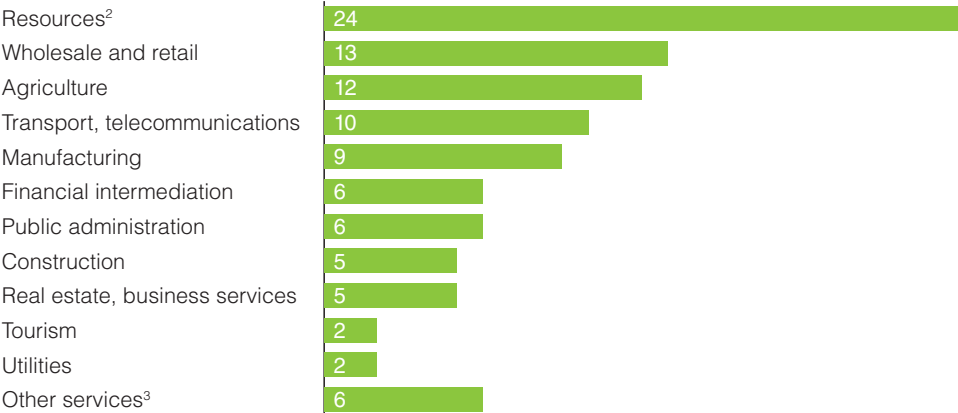
This illustrates the rising need for investment into energy infrastructure as the levels of urbanisation continue to increase, driving demand across the entire economic value chain in order to support the explosion in consumer demand for goods and services. In 2000, roughly 59 million households on the continent had USD\$5 000 or more in income – above which they start spending approximately half of it on non-food items. By 2018, the number of such households could reach 128 million. In terms of energy demand, one example that follows from this would be the electrification of new households as incomes rise. In addition, an increase in the levels of activity in the manufacturing and services sectors will continue to drive demand for reliable energy sources.



SOURCE: United Nations; McKinsey Global Institute analysis

A key aspect of Africa's slow growth in the past has been due to the low levels of participation of the energy sector in the continent. Much of the investment has been into sectors such as resources, as the graph below illustrates (in USD\$):

SECTOR SHARE OF CHANGE IN REAL GDP, 2002-07
 100% = \$235 BILLION¹



¹ In 2005 dollars

² Government spending from resource-generated revenue contributed an additional eight percentage points

³ Education, health, household services, and social services

SOURCE: McKinsey Global Institute analysis

Recently, there has been an increasing trend of heightened increased focus on the energy sector. Of note has been the successful renewable energy programme that has been rolled out by the Department of Energy in South Africa. This programme has attracted numerous global participants and has been hailed as one of the best run programmes globally to date. Over ZAR150 billion has been invested thus far in the four rounds of projects that have been awarded licenses thus far. Nigeria has also privatised their energy industry through the creation of 11 privately owned generation companies that bought power-generation assets from the government. In addition, electricity distribution assets were also privatised as part of this process in Nigeria.

In addition to the economic benefits derived from the availability of energy, the African Development Bank also highlighted the following social facts related to energy:

- Currently, more than 600 million sub-Saharan Africans live without access to electricity;
- 600 000 people in Africa die annually as a result of secondary effects of smoke from cooking fires; and
- According to Akinwumi Adesina (President of the African Development Bank), Africa must power itself from an economic, health perspective, jobs and life perspective.

Investment in energy comes through a few key channels:

- Generation: these are activities concerned with the primary generation of energy and the development of generation capacity. This includes the full array of different energy-generation methods and technologies.
- Transmission: this is the bulk movement of energy from the generation source to distribution hubs.
- Distribution: this involves the distribution of energy, once it has been transmitted from the generation source, to the end users.

Given the growing levels of demand for energy, it is therefore envisioned that there will be significant continued investment into the sector. Energy infrastructure is also crucial to the development of other industries such as infrastructure and manufacturing. This provides tangible, long-term investment opportunities for investors that have a long-term horizon with respect to their outlook.

3.2 Rationale

The Company wishes to obtain a listing as a SPAC on the Main Board to take advantage of investor demand for energy assets specifically in South Africa, and generally in greater Sub-Saharan Africa.

Hulisani has been granted a listing by the JSE by Private Placement to raise the Maximum Capital Amount, and not less than the Minimum Capital Amount, in order to pursue the acquisition of the Viable Assets in terms of the Listings Requirements.

The Board believes that Hulisani is well placed to compete for, and complete, the acquisition of Viable Assets, given the Directors' knowledge, experience and industry-wide networks as well as their ability to structure the acquisition of the Viable Assets efficiently for the benefit of both the Company and potential investors and so maximising investor return.

The following are the key points in relation to the rationale for Listing:

- **Access to funding:** Listing will (i) enable the Company to access investment funding in order to acquire the appropriate assets in the chosen sector; and (ii) provide it with the initial and ongoing ability to raise capital in order to pursue and acquire or investment in the desired Viable Assets;
- **Credibility:** Listing will provide the Company with a certain level of credibility at the point when potential vendors are approached. Not only can the vendors independently verify the identity of the Company, they are also able to gain confidence in the ability of the Company to perform financially;
- **Ability to issue scrip:** This will give the Company additional flexibility when evaluating opportunities. Vendors may find it attractive to receive part of their purchase consideration in the form of equity securities in a listed vehicle. This gives this Company a competitive advantage over other potential buyers that are unlisted;
- **Ease of access:** A listing will provide the Company access to other investors such as pension funds. Regulation 28 to the Pensions Funds Act, 1956 restricts retirement funds in terms of where their assets can be invested. According to the said regulation, listed equities is one of the largest category of assets that can be invested into and hence is accessible to retirement funds. This is in line with the stated intent of the Company to present a portfolio of assets that will be attractive to long-term investors such as pension funds; and
- **Broad-based Black Economic Empowerment (B-BBEE):** It is the Company's intention to have meaningful ownership by Historically Disadvantaged Entities and, accordingly, it will strive to also access opportunities in South Africa that require the B-BBEE credentials that the Company will possess. This will increase and broaden the scope of the opportunities that the Company is able to access. In addition, the Company enables other B-BBEE investors to access investment opportunities without the perennial impediment of liquidity discounts that have been evident in the market. The Company will also endeavour to partner with and assist other B-BBEE entities to explore opportunities both in South Africa and across the continent.

While Hulisani is considering a number of potential investments, the Company has not, and at the Listing Date will not have, entered into any formal and binding acquisition agreements in relation to the acquisition of any Viable Assets.

3.3 Investment and dividend policy and guidelines

- 3.3.1 Hulisani's investment strategy is to pursue the acquisition of, or investments in, direct or indirect minority stakes in companies operating in the energy sector.
- 3.3.2 The Company's investment policy and guidelines will be managed, and the investment strategy implemented, by the Board as a whole.
- 3.3.3 The investment criteria which will be used by the Board to assess investment opportunities or potential acquisitions of Viable Assets will include, amongst other criteria, the following:
 - 3.3.3.1 expected return;
 - 3.3.3.2 counterparty risks;
 - 3.3.3.3 inflation-beating ability of cash flows;
 - 3.3.3.4 quality and experience of management;
 - 3.3.3.5 environmental considerations; and
 - 3.3.3.6 geographical location primarily in Sub-Saharan Africa.

- 3.3.4 The Company aims to be a strategic investment vehicle for retirement funds that are seeking assets with appropriate cash flow profiles in order to match long-term liabilities faced by their members.
- 3.3.5 Investment opportunities and/or the acquisition of Viable Assets will be assessed by the Board, as a whole, or where deemed appropriate, by an *ad hoc* investment committee (acting as a sub-committee of the Board) and presented to the Board for consideration and approval, which will comprise of disinterested, independent directors and the Chief Investment Officer.
- 3.3.6 The Board does not intend to declare dividends prior to the Completion of an acquisition of Viable Assets. The Company may thereafter, subject to the requirements of sections 4 and 46 of the Companies Act, declare and pay dividends to Shareholders should the Board consider it appropriate in the circumstances.

3.4 Acquisition criteria of Viable Assets

- 3.4.1 The Viable Assets, which will be managed by the Company following their acquisition, may include direct or indirect investments in projects and/or businesses whose purpose is to trade, extract and/or refine energy, and in respect of which the Board has identified an opportunity to enhance the efficiency of delivery or conversion of energy in order to improve profitability, thereby maximising Shareholder return.
- 3.4.2 Viable Assets that the Company intends to acquire, will be selected on the basis that, in line with the investment policy and guidelines set out above, the following criteria are met:
 - 3.4.2.1 the assets satisfy the “energy sector” investment criterion;
 - 3.4.2.2 the assets primarily are geographically located in Sub-Saharan Africa; and
 - 3.4.2.3 the assets have the potential to be cash-generative.
- 3.4.3 The Company has not, and at the Listing Date will not have, entered into any formal and binding acquisition agreement in relation to the acquisition of Viable Assets.
- 3.4.4 The acquisition criteria may only be changed by the Board with the approval of Shareholders on a resolution adopted by them having cast more than a 75% of the votes thereon.

3.5 Acquisition pipeline

- 3.5.1 Hulisani has identified potential opportunities to acquire several energy-generating assets located in South Africa and Mozambique.
- 3.5.2 The acquisition of Viable Assets will be funded by way of cash and/or Share issuances. The Board does not anticipate that the Company will use debt funding to acquire Viable Assets. In terms of paragraph 4.39(b) of the Listings Requirements, Hulisani may not obtain any form of debt financing (excluding those of short-term trade or accounts payable used in the ordinary course of business to settle any operating expenses contemplated in paragraph 6.2 below or Directors’ remuneration), save to facilitate the acquisition of Viable Assets.
- 3.5.3 As at the Last Practicable Date, Hulisani had not entered into any negotiations to acquire any Viable Assets.

3.6 Acquisition of Viable Assets to be approved by the JSE

- 3.6.1 In terms of paragraph 4.35 of the Listings Requirements, the acquisition of Viable Assets must be approved by a majority of disinterested Directors and the majority of the Shareholders at a general meeting.
- 3.6.2 In the event that not all of the capital raised from the Private Placement is utilised for purposes of the acquisition of Viable Assets, Shareholders will be requested to approve a further resolution at the same general meeting dealing with the further use and retention of Residual Capital after the acquisition of Viable Assets has been approved.
- 3.6.3 In terms of the Listings Requirements, subsequent to the completion of the acquisition of Viable Assets, Hulisani will be required to meet the criteria for a listing on the Main Board. Once so listed, the Company will be subject to the Listings Requirements in all respects.

Failure to meet those criteria once the acquisition of Viable Assets has been completed will result in the Company being delisted by the JSE.

- 3.6.4 In terms of the Listings Requirements and subject to any extension granted by the JSE, should the Company not complete an acquisition of Viable Assets within the Initial Period of the Listing Date, the JSE will suspend its Listing on the Main Board. The JSE will proceed to delist the Company once the Company has:
- 3.6.4.1 completed a distribution of the funds held in escrow by the Escrow Account Holder, less outstanding operating expenses, within 60 calendar days after the expiry of the Initial Period, to all Shareholders *pro rata* to their shareholdings. Such distribution must comply with the solvency and liquidity test as required pursuant to the Companies Act. All interest earned in escrow will form part of the distribution, excluding any taxes and expenses relating to the distribution and anticipated voluntary liquidation; and
- 3.6.4.2 proposed a special resolution to Shareholders, and same having been adopted by the requisite number of Shareholders, for the voluntary liquidation of the Company.
- 3.6.5 In terms of the Listings Requirements, the JSE may permit the Company prior to the completion of a Viable Asset to raise additional capital for the acquisition of further assets by issuing further Shares provided that it is part of a rights offer or Shareholders have granted approval thereof in accordance with the Listings Requirements. Any funds raised must be paid into the Escrow Account.

4. DIRECTORS

4.1 Details of Directors

The full names, ages and designations of the Directors are set out below:

Name	Age	Designation
Malungelo Headman Zilimbola	45	Chief Executive Officer
Marubini Eugene Raphulu	41	Chief Investment Officer
Mark Adrian Booyesen	54	Chief Financial Officer
Patilizwe Caswell Mdoda	60	Independent Non-executive Chairperson
Harald Schaaf	65	Independent Non-executive Director
Fhedzisani Minute Modau	39	Independent Non-executive Director
Asanda Vuyolwethu Notshe	34	Non-executive Director
Dudu Rosemary Hlatshwayo	52	Independent Non-executive Director
Noluthando Primrose Gosa	53	Independent Non-executive Director

With the exception of Harald Schaaf, who is German, all Directors are South African citizens.

4.2 Experience of Directors

The qualifications, business addresses, functions in the Company and background of the Directors as at the last Practicable Date are set out below:

Marubini Eugene Raphulu (41)

Qualifications:	BProc and LLB (UKZN); LLM (tax) (University of the Witwatersrand)
Business address:	11th Floor, Sandton Eye, 126 West Street, Corner Rivonia, Sandton, 2196
Function and committees:	Chief Investment Officer

Background:

Marubini is a former Investment Banker specialising in deal origination, mergers and acquisitions; restructuring, private equity; corporatisation; project finance and regulatory compliance. He has over 15 years corporate commercial experience, having been involved in providing advice to a number of public and private companies, parastatals and government departments. Marubini has extensive contacts and deal-making experience in the energy sector in South Africa and the rest of Africa. His experience in the energy sector ranges from solar photovoltaic, concentrated solar power, wind, coal and gas. Marubini is involved in various projects each in different stages of development.

Marubini was admitted as an attorney in 2002. He served his articles at Werksmans, gaining experience in insolvency litigation and commercial law. He was an Associate Director at Sonnenberg Hoffmann Galombik, and a Director at AloeCap Corporate Advisors where he was an advisor on corporate finance and due diligence, as well as assessing the viability of investment opportunities. At Nedbank Capital during 2008, Marubini served as a Senior Principal in the Investment Banking Division.

Marubini left Nedbank Capital to start Medupi Capital Proprietary Limited (Medupi Capital) which is a shareholder in various energy companies and through a collaboration model is focused on Principal Investments and Advisory in the Renewable Energy Sector. The focus of Medupi Capital is on development of industries involved in the energy sector, participation in engineering, procurement and construction (EPC) and operations and maintenance (O&M), as well as investment in developing farms.

Mark Adrian Booysen (54)

Qualifications: BCom and BAcc (University of the Witwatersrand)

Business address: 30 Tonquani Estate, Hiskett Road, Magaliessig

Function and committees: Chief Financial Officer

Background:

Mark is a qualified CA(SA) who completed his articles with Price Waterhouse. Following completion of his articles, Mark developed a strong career in the banking sector, initially with Allied Bank and then with Rand Merchant Bank, Barclays Bank Plc and First National Bank. He has since gained further experience in the specialised investment area. Mark has a very strong understanding of corporate, investment and private banking products and functions and is particularly strong in the specialised structured and corporate finance solutions. He has strong knowledge of local and African banking environments. He has excellent relationship management skills and enjoys interacting with clients. This is coupled with exceptional leadership skills. Mark has served on FirstRand's Enterprise Development Investment Committee as member to determine the fund's investment into various enterprise development opportunities as presented by Edge Growth Fund Managers.

Patilizwe Caswell Mdoda (60)

Qualifications: BCom (University of Transkei); MBA (University of Natal); Certificate in International Relations (Indian Foreign Ministry, New Delhi, India)

Business address: 29 Arlington Road, Bryanston, 2021

Function and committees: Independent Non-executive Chairperson; member of Remuneration Committee, member of Social and Ethics Committee

Background:

Pat is a seasoned executive who served at executive level in various blue chip companies. He has held executive positions at South African Breweries, Edgars Consolidated Group (Edcon) and Kumba Resources Limited (Kumba Resources). He also served as a member of the South African Petroleum Industry Association (SAPIA) Board of Governors. Most importantly, however, has been his contribution in the growth of Royale Energy as a board member and chairman of the Group. He has participated in the deal structuring and fundraising for the transaction that turned Royale into a multi-billion rand revenue company before exiting and selling his PYUTAZ Family Trust equity as part of the sale of the Company to Popcru.

Pat has a strong understanding of the empowerment field having been part of the committee that selected the participants in the Kumba Resources transaction that gave birth to Exxaro Resources Limited. He has extensive networks interfacing at senior level in both government and with captains of industry.

The founder and former chairman of Royale Energy Group, Pat holds a BCom from the University of Transkei, an MBA from University of Natal and a Certificate in International Relations from Indian Foreign Ministry.

Harald Schaaf (65)

Qualifications:	Master of Science at Fachhochschule Osnabrück (Dipl. Ing. FH – Material Science); Programme for Executive Development (PED) at IMD Lausanne)
Business address:	9th Floor, Convention Tower, Heerengracht, Foreshore, Cape Town, 8001
Function and committees:	Independent Non-executive Director; member of Audit and Risk Committee, member and chairman of Remuneration Committee

Background:

Harald studied Electrical and Mechanical Engineering and Material Science at the Higher Technical College (Fachhochschule) and thereafter obtained a Master of Science at Fachhochschule Osnabrück (Dipl. Ing. FH – Material Science). He went on to complete a Programme for Executive Development (PED) at IMD Lausanne.

Harald spent over 25 years in the employ of Lahmeyr International GmbH and UCI Utility Consultants International in project management roles leading a diverse range of energy projects across various continents.

Harald is currently the South African director for E.ON Technologies GmbH. His previous roles at the E.ON included Technical Project Manager in the development of 800MW coal-fired power station convoy including Kingsnorth Units 5&6 in Germany and the United Kingdom (UK); Technical Co-ordinator EKW Cost Cutting Convoy 4 x 1100MW in Germany and the Netherlands as well as General Project Manager on two 800MW including CCS in Germany and the UK.

Fhedzisani Minute Modau (39)

Qualifications:	BSc (Electrical) (University of Natal); MBA (University of Pretoria, Gordon Institute of Business Science)
Business address:	137 Bellairs Drive, Northriding, Randburg, 2169
Function and committees:	Independent Non-executive Director, member and chairman of Audit and Risk Committee

Background: Fhedzisani completed his Bachelor of Science (BSc) Electrical Engineering degree with the University of KwaZulu-Natal and his Master of Business Administration (MBA) degree with the University of Pretoria (UP) – Gordon Institute of Business Science (GIBS). He is a registered Professional Engineer (Pr Eng) with the Engineering Council of South Africa (ECSA) with more than 14 years of experience in the Engineering Sector particularly, in the oil, gas and power sectors.

Fhedzisani worked at Eskom (South African electricity public utility) for eight years and spent two years with PPA Energy (energy and management consulting company based in United Kingdom), and another three years with Sasol Limited (an international integrated energy and chemicals company). During this period, he worked in a number of countries outside South Africa, including amongst others, Botswana, Ethiopia, France, Germany, Mozambique, Nepal, Poland, Rwanda, Tanzania, Thailand, Uganda, United Kingdom (UK), United States (US) and Zimbabwe. Fhedzisani is currently a consultant at Mothee Consulting.

Fhedzisani has written published work in the Institute of Electrical and Electronics Engineers (IEEE) Transactions of Power Systems and the South African Journal of Human Resource Management and was also a part-time lecturer in 2006 for Bachelor of Technology (B Tech) at University of Johannesburg (UJ).

Asanda Vuyolwethu Notshe (34)

Qualifications:	BBusSci (UCT), FIA, FASSA
Business address:	11th Floor, Sandton Eye, 126 West Street, Corner Rivonia, Sandton, 2196
Function and committees:	Non-executive Director

Background: Asanda has 11 years of financial services experience having begun his career as an actuarial analyst at Alexander Forbes. He worked in the retirement funds division where he was responsible for actuarial valuations and retirement fund consulting. He then moved to RMB Private Bank where he was a business analyst. In 2008 he moved to Stanlib where he was part of the product development team and was later appointed as head of product development. His responsibilities included client liaison for key institutional clients. Asanda joined Mazi Capital Proprietary Limited in January 2010 as a research analyst and portfolio manager.

Asanda holds a Bachelor of Business Science in Actuarial Science from the University of Cape Town and is a Fellow of the Institute of Actuaries and The Actuarial Society of South Africa.

Malungelo Headman Zilimbola (45)

Qualifications: BSc (Hons) Quantity Surveying, BCom (Hons) Finance
Business address: 11th Floor, Sandton Eye, 126 West Street, Corner Rivonia, Sandton, 2196
Function and committees: Chief Executive Officer

Background: Malungelo is the founder of Mazi Capital Proprietary Limited. He has 14 years of investment management experience. Malungelo started his career as a quantity surveyor before moving to investment management. He spent three years at Investec Asset Management as a research analyst where he managed a number of property funds in the order of R3 billion. He later joined RMB Asset Management as an executive director and senior portfolio manager, managing specialist equity funds in excess of R60 billion. Malungelo was also involved in the development of a Pan-African business strategy for the Company. He left RMB to establish Mazi Capital Proprietary Limited in 2006.

Malungelo completed both his honours degree in Quantity Surveying and Finance, at the University of Cape Town.

Noluthando Primrose Gosa (53)

Qualifications: BSocSci (Hons), MBA
Business address: 8 Piazza Toscana, 17 East Road, Morningside, 2197
Function and committees: Independent Non-executive Director, member of Audit and Risk Committee; member of the Social and Ethics Committee.

Background: Noluthando is a former investment banker turned entrepreneur. She has held directorships in various companies such as Investec Asset Management, AON and Broll Property Group, as well as being appointed as a founding Commissioner of the National Planning Commission.

Noluthando has an MBA for the University of New Brunswick in Canada. She is a member of the Institute of Directors of South Africa and the Business Women's Association.

Dudu Rosemary Hlatshwayo (52)

Qualifications: BA (Hons), MBA
Business address: 127 Kyalami Estate, Kyalami, 1684
Function and committees: Independent Non-executive Director, member and chairwoman of Social and Ethics Committee, member of Remuneration Committee.

Background: Dudu has a solid business management background that spans over 20 years, having been a partner at Ernst & Young, worked as a Director in the Corporate Finance Division of Andisa Capital, a subsidiary of Standard Bank, worked for ABSA Bank as a Product Manager, worked for Transnet as a Group Executive driving the restructuring and Mergers and Acquisitions Portfolio of Transnet, and was employed as a Product Manager at Telkom. Dudu started her own management consulting business, Change EQ, in 2006.

Dudu has skills in Corporate Finance, Business Process Re-engineering, Organisational Design, Corporate Strategy Development and Business Planning, Change Management and Programme and Project management.

4.3 Directors' interest in securities

4.3.1 At the Last Practicable Date, the Directors, through their associates, Pentomore and Zelmaro indirectly, held 20 Shares in the Company being 100% of the issued share capital of the Company.

4.3.2 It is anticipated that as at the Listing Date, the Directors (being ME Raphulu, PC Madoda and MH Zilimbola) listed below will, directly or indirectly, hold an aggregate beneficial interest in 2 500 020 Shares in Hulisani representing 5% of the total issued share capital of the Company as set out in the table below:

Director	Direct beneficial	Indirect beneficial	Total number of Shares	Total %
ME Raphulu	–	1 340 010 ¹	1 340 010	2.68
MA Booysen	–	–	–	–
PC Mdoda	500 000	–	500 000	1
H Schaaf	–	–	–	–
FM Modau	–	–	–	–
AV Notshe	–	–	–	–
MH Zilimbola	660 000	10 ²	660 010	1.32
NP Gosa	–	–	–	–
DR Hlatshwayo	–	–	–	–
Total	2 500 000	20	2 500 020	5

Notes:

1. Held through Pentomore.
2. Held through Zelmaro.
3. Other than as disclosed in paragraph 5.2.2 below, there has been no change to the interests of directors since the end of the preceding financial year and the Last Practicable Date.

4.3.3 The Directors' interests in securities which are set out in the table above were subscribed for by each of the abovementioned Directors at the Offer Price in terms of the Private Placement ("**Directors' Shares**") and are held in custody by the Custodian in accordance with the Listings Requirements, as envisaged below.

4.3.4 The holding of the Directors' Shares in custody by the Custodian is governed by the terms of the Custody Agreement entered into by each of the said Directors and the Custodian. In terms of the Custody Agreement, amongst other things:

- 4.3.4.1 the Custodian shall hold the Directors' Shares in custody until the expiry of the Custodial Period;
- 4.3.4.2 the said Directors and the Custodian shall not be entitled to dispose of the Directors' Shares for the duration of the Custodial Period; and
- 4.3.4.3 the Custodian shall have no right, title or interest in respect of the Directors' Shares, including voting rights and the right to dividends and distributions, which rights shall remain with the said Directors.

4.4 Directors' interest in transactions

None of the Directors have had any beneficial interest, either directly or indirectly, in any transactions effected by the Company during the current or preceding financial year or during any earlier financial year which remains unperformed in any respect. It being noted that Company was only recently incorporated.

4.5 Directors' appointment, remuneration and service contracts

4.5.1 The Company has signed letters of appointment with each Director referred to on pages 14 to 18 of this Pre-Listing Statement, in terms of which, among other things, each such Director has agreed to serve as a Director of the Company. The salient terms of the letters of appointment are set out in Annexure B of this Pre-Listing Statement.

- 4.5.2 In addition, the Company has entered into service contracts with each executive Director. The salient terms of these service contracts are also set out in Annexure B of this Pre-Listing Statement.
- 4.5.3 Until such time as the Company has Completed an acquisition of Viable Assets, each non-executive Director will receive a fee of R20 000 per directors' meeting attended for services rendered to the Company. This amount has been reviewed by the Remuneration Committee and any changes thereto will be proposed at the Company's first annual general meeting. The remuneration of executive directors will not vary upon the completion of a Viable Asset.
- 4.5.4 Each Director named on pages 14 to 18 of this Pre-Listing Statement will hold office until the first annual general meeting of the Company post implementation of the Listing, at which annual general meeting each such director will retire by rotation in accordance with the terms of the MOI and make himself or herself available for re-election.
- 4.5.5 A summary of the provisions of the MOI relating to the qualification and remuneration of Directors, any power (and any restriction thereto) enabling the Directors to vote on remuneration to themselves or any member of the Board, and the retirement of Directors is set out in Annexure C of this Pre-Listing Statement.
- 4.5.6 No remuneration was paid to Directors prior to the Listing Date. No remuneration was paid to Directors for the financial year ended 29 February 2016.
- 4.5.7 None of the Directors have received remuneration for any management, consulting, technical or other fees directly or indirectly, including payments to management companies, a part of which is paid to a director. No director has received any other material benefits, contributions under any pension scheme, and commission, gain or profit share, any share options, any shares in terms of a share purchase or option agreement from the Company or its associates.

4.6 **Directors' declaration**

Each Director has confirmed that he has not been involved in, and is not subject to, any:

- bankruptcies, insolvencies or individual voluntary compromise arrangement;
- any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of section 129(7) of the Companies Act, receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements, or any compromise or arrangement with creditors generally or any class of creditors of any company where the Director is or was a director with an executive function at the time of any such event or within the preceding 12 months;
- compulsory liquidations, administrations, partnership voluntary arrangements of any partnership where the individual was a partner at the time of such arrangements or within the preceding 12 months;
- receiverships of any asset/s of such person or of a partnership of which the individual is or was a partner at the time thereof or within the preceding 12 months;
- public criticism by statutory or regulatory authorities (including recognised professional bodies) or disqualified by a court from acting as a director or in the management or conduct of the affairs of any company;
- offence involving dishonesty;
- removal from an office of trust, on the grounds of misconduct and involving dishonesty; or
- order granted by court declaring the person delinquent or placing the person under probation in terms of section 162 of the Companies Act and/or section 47 of the Close Corporations Act, No. 69 of 1984, or disqualification by a court to act as a director in terms of section 69 of the Companies Act.

Borrowing Powers of the Company Exercisable by the Directors

- 4.6.1 Until such time as the Company Completes an acquisition of Viable Assets, its borrowing powers will be limited by the Listings Requirements applicable to the borrowing powers of SPACs. In this regard, paragraph 4.39 of the Listings Requirements states that a SPAC will not be permitted to obtain any form of debt financing (excluding those of short-term trade or accounts payable used in the ordinary course of business to settle any operating expenses), except to facilitate the acquisition of Viable Assets.
- 4.6.2 Save as provided in paragraph 4.7.1 above, the Company's borrowing powers exercisable by the Directors are unlimited. Once the Company has completed an acquisition of Viable Assets, the borrowing powers of the Company exercisable by the Directors will be unlimited.
- 4.6.3 The borrowing powers have not been exceeded since the date of incorporation of the Company.

4.7 Interests of Directors and Promoters

- 4.7.1 Save as contemplated in paragraph 4.3 of this Pre-Listing Statement, no Director or promoter has a material beneficial interest, direct or indirect, in the promotion of the Company.
- 4.7.2 Save as contemplated in paragraph 4.5 of this Pre-Listing Statement, no sums have been paid, or agreed to be paid to any Director or to any company in which he is beneficially interested, directly or indirectly, or of which he is a director ("**Associated Company**") or to any partnership, syndicate or other association of which he is a member ("**Associated Entity**"), in cash, securities or otherwise, by any person, either to induce him to become, or to qualify him as a Director or otherwise for services rendered by him or by the associated company or the associated entity in connection with the promotion or formation of the Company.

5. SHARE CAPITAL OF THE COMPANY

5.1 Share capital on Listing

- 5.1.1 Authorised and Issued Shares of the Company

Prior to the Private Placement

The authorised and issued share capital of the Company immediately prior to the Private Placement will be as set out in the table below:

	R'000
Authorised	
1 000 000 000 ordinary shares of no par value	–
Issued	
20 ordinary shares of no par value	0.2

The total amount of the stated capital of the Company immediately prior to the Private Placement will be R200.

- 5.1.2 The Company has raised the Minimum Capital Amount. Accordingly, the authorised and issued share capital of the Company immediately after the Private Placement will be as follows:

	R'000
Authorised	
1 000 000 000 ordinary shares of no par value	–
Issued	
50 000 020	500 000
Stated capital	500 000

No Shares are held in treasury.

Changes to the authorised and issued share capital of the Company

- 5.1.3 On incorporation, the Company's authorised share capital comprised 1 000 000 000 ordinary shares of no par value.
- 5.1.4 On 12 November 2015, the Company issued 10 ordinary shares at a subscription price of R10.00 per share to Pentomore and 10 ordinary shares at a subscription price of R10.00 per share to Zelmaro.
- 5.1.5 A resolution was passed by shareholders of the Company authorising the Company to issue up to 250 000 000 Shares at an issue price of R10 per share.

5.2 Major and controlling shareholders

- 5.2.1 As at the Last Practicable Date, the Company's controlling shareholders were Zelmaro and Pentomore. As at the listing date, the controlling shareholder will be the Government Employees Pension Fund.
- 5.2.2 As at the Listing Date, those Shareholders who directly and indirectly, pursuant to the Private Placement will hold more than 5% of the issued share capital of the Company are set out below:

Shareholder	Number of shares	Percentage shareholding (%)
Government Employees Pension Funds	25 000 000	50
Total	25 000 000	50

5.3 Rights Attaching to Shares

Each Ordinary Share entitles the holder thereof, subject to any preferences, rights or other share terms of any class of shares ranking prior to the Ordinary Shares:

- 5.3.1 to vote on any matter to be decided by shareholders in accordance with the Companies Act and the MOI;
- 5.3.2 to receive any distribution in accordance with the holder's voting power;
- 5.3.3 on a liquidation of the Company, to receive the net assets of the Company in accordance with the holder's voting power; and
- 5.3.4 to all of the preferences, rights or other terms set out in the Companies Act or the MOI.

5.4 Variation of Rights

The provisions of the MOI relating to the variation of rights attaching to the Ordinary Shares are set out in Annexure C of this Pre-Listing Statement.

Preferential Conversion and/or Exchange Rights

There are no preferential conversion and/or exchange rights in respect of any Ordinary Shares.

5.5 Other Listings

Other than the listing of the Company's total issued share capital pursuant to the Private Placement, no securities of the Company are listed on any stock exchange.

FINANCIAL INFORMATION

5.6 Listing Expenses

The total estimated costs of the Listing, which amount to approximately R3 million excluding VAT, are detailed in the table below:

Nature of the cost	2016 R'000
Company's Attorneys	1 000
Circular Fee	500
Sponsor Fee (PSG)	950
JSE documentation fees	34
JSE listing fee	182
Printing, publication and distribution	100
Other	234
Total	3 000

5.7 Permissible Operating Expenses

5.7.1 The estimated operating expenses that will be incurred by the Company for the periods ending 28 February 2017 and 28 February 2018 are as follows:

Nature of the cost	2017 R'000	2018 R'000
Listing costs	3 000	–
Annual listing fees	200	200
Legal fees	1 500	1 500
PSG (ongoing Sponsor fees)	150	160
Company secretary	100	100
Auditors	300	300
Rental	1 400	1 600
Travel	500	500
Salaries	4 000	4 400
Costs associated with acquisitions	2 000	4 000
Directors' fees	600	800
Other running costs	1 000	1 000
Total	14 750	14 560

5.7.2 The Permissible Operating Expenses, which will be paid from the proceeds of the Private Placement, have been estimated based on what the Board believes to be an accurate representation of costs associated with the running of an office whose purpose is to identify investment opportunities and acquire of Viable Assets. Primary costs will be those associated with basic expenses such as travel, Directors' fees and the acquisition costs related to Viable Assets.

5.7.3 In accordance with the Listings Requirements, the Company may not exceed the estimated operating expenses unless a resolution is passed at a meeting of Shareholders by achieving a 75% majority of the votes cast to that effect.

5.8 Commissions and Fees Paid and Payable

Since the date of incorporation of the Company:

- other than those amounts reflected in paragraphs 6.1 and 6.2 above, no amounts have been paid to any promoter, partnership, syndicate or other association;
- no Director, or any partnership, syndicate or any other association of which he is a member, or any of his associates, has been paid to induce him, or qualify him to become a Director, or for the promotion of the Company; and
- no commissions, discounts or brokerages were paid, or any special terms granted, to any person in connection with the issue of any Shares.

5.9 Loans

5.9.1 **Material Loans Made to the Company**

As at the Last Practicable Date, no material loans have been made to the Company. Thus, no loan capital is outstanding.

5.9.2 **Material Loans Made or Security Furnished by the Company**

No loans have been made, and no security has been furnished, by the Company (including to or for the benefit of any Director or manager or any associate of any Director or manager of the Company).

5.9.3 **Debentures**

No debentures have been created in terms of a trust deed. No debentures or debenture stock have been issued by the Company.

5.9.4 **Material Commitments, Lease Payments and Contingent Liabilities**

The Company has no material commitments, lease payments or contingent liabilities.

5.9.5 **Inter-Company Financial and Other Transactions**

5.9.5.1 The Company has not entered into any inter-company financial and other transactions. The Company does not, and on the Listing Date will not, have any subsidiaries.

5.9.6 **Historical Financial Information**

5.9.6.1 The historical financial information of Hulisani at the date of incorporation, being 13 October 2015 is presented in Annexure E and is the responsibility of the Directors.

5.9.6.2 The independent reporting accountants' report on historical financial information of Hulisani appears in Annexure F to this Circular.

5.10 Working Capital

The Directors are of the opinion that, for a period of 12 months after the date of this Pre-Listing Statement:

5.10.1 the Company will be able to pay its debts in the ordinary course of business;

5.10.2 the assets of the Company will exceed the liabilities of the Company;

5.10.3 the share capital and reserves of the Company will be adequate for ordinary business purposes; and

5.10.4 the working capital of the Company will be adequate for ordinary business purposes.

6. MATERIAL CONTRACTS

6.1 Save for the Escrow Agreement contemplated in paragraph 7.2 below, as at the Last Practicable Date, the Company has not entered into any material contracts, including a restrictive funding arrangement and/or a contract entered into (whether verbally or in writing) otherwise than in the ordinary course of business carried on, or proposed to be carried on, by the Company within two years prior to the Last Practicable Date, or entered into at any time and containing an obligation or settlement that is material to it.

6.2 The salient terms of the Escrow Agreement, are set out below:

6.2.1 The Listing Proceeds will be deposited by the Company, by electronic transfer, directly into the Escrow Account and the Escrow Account Holder shall hold same on behalf of the Company for disbursement in accordance with the terms of the Escrow Agreement. The interest on the Listing Proceeds in escrow will accrue in favour of the Company and accumulate in escrow.

- 6.2.2 The Escrow Amount shall be held by the Escrow Account Holder on the basis that the Escrow Amount or part thereof may only be released by the Escrow Agent into the Company's bank account during the Initial Period upon receipt by the Escrow Agent of a release instruction from the Board.
- 6.2.3 Each of the Escrow Agent and the Escrow Account Holder (each a Resigning Agent) may resign from its position and be discharged from its duties under the Escrow Agreement by delivering written notice to the Company. In such event, the Company will then take all necessary steps to novate the Escrow Agreement to the replacement of the Resigning Agent (in the case of the Escrow Agent only) or enter into a new escrow agreement with such replacement agent, and, the Escrow Account Holder will transfer to the Company the Escrow Amount together with any interest accrued thereon, by way of electronic transfer, directly into the Company's bank account for reinvestment into the bank account of the firm of attorneys, bank and/or financial institution acting as the replacement Resigning Agent.

7. ADDITIONAL INFORMATION

7.1 Corporate Governance

Being listed on the JSE, the Company and the Directors will be subject to the corporate governance and financial reporting requirements contemplated by the Listings Requirements and the King Code. The Company's corporate governance report is set out in Annexure D.

The Directors are committed to maintaining a high level of corporate governance throughout the Company. Effective corporate governance is central to ensuring that management and the Board lead the Company in a way that is efficient, accountable, transparent and ethical.

7.2 Property Acquired or to be Acquired or Disposed

The Company has neither made any material acquisitions nor disposed of any material property since its incorporation.

7.3 Management Contracts

Save in respect of the appointment of the Company Secretary, neither the business of the Company nor any part thereof, is managed or is proposed to be managed by a third party under a contract.

7.4 Royalties

No royalties or other items of a similar nature are payable by the Company to any person.

7.5 Material Changes

There has not been any material change in the object, nature of the business or the financial or trading position of the Company since its incorporation. There has been no change to the trading objects of the Company since its incorporation.

The Directors have confirmed that as at the Last Practicable Date the only assets of the Company is R200 which was received as the subscription price for the issue of 20 ordinary shares. Furthermore the Company, as at the Last Practicable Date, has no liabilities.

Prospects

Given the nature of the Company, there are no business activities about which the Board can comment. The Board, however, believes that the prospects of the Company in identifying a suitable target and completing an acquisition of Viable Assets within the Initial Period are favourable.

7.6 Principal Immovable Properties

The Company does not own or hire any immovable property.

7.7 Details of Government Protection and Investment Encouragement Law

There is no government protection or investment encouragement law affecting the current business of the Company.

8. EXCHANGE CONTROL

The following is a general summary of the South African exchange control implications relevant to the Private Placement. The summary is intended as a guide only and is therefore not comprehensive. Investors should at all relevant times consult their professional advisors to determine the exchange control implications for them in relation to the Private Placement, given their facts and circumstances. Please note that the Company is not responsible for obtaining any exchange control consents or approvals that any applicant might need in order to subscribe for Ordinary Shares pursuant to the Private Placement.

8.1 Exchange Controls Applicable to the Listing – Emigrants from the Common Monetary Area

A former resident of the Common Monetary Area who has emigrated from South Africa may use emigrant blocked Rand accounts (in terms of the Excon Rules) to acquire Offer Shares. All payments in respect of subscriptions for or purchases of Offer Shares by non-residents using emigrant blocked Rands must be made through an Authorised Dealer controlling the blocked assets.

Offer Shares acquired with emigrant blocked Rands will be credited to the emigrant's blocked share account at the CSDP controlling their blocked portfolios and will be annotated "non-resident".

Shares subsequently rematerialised and issued in certificated form will be endorsed "non-resident" in accordance with the Excon Rules. Share certificates will be placed under the control of the Authorised Dealer through whom the payment for the Offer Shares was made.

If applicable, refund monies payable in respect of unsuccessful applications for Shares pursuant to this Pre-Listing Statement, emanating from emigrant blocked Rand accounts will be returned, under the Excon Rules, to the Authorised Dealer administering such emigrant blocked Rand accounts for the credit of such applicants' blocked Rand accounts.

8.2 Exchange Controls Applicable to the Private Placement – Applicants Resident Outside the Common Monetary Area

In respect of persons resident outside the Common Monetary Area (including an emigrant not using emigrant blocked Rands) who are applying for Offer Shares pursuant to this Pre-Listing Statement; there are no restrictions similar to those placed on emigrants using emigrant blocked Rands.

All non-resident holders of Dematerialised Ordinary Shares will have their Ordinary Shares credited to an electronic share account at their CSDP or broker and will have the account annotated "non-resident" and their statements issued by the CSDP or broker endorsed "non-resident".

The appointed CSDP or broker is responsible for ensuring compliance with the Excon Rules.

9. LITIGATION STATEMENT

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened of which the Company is aware that may have or have had in the last 12 months a material effect on the Company's financial position.

REPRESENTATION AND WAIVER

9.1 Any person applying for or accepting an offer of Offer Shares shall be deemed to have represented to the Company that a copy of this document was specifically addressed and delivered to, and was in the possession of, such person, and that such person will make payment of the Offer Price and implement the Private Placement in respect of such applicant in accordance with its terms.

9.2 Any person applying for or accepting an offer of Offer Shares shall be deemed to have represented to the Company that it has done so in accordance with the applicable law, including in respect of South Africa, where any person applying for or accepting an offer of Offer Shares shall be deemed to have represented that they are a person falling within one of the specified categories listed in section 96(1)(a) of the Companies Act.

9.3 Any person applying for or accepting an offer of Offer Shares shall be deemed to have waived any requirement on the Founders, together or separately, to make a mandatory offer in terms of section 123 of the Companies Act. The Takeover Regulation Panel has granted a dispensation from the requirement to include a fair and reasonable opinion in this Pre-Listing Statement in relation to such waiver in terms of Regulation 86 of the Companies Regulations, 2011

10. **ADVISORS' CONSENTS**

The parties referred to in the Corporate Information section on page 1 of this Pre-Listing Statement have consented in writing to act in the capacities stated and to their names being stated in this Pre-Listing Statement and, in the case of the auditors, independent reporting accountants, have consented to the reference to their reports in the form and context in which they appear, and have not withdrawn their consents prior to the publication of this Pre-Listing Statement.

11. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors, whose names are given on page 8 of this Pre-Listing Statement, collectively and individually accept full responsibility for the accuracy of the information provided in this Pre-Listing Statement and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Pre-Listing Statement contains all information required by the Listings Requirements.

12. **DOCUMENTS AVAILABLE FOR INSPECTION**

Certified copies of the following documents will be available for inspection at the Company's registered office and the offices of the Transaction Sponsor and the Transfer Secretaries at their respective addresses set out in the "Corporate Information and Advisors" section of this Pre-Listing Statement from the date of this Pre-Listing Statement until the Listing Date:

12.1 the MOI;

12.2 the signed Pre-listing Statement;

12.3 the Escrow Agreement;

12.4 the written consents of advisors; and

12.5 the letters of appointment of the non-executive Directors and the service contracts of the executive Directors.

By order of the Board
Marubini Raphulu
Chief Investment Officer

SIGNED AT SANDTON ON 31 MARCH 2016 ON BEHALF OF ALL THE DIRECTORS OF THE COMPANY

Registered office

11th Floor, Sandton Eye
126 West Street
Corner Rivonia
Sandton, 2196
(PO Box 784583, Sandton, 2146)

OTHER DIRECTORSHIPS

The names of all companies and partnerships of which each Director referred to on pages 28 to 31 of this Pre-Listing Statement has been a director or partner at any time in the five years prior to the Last Practicable Date (indicating whether or not the Director is still a director or partner and excluding subsidiaries of any such company of which he is also a director) are set out below:

Marubini Eugene Raphulu

Name of Company	Designation	Active/Not Active	Nature of Company
Medupi Capital Proprietary Limited	Executive Director	Active	Investment Company
Kukhanya Energy Services Proprietary Limited	Non-Executive Director	Active	Rural Electrification Company
Total Mulilo Solar PV Prieska Proprietary Limited	Non-Executive Director	Active	Solar power production – IPP
Mulilo Group Holdings Proprietary Limited	Non-Executive Director	Active	Renewable Energy Developer and IPP
Calulo Renewable Energy Holdings Proprietary Limited	Non-Executive Director	Active	Renewable Energy investor and IPP
Telegystix Proprietary Limited	Non-Executive Director	Active	Renewable Energy investor and IPP
Andisol Proprietary Limited	Non-Executive Director	Active	Renewable Energy investor and IPP

Mark Adrian Booysen

Name of Company	Designation	Active/Not Active	Nature of Company
LemaSA Investments Proprietary Limited	Executive Director	Active	Corporate Finance Consultancy
TingaWeb Proprietary Limited	Executive Director	Active	High Court appointed Administrator of Sectional Title Body Corporates
RUC Hospitality Company Proprietary Limited	Non-Executive Director	Active	Rosebank Union Church's Coffee shop that operates on the premises of the Church
BR Capital Proprietary Limited	Non-Executive Director	Not Active	Company raises capital for entities in Business Rescue – Dormant
Madaluka Proprietary Limited	Non-Executive Director	Not Active	Investment Holding Company – Dormant

Patilizwe Caswell Mdoda

Name of Company	Designation	Active/Not Active	Nature of Company
Royale Energy Proprietary Limited	Non-Executive Director	Active	Oil company trading in petrochemical products
Buchule Technologies Investments Proprietary Limited	Non-Executive Director	Active	Family investment company
Moepi Mining Proprietary Limited	Non-Executive Director	Active	Mining investment company
Moepi Mining SPV Proprietary Limited	Non-Executive Director	Active	Mining investment company
Royale Energy International Proprietary Limited	Non-Executive Director	Not Active	Petrochemical company

Patilizwe Caswell Mdoda			
Name of Company	Designation	Active/Not Active	Nature of Company
Royale Energy Africa Proprietary Limited	Non-Executive Director	Not Active	Petrochemical company
Umtutu Coal Proprietary Limited (Dormant)	Non-Executive Director	Not Active	Mining company (Not operational)
Mantrasco Lephalele Proprietary Limited	Non-Executive Director	Not Active	Transport company
Alizay Properties 31 Proprietary Limited (Dormant)	Non-Executive Director	Not Active	Property company
8 Mile Investments 562 Proprietary Limited	Non-Executive Director	Not Active	Mining company
Herald Schaaf			
Name of Company	Designation	Active/Not Active	Nature of Company
none			
Fhedzisani Minute Modau			
Name of Company	Designation	Active/Not Active	Nature of Company
Mothee Consulting Proprietary Limited	Director	Active	Engineering, design and manufacturing
Maru Engineering Proprietary Limited	Director	Not active	Engineering, design and manufacturing
Asanda Vuyolwethu Notshee			
Name of Company	Designation	Active/Not Active	Nature of Company
Mazi Holdings Proprietary Limited	Director	Active	Holding company
Mazi Asset Management Proprietary Limited	Director	Active	Fund Management
Nguni Asset Management Proprietary Limited	Director	Active	Investment company
Mazi Managing Partner 2 Proprietary Limited	Director	Active	Investment company
Nibira Proprietary Limited	Director	Active	Energy company
Unorox Proprietary Limited	Director	Active	Holding company
Human Interest	Director	Active	Investment company
Milani Transport Services CC	Director	Active	Transport company
Malungelo Headman Zilimbola			
Name of Company	Designation	Active/Not Active	Nature of Company
Mazi Capital Proprietary Limited	Director	Active	Fund Management
Momentum Ability Limited	Director	Active	Investment company
Momentum Structured Insurance Limited	Director	Active	Insurance
Momentum Alternative Insurance Limited	Director	Active	Insurance
Mazi Managing Partner 1	Director	Active	Investment company
Mazi Managing Partner 2	Director	Active	Investment company
Zili Trading Enterprise Cc	Director	Active	Investment company
Sdindi Kapital Proprietary Limited	Director	Active	Investment company
Unorox Proprietary Limited	Director	Active	Investment company
Nguni Asset Management Proprietary Limited	Director	Active	Investment company

Malungelo Headman Zilimbola

Name of Company	Designation	Active/Not Active	Nature of company
Alexander Forbes Insurance Limited	Director	Active	Insurance
Guardrisk Life Limited	Director	Active	Insurance
Guardrisk Insurance Company Limited	Director	Active	Insurance
Mazi Visio Manco Proprietary Limited	Director	Active	Investment company
Mazi Asset Management Proprietary Limited	Director	Active	Investment company

Dudu Rosemary Hlatshwayo

Name of Company	Designation	Active/Not Active	Nature of Company
Turkey Development Properties	Director	Active	Private Company
Afmetco	Director	Not Active	Private Company
Change Eq	Director	Active	Private Company
Ditaola Technologies	Director	Active	Private Company
Nokubusa Holdings	Director	Active	Private Company
Siyahamba Engineering	Director	Resigned	Engineering Company
Jakavula Invesments	Director	Not Active	Investment Company
Tns Research Surveys	Director	Not Active	Market Research Company
Hr Outsource Streams	Director	Not Active	Private Company
Kapela Investments Holdings	Director	Not Active	Investment Company
Riverbend Trade and Invest 58	Director	Not Active	Private Company
Lanseria International Airport	Director	Active	Airport
Kkr Investments	Director	Active	Investment Company
Land Bank Insurance	Non-Executive Director	Active	Insurance Company
Land Bank Insurance Services SOC Limited	Non-Executive Director	Active	Insurance Company
Lank Bank Life Insurance Company	Non-Executive Director	Active	Insurance Company
Public Investment Corporation	Non-Executive Director	Active	State-Owned Investment Company
Centre For Public Service Innovation	Director	Active	Non-Profit Company
Accurex	Director	Active	Logistics Company
K2014256909 (South Africa)	Director	Active	Private Company
K2014256909	Incorporator	Active	Private Company
Lanseria Holdings	Director	Active	Holding Company
Firm Favourite Investments 5	Director	Active	Investment Company

Noluthando Primrose Gosa

Name of Company	Designation	Active/Not Active	Nature of Company
Uvano Investments	Director	Active	Investment Company
Qacia Procurement Services	Director	Active	Private Company
Broll Retail	Director	Resigned	Property Company
Clidet No 929	Director	Active	Private Company
Aon South Africa	Director	Active	Insurance Company
Joxispex	Director	Active	Private Company
Katleho Comminications	Member	Active	Close Corporation
Manaket Investments	Director	Active	Investment Company
Siyanda Investment Company	Director	Active	Resources Investment Company

Noluthando Primrose Gosa

Name of Company	Designation	Active/Not Active	Nature of Company
Tgisa	Director	Resigned	Private Company
Phalo Women's Investment Holdings	Director	Active	Investment Company
African Revival Energy And Resources	Director	Resigned	Private Company
Akhona Amabamba Women's Investment Holdings	Director	Active	Investment Company
Akhona Amakhosokazi Holdings	Director	Active	Holding Company
Akhona Group Consulting	Director	Active	Consulting Company
Akhona Group Holdings	Incorporator/Director	Active	Holding Company
Akhona Properties	Director	Active	Investment Company
Akhona Resources	Director	Active	Investment Company
Akhona-Broll Properties	Director	Active	Investment Company
Ashbrook Investments 23	Director	Active	Investment Company
Aztolor	Director	Active	Private Company
Blue Haven Trading	Director	Resigned	Private Company
Boitlamo Capital	Director	Resigned	Investment Company
Boitlamo Investments	Director	Resigned	Investment Company
Bpg Mass Appraisals	Director	Resigned	Property Services
Broll Cape	Director	Resigned	Property Services
Broll Eastern Cape	Director	Resigned	Property Services
Broll Facilities Management	Director	Resigned	Property Services
Broll Fm	Director	Resigned	Property Services
Broll Property Management	Director	Resigned	Property Services

DIRECTORS' LETTERS OF APPOINTMENT AND SERVICE CONTRACTS

This annexure sets out the salient terms of the letters of appointment and service contracts with the Directors specified on page 8 of this Pre-Listing Statement.

LETTERS OF APPOINTMENT WITH THE NON-EXECUTIVE DIRECTORS

- **Term**

Each Non-executive Director's appointment will continue until such time as it is terminated as a result of, among other things, the occurrence of any event specified in the MOI for the vacation of office as a Non-executive Director, including, without limitation, retirement by rotation (which includes any requirement to resign at the first annual general meeting of the Company post implementation of the Listing) in accordance with the MOI.

Each Non-executive Director agrees to make himself available for re-election as a Non-executive Director following his retirement at the first annual general meeting of the Company post implementation of the Listing.

A Non-executive Director may resign at any time after the first anniversary of the Listing, thereafter, the notice period to be agreed between the parties.

A Non-executive Director will not be entitled to claim any damages or other compensation for loss of office or the termination of his appointment as a Director.

- **Duties**

Each Non-executive Director will have all the duties usually attendant on that office. In performing his duties and exercising his powers as a Non-executive Director, he is obliged to comply with all statutory and common law duties of a director in general, and with the provisions of the MOI.

- **Directors' Fees and Other Payments**

Non-executive Directors will be paid an amount of R20 000 per meeting attended. This amount has been reviewed by the Remuneration Committee and any changes thereto will be proposed at the Company's first annual general meeting.

- **Indemnity**

The Company indemnifies each Non-executive Director, to the fullest extent permitted in law, against all claims, awards, damages, costs, losses and expenses which may be made against the Non-executive Director, or which the Non-executive Director may incur or become liable to pay, at any time, by reason of any contract entered into, or any act or omission done or omitted to be done by the Non-executive Director, in the discharge of his duties as a Non-executive Director or in his capacity as a Director or as a member of any committee of the Board.

- **Conflicts of Interest**

During each Non-executive Director's period of office, he will not accept, save as may be agreed with the Company in writing, any engagements or instructions from any other person, firm or company which would or might result in a conflict of interest with his appointment.

SERVICE CONTRACTS WITH EXECUTIVE DIRECTORS

The Company has entered into service contracts with each executive Director. In terms of those contracts:

- Malungelo Headman Zilimbola was appointed as the Chief Executive Officer of the Company;
- Mark Adrian Booyesen was appointed as the Chief Financial Officer of the Company; and
- Marubini Eugene Raphulu was appointed as the Chief Investment Officer of the Company.

- **Term**

Save as contemplated below, the employment of each of the executive Directors will continue indefinitely, subject to termination by either the Company or the executive Director on not less than three months' written notice, which may not be given before a period of six months after the Completion by the Company of Viable Assets has expired.

- **Duties**

Amongst other matters, the executive Directors shall during their tenure:

- be responsible for all duties associated with his employment in the position he has been appointed to as well as any other duties that might be assigned to him from time to time or that are related to his duties;
- perform all his duties in a professional manner and to the best of his ability;
- comply with all lawful and reasonable directions and/or instructions given to him from time to time by the Board and with any relevant legislation, regulations and/or statutory or other guidelines, as amended from time to time;
- submit to the Board such information as may reasonably be required from the Executive from time to time in connection with the business of the Company and to prepare or have prepared such report(s) in such form as may be required from the Company with regard to such business;
- use his best endeavours to promote, develop and protect the interests, reputation and goodwill of the Company; and
- devote the whole of his working time, attention and abilities to the discharge of his duties in terms of this Agreement.

- **Expenses**

The Company shall reimburse the executive Directors in respect of reasonable business expenses (including business travel, telephone and accommodation expenses) incurred in the course of performing their duties and obligations in terms of their service contracts with the Company.

- **Other salient terms**

Other salient terms of the executive Directors' service contracts are contained in the comprehensive document which forms part of the documentation available for inspection in compliance with paragraph 7.G.1 of the Listings Requirements.

EXTRACTS OF MEMORANDUM OF INCORPORATION

Extracts from MOI are set out below. A copy of the complete MOI is available for inspection at the Company's registered office.

For the purpose of this Annexure C, "Act" refers to the Companies Act, No. 71 of 2008, as amended, consolidated or re-enacted from time to time and includes all schedules to such Act and the Companies Regulations, 2011. A reference to a section by number refers to the corresponding section of the Act, notwithstanding the renumbering of such section after the date on which the Company is incorporated. A reference to a clause by number refers to a corresponding provision of the MOI. The numbers in the furthest left hand column of the below table refer to the corresponding clause of the MOI.

48. POWERS OF THE COMPANY

Save for those restrictions, limitations and/or qualifications contemplated in the Listings Requirements and this MOI, the Company has all the legal powers and capacity contemplated in the Act, and no provision contained in this MOI should be interpreted or construed as negating, limiting, or restricting those powers in any way whatsoever.

49. AMENDMENT OF THE MOI AND RULES OF THE COMPANY

49.1 This MOI only may be altered or amended:

- (a) in compliance with a court order, in which case the amendment shall be effected by Ordinary Resolution of the Board and it shall not require a Special Resolution as contemplated in sections 16(1)(a) and 16(4);
- (b) at any other time by means of a Special Resolution as contemplated in section 16(1)(c) and this MOI; and
- (c) by the Board (or an individual authorised by the Board) in any manner necessary to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the document by publishing and filing a notice of alteration as contemplated in section 17(1).

49.2 Any change to the name of the Company and any variation to the share capital of the Company in the manner contemplated in article 52.5 shall be effected by way of a Special Resolution.

49.3 The Board's authority to make Rules is hereby excluded.

51. COMPANY'S SUBSIDIARIES

Should the Company at any time hold shares in a subsidiary company, the Company undertakes that:

- 51.1 it will ensure that the provisions of the subsidiary company's memorandum of incorporation does not frustrate the Company in any way from compliance with its obligations in terms of the Listings Requirements; and
- 51.2 nothing contained in the subsidiary company's memorandum of incorporation shall relieve the Company from compliance with the Listings Requirements.

52. SHARES

52.1 The Company is authorised to issue up to 1 000 000 000 Shares.

52.2 No Shares may be authorised in respect of which the preferences, rights, limitations and other terms of any class of shares may be varied in response to any objectively ascertainable external facts as provided for in sections 37(6) and (7) of the Act.

52.3 Alterations of share capital, authorised shares and rights attaching to a class/es of Shares; all issues of Shares for cash and all issues of options and convertible Securities granted or issued for cash must be in accordance with the Listings Requirements.

52.4 The ordinary Shares shall rank *pari passu* in all respects.

52.5 If any amendment of the MOI relates to the variation of any preferences, rights, limitations and other terms attaching to any other class of Shares already in issue, that amendment must not be implemented without a Special Resolution, taken by the holders of Shares in that class at a separate meeting. In such instances, the holders of such Shares may be allowed to vote at the meeting of Shareholders subject to article 30.3. No resolution of Shareholders of the Company shall be proposed or passed, unless a Special Resolution of the holders of the Shares in that class approve the amendment.

9. ISSUE OF UNISSUED SHARES

9.1 The Company may only issue Shares which are fully paid up and freely transferable and only within the classes and to the extent that those Shares have been authorised by or in terms of this MOI.

9.2 The issue of any authorised but unissued shares in the Company must be offered to existing Shareholders *pro rata* to their shareholdings, unless such Securities are to be issued for an acquisition of assets.

9.3 Notwithstanding 9.2 above, the Shareholders in a general meeting may authorise the directors to issue unissued Securities and/or grant options to subscribe for unissued Securities for cash as the directors in their discretion think fit, provided that such corporate action/s has/have been approved by the JSE and are subject to the Listings Requirements.

11. RIGHTS ATTACHING TO SECURITIES

11.1 Each Share issued by the Company has associated with it an irrevocable right of the Shareholder to vote on any proposal to amend the preferences, rights, limitations and other terms associated with that Share.

11.2 Subject to any restriction as to voting to which any Shareholder or Security may be subject, a Shareholder who is present in person or by proxy shall have one vote on a show of hands and on a poll have one vote for each Share held.

11.3 The holders of Securities other than the Shares and any special Shares created for the purposes of BEE in terms of the BEE Act and the BEE Codes, shall not be entitled to vote on any Resolution taken by the Company, save for as permitted by article 11.4. In instances that such Shareholders are permitted to vote at general meeting, their total voting rights may not exceed 24.99% of the total voting rights of all Shareholders at such meeting.

11.4 If the Company at any time creates any listed cumulative and/or listed non-cumulative preference shares in the capital of the Company, such shares shall be subject to the restriction that no further securities ranking in priority to, or *pari passu* with, existing preference shares, of any class, shall be created without special resolution passed at a general meeting of such preference shareholders.

11.5 Subject to the provisions of this sub-article, in terms of Listings Requirement 11.5(c), this MOI provides that holders of preference Shares shall have the right to vote at any general meeting of this Company:

(a) during any special period, as provided for in sub-article (b) below, during which any dividend, any part of any dividend on such preference shares or any redemption payment thereon remains in arrears and unpaid; and/or

(b) in regard to any Resolution proposed for the winding up of this Company or the reduction of its capital; and

(c) the period referred to in sub-article (a) above shall be the period commencing on a date specified by the Board, in their discretion, not being more than six months after the due date of the dividend or redemption payment in question, or where no due date is specified, after the end of the financial year of this Company in respect of which such dividend accrued or such redemption payment became due.

30. VOTES OF SHAREHOLDERS

30.1 Every Shareholder shall be entitled to vote at every general meeting or annual general meeting in person or by proxy.

30.2 Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with this MOI, at a meeting of the Company:

(a) every person present and entitled to exercise voting rights shall be entitled to one vote on a show of hands, irrespective of the number of voting rights that person would otherwise be entitled to exercise; and

- (b) on a poll, any person who is present at the meeting, whether as a Shareholder or as proxy for a Shareholder, has the number of votes determined in accordance with the voting rights associated with the Securities held by that Shareholder.
- 30.3 If any resolution is proposed as contemplated in article 52.5 relating to the variation of any preferences, rights, limitation and other Share terms attaching to any other class of Shares already in issue (**Affected Shares**), the holders of such other class of Shares (**Affected Shareholders**) may be entitled to vote at the meeting of Shareholders as contemplated in article 30.1, provided that:
- (a) such Affected Shares shall not carry any special rights or privileges and the Affected Shareholder shall be entitled to one vote for every Affected Share held in the event of a polled vote, and in the event that voting takes place by a show of hands, the provisions of article 30.2(a) shall apply to votes cast by Affected Shareholders; and
- (b) the total voting rights of the Affected Shareholders in respect of the Affected Shares shall not be more than 24.99% of the total votes (including the votes of the remaining Shareholders) exercisable at that meeting (with any cumulative fraction of a vote in respect of any Affected Shares held by an Affected Shareholder rounded down to the nearest whole number).
- 30.4 Voting shall be conducted by means of a polled vote in respect of any matter to be voted on at a meeting of Shareholders if a demand is made for such a vote by:
- (a) at least five persons having the right to vote on that matter, either as Shareholders or as proxies representing Shareholders, as set out in section 63(7)(a) of the Act; or
- (b) a Shareholder who is, or Shareholders who together are, entitled, as Shareholders or proxies representing Shareholders, to exercise at least 10% of the voting rights entitled to be voted on that matter, as set out in section 63(7)(b) of the Act; or
- (c) the chairperson of the meeting.
- 30.5 The demand for a poll may be withdrawn. If a poll is duly demanded, it shall be taken in such manner as the chairperson directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In computing the majority on the poll, regard shall be had to the number of votes to which each Shareholder is entitled.
- 30.6 In the case of an equality of votes, whether on a poll or on a show of hands, the chairperson of the meeting at which the poll or show of hands takes place, shall not be entitled to a second or casting vote.
- 30.7 A poll demanded on the election of a chairperson (as contemplated in article 30.4) or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairperson of the meeting directs. The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question upon which the poll has been demanded.
- 30.8 Where there are joint registered holders of any Security, any one of such persons may exercise all of the voting rights attached to that Security at any meeting, either personally or by proxy, as if he or she were solely entitled thereto. If more than one of such joint holders is present at any meeting, personally or by proxy, the person so present whose name stands first in the securities register in respect of such Security shall alone be entitled to vote in respect thereof.
- 30.9 The board of any company or the controlling body of any other entity or person that holds any Securities of the Company may authorise any person to act as its representative at any meeting of Shareholders of the Company, in which event the following provisions will apply:
- (a) the person so authorised may exercise the same powers of the authorising company, entity or person as it could have exercised if it were an individual holder of Securities; and
- (b) the authorising company, entity or person shall lodge a resolution of the directors of such company or controlling body of such other entity or person confirming the granting of such authority, and certified under the hand of the chairperson or secretary thereof, with the Company before the commencement of any Shareholders' meeting at which such person intends to exercise any rights of such Shareholder, unless excused from doing so by the chairperson of such meeting.

31. SHAREHOLDERS' RESOLUTIONS

- 31.1 For an Ordinary Resolution of the Shareholders to be approved it must be supported by more than 50% of the voting rights of Shareholders exercised on the resolution, as provided in section 65(7) of the Act. Notwithstanding the foregoing, to the extent that the Listings Requirements requires the support of a higher percentage of voting rights to be exercised in respect of any Ordinary Resolution, the Company shall not implement such Ordinary Resolution unless such Ordinary Resolution is supported by the higher percentage of voting rights of Shareholders required to be exercised on that resolution in terms of the Listings Requirements.
- 31.2 For a Special Resolution to be approved it must be supported by the holders of at least 75% of the voting rights of Shareholders exercised on the resolution, as provided in section 65(9) of the Act.
- 31.3 No matters, except:
- (a) those matters set out in section 65(11) of the Act; or
 - (b) any other matter required by the Act or this MOI to be resolved by means of a Special Resolution; or
 - (c) for so long as the Company's Securities are listed on the JSE, any other matter required by the Listings Requirements to be resolved by means of a Special Resolution in terms of the Listings Requirements,
- require a Special Resolution adopted at a Shareholders' meeting of the Company.
- 31.4 In the event that any Shareholder abstains from voting in respect of any resolution, such Shareholder will, for the purposes of determining the number of votes exercised in respect of that resolution, be deemed not to have exercised a vote in respect thereof (i.e. that Shareholder's votes will neither be included in the aggregate number of votes cast nor in the total number of votes exercised in favour of or against that resolution).

33. ACQUISITION OF VIABLE ASSETS

- 33.1 Any proposed acquisition of Viable Assets must be approved by Ordinary Resolution at a general meeting convened for this purpose.
- 33.2 The notice of general referred to in article 33.1 above, will include an Ordinary Resolution on the proposed use of the residual capital not allocated for the proposed acquisition of Viable Assets for which the approval is being sought. Should Shareholders not approve a proposed Ordinary Resolution dealing with the further use and retention of the residual capital after the acquisition has been approved, then such residual capital must be returned to Shareholders in accordance with the relevant provisions of article 46.

35. COMPOSITION OF THE BOARD

- 35.1 The Board must comprise at least four directors (which shall include the minimum number of directors that the Company must have to satisfy any requirement in terms of the Act, to appoint an audit committee and a social and ethics committee), to be elected by the Shareholders as contemplated in section 68 of the Act. The Shareholders shall be entitled, by Ordinary Resolution of the Board, to determine such maximum number of directors as they from time to time shall consider appropriate.
- 35.2 The directors shall be entitled to elect a chairperson, deputy chairperson and/or any vice chairperson and to determine the period for which they, respectively, shall hold office.
- 35.3 This MOI does not provide for any Shareholder appointed or *ex officio* directors of the Company, as contemplated in section 66(4) of the Act.

36. ELECTION OF DIRECTORS

- 36.1 Subject to articles 36.2 and 36.4, all directors shall be elected by an Ordinary Resolution of the Shareholders at a general or annual general meeting of the Company and no appointment of a director in accordance with a resolution passed in terms of section 60 of the Act shall be competent.
- 36.2 Subject to the requirements of the Act, the chairman of the Board or the chief executive officer shall be entitled, subject to the written approval of the majority of the directors, to appoint any person as a director in terms of section 66(4)(a)(i) of the Act, provided that such appointment must be approved by the Shareholders at the next Shareholders' meeting or annual general meeting.

36.3 This MOI does not stipulate any additional qualifications or eligibility requirements other than those set out in section 69 of the Act for a person to become or remain a director or a prescribed officer of the Company.

36.4 The Board may appoint any person who satisfies the requirements for election as a director to fill any vacancy and serve as a director on a temporary basis until the vacancy is filled by election in accordance with section 68(2) of the Act, and during that period any person so appointed has all of the powers, functions and duties, and is subject to all of the liabilities, of any other director of the Company.

37. DIRECTORS' REMOVAL AND RETIREMENT

37.1 Without derogating from the Act, a director shall cease to hold office as such if:

- (a) he becomes insolvent, or assigns his estate for the benefit of his creditors, or suspends payment or files a petition for the liquidation of his affairs, or compounds generally with his creditors;
- (b) he becomes of unsound mind;
- (c) he is prohibited from being, is removed as or is disqualified from acting as a director of a company in terms of the Act;
- (d) he is required to do so in terms of the Listings Requirements;
- (e) he absents himself from meetings of the Board for six consecutive months without the leave of the other directors and is not represented at such meetings during such six months by an alternate director, and the directors resolve that his office shall be vacated, provided that the directors shall have the power to grant any director leave of absence for an indefinite period;
- (f) he has given one month's (or with the permission of the directors, a lesser period) notice in writing of his intention to resign;
- (g) he is removed under article 37.3;
- (h) he has been given notice, signed by Shareholders holding in aggregate more than 50% of the total voting rights of all Shareholders entitled to vote at a general meeting, of the termination of his appointment; or
- (i) the Board resolved to remove him in accordance with section 71(3) of the Act.

37.2 The Company may by Ordinary Resolution of the Shareholders in accordance with sub-article 37.1(g) remove any director before the expiration of his period of office and by an Ordinary Resolution of the Shareholders elect another person in his stead. The person so elected shall hold office until the next annual general meeting of the Company and shall then retire and be eligible for re-election.

37.3 No director shall be appointed for life or for an indefinite period and the directors shall rotate in accordance with the following provisions:

- (a) the first directors of the Company shall retire at the first annual general meeting of the Company;
- (b) at each annual general meeting referred to in article 21.2(a), one third of the directors for the time being, or if their number is not three or a multiple of three, the number nearest to one third, but not less than one third, shall retire from office;
- (c) the directors to retire in terms of article (b) shall be those who have been longest in office since their last election provided that:
 - (i) if more than one of them were elected as directors on the same day, those to retire shall be determined by lot unless those directors agree otherwise between themselves;
 - (ii) if at any annual general meeting any director will have held office for three years since his or her election, he or she shall also retire at such annual general meeting;
 - (iii) the length of time a director has been in office shall, subject to the provisions of article (ii) be reckoned from the date of his or her last appointment as a director;
 - (iv) if a director is required to retire at any general meeting, then he or she shall continue to be a director until the election of directors at that meeting is concluded;
 - (v) a retiring director may be re-elected, provided he is eligible for election. If elected or re-elected he shall be deemed not to have vacated his office;

- (d) a retiring director shall act as a director throughout the annual general meeting at which he retires;
- (e) the Company, at the annual general meeting at which a director retires in the above manner, or at any other general meeting, may fill the vacancy by electing a person thereto, provided that the Company shall not be entitled to fill the vacancy by means of a resolution passed in accordance with the provisions of section 60 of the Act as set out in article 32; and
- (f) if at any meeting at which an election of directors ought to take place the offices of the retiring directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the further provisions of this MOI, including articles 27.2 to 27.5 (inclusive) will apply mutatis mutandis to such adjournment, and if at such adjourned meeting the vacancies are not filled, the retiring directors, or such of them as have not had their offices filled, shall be deemed to have been re-elected at such adjourned meeting.

37.4 The Board shall, through its nomination committee (if so constituted in terms of article 43), provide the Shareholders with a recommendation in the notice of the meeting at which the re-election of a retiring director is proposed, as to which retiring directors are eligible for re-election, taking into account that director's past performance and contribution. Any Shareholder shall have the right to nominate directors.

37.5 The Board may appoint any person who satisfies the requirements for election as a director to fill any vacancy and serve as a director on a temporary basis until the vacancy is filled by election in accordance with section 68(1) of the Act.

37.6 If the number of directors falls below the minimum number fixed in accordance with this MOI, the remaining directors must as soon as possible and in any event not later than three months from the date that the number falls below such minimum, fill the vacancy/ies, provided that such director/s are elected by the Shareholders at the next annual general meeting or call a general meeting for the purpose of filling the vacancy/ies.

37.7 The failure by the Company to have the minimum number of directors during the said three-month period does not limit or negate the authority of the board of directors or invalidate anything done by the board of directors while their number is below the minimum number fixed in accordance with this MOI.

37.8 The directors in office may act notwithstanding any vacancy in their body, but if after the expiry of the three month period contemplated in article 37.5, their number remains below the minimum number fixed in accordance with this MOI, they may, for as long as their number is reduced below such minimum, act only for the purpose of:

- (i) filling vacancies in their body in terms of section 68(3) of the Act; or
- (ii) summoning general meetings of the Company for that purpose, provided that if there is no director able or willing to act, then any Shareholder may convene a general meeting for that purpose

but not for any other purpose.

37.9 A director may hold any other office or place of profit under the Company (except that of auditor) or any subsidiary of the Company in conjunction with the office of director, for such period and on such terms as to remuneration (in addition to the remuneration to which he may be entitled as a director) and otherwise as a disinterested quorum of the directors may determine.

39. AUTHORITY OF THE BOARD

The business and affairs of the Company must be managed by or under the direction of the Board, which has the authority to exercise all of the powers and perform any of the functions of the Company subject to the limitations, restrictions and qualifications provided for and contemplated in this MOI.

41. DIRECTORS' REMUNERATION AND FINANCIAL ASSISTANCE TO DIRECTORS AND RELATED PERSONS

41.1 The Company may pay remuneration to the directors for their services as directors in accordance with a Special Resolution approved by the Shareholders within the previous two years, as set out in sections 66(8) and (9) of the Act, and the power of the Company in this regard is not limited or restricted by this MOI.

41.2 Any director who:

- (a) serves on any executive or other committee; or
- (b) devotes special attention to the business of the Company; or
- (c) goes or resides outside South Africa for the purpose of the Company; or
- (d) otherwise performs or binds himself to perform services which, in the opinion of the directors, are outside the scope of the ordinary duties of a director,

may be paid such extra remuneration or allowances in addition to or in substitution of the remuneration to which he may be entitled as a director, as a disinterested quorum of the directors may from time to time determine.

41.3 The directors may also be paid all their travelling and other expenses necessarily incurred by them in connection with:

- (a) the business of the Company; and
- (b) attending meetings of the directors or of committees of the directors of the Company.
- (c) the Board may, as contemplated in and subject to the requirements of section 45 of the Act, authorise the Company to provide financial assistance to a director, prescribed officer or other person referred to in section 45(2) of the Act, and the power of the Board in this regard is not limited or restricted by this MOI.

46. DISTRIBUTIONS

46.1 Subject to the provisions of the Act and this MOI, the Board may declare any distribution and a Shareholders' meeting may declare any distribution which is authorised by resolution of the Board.

46.2 All distributions shall comply with the provisions of the Act, this MOI and the Listings Requirements.

46.3 No larger distribution shall be declared by a Shareholders' meeting than is recommended by the Board, but the Shareholders' meeting may declare a smaller distribution.

46.4 The Company may transmit any distribution or amount payable in respect of a Share by:

- (a) ordinary post to the postal address of the Shareholder thereof (or, where two or more persons are registered as the joint Shareholders of any Share, to the address of the joint holder whose name stands first in the securities register) recorded in the securities register or such other address as the holder thereof may previously have notified to the Company in writing for this purpose; or
- (b) electronic bank transfer to such bank account as the holder thereof may have notified to the Company in writing for this purpose, and the Company shall not be responsible for any loss in transmission.

46.5 Any distribution or other money payable to Shareholders:

- (a) which is unclaimed, may be retained by the Company and held in trust indefinitely and may while so retained be invested as the Board may deem fit until claimed by the Shareholder concerned or until the Shareholder's claim therefor prescribes in terms of article (b) below;
- (b) may only be claimed for a period of three years (or such other period as may be applicable to the Shareholder's claim therefor in terms of the laws of prescription) from the date on which it accrued to Shareholder, after which period the Shareholders' claim therefor shall prescribe and the amount of that distribution shall, unless the Board decides otherwise be forfeited for the benefit of the Company;
- (c) shall not bear interest against the Company, and
- (d) the Board shall, for the purpose of facilitating the winding-up or deregistration of the Company before the date of any such prescription, be entitled to delegate to any bank, registered as such in accordance with the laws of South Africa, the liability for payment of any such distribution or other money, the claim for which has not been prescribed in terms of the foregoing.

46.6 Distributions (in the form of a dividend or otherwise) shall be paid to Shareholders registered as at a record date subsequent to the date of declaration or, if applicable, date of confirmation of the distribution, whichever is the later date.

- 46.7 Subject to the provisions of article 33.1, should shareholders not approve a proposed Ordinary Resolution dealing with the further use and retention of the residual capital after the acquisition of Viable Assets has been approved, then such residual capital will be returned to shareholders *pro rata* to their shareholding within 60 calendar days after the date of the relevant general meeting.
- 46.8 Where the acquisition of a Viable Asset is not completed within 24 months, each Shareholder shall be entitled to receive an amount equal to the aggregate amount then in escrow (net of any applicable taxes and expenses related to the distribution and voluntary liquidation), plus the interest earned, divided by the aggregate number of Securities.

SPECIAL PURPOSE ACQUISITION COMPANY

As at the date of filing of this Memorandum with the Commission, the Company is a special purpose acquisition company. It will remain a special purpose acquisition company until it has Completed an acquisition of Viable Assets. The initial acquisition of Viable Assets must be approved by an ordinary resolution by shareholders of the Company.

CORPORATE GOVERNANCE AND THE KING CODE

1. THE BOARD

The name and capacity of each Director are set out below:

Name	Capacity
Malungelo Headman Zilimbola	Chief Executive Officer
Marubini Eugene Raphulu	Chief Investment Officer
Mark Adrian Booyesen	Chief Financial Officer
Patilizwe Caswell Mdoda	Independent Non-executive Director
Harald Schaaf	Independent Non-executive Director
Fhedzisani Minute Modau	Independent Non-executive Director
Asanda Vuyolwethu Notshe	Non-executive Director
Noluthando Primrose Gosa	Independent Non-executive Director
Dudu Rosemary Hlatshwayo	Independent Non-executive Director

The balance and composition of the Board has been thoroughly considered taking into account the needs of the Company. The Board as a whole believes that the current balance of knowledge, skill and experience meets the requirements to lead the Company effectively.

The Board is committed to ensuring that the Company is governed appropriately. The Board recognises the responsibility of the Company to conduct its affairs with prudence, transparency, accountability in a responsible manner as a good corporate citizen. The Company complies with the provisions of the Companies Act, and the JSE Listings Requirements, and the principles of the Code of Corporate Governance Principles and Practices as recommended in the King Report on Governance for South Africa 2009 ("King Code"). The Company complies with the relevant provisions of the Companies Act, Listings Requirements and King Code insofar as same is applicable.

The Board has nine Directors, comprising six non-executive Directors and three executive Directors. Of the six non-executive Directors, five are independent. No individual Director has unfettered powers of decision-making.

Any new appointment of a Director will be considered by the Board as a whole. Currently, the appointment of separate Nominations Committee is not warranted. The appointment process will involve considering the existing balance of skills and experience, and a continual process of assessing the needs of the Company

Responsibility for running the Board and executive responsibility for conducting the business of the Company are differentiated. Patilizwe Caswell Mdoda, an independent non-executive Director, is the chairperson of the Board and Malungelo Headman Zilimbola, an executive Director, is the chief executive officer. The roles of the chairman and chief executive officer are thus separate and clearly defined. The chairman is responsible for leading the Board, ensuring its effectiveness and setting its agenda. The chief executive officer leads the executive team in running the business of the Company.

Mark Adrian Booyesen is the executive financial Director of the Company. Annually, the audit and risk committee will evaluate the expertise and experience of the executive financial Director. The audit and risk committee has currently satisfied itself of Mr Booyesen's expertise and experience as financial director.

2. BOARD COMMITTEES

The audit and risk committee consists of three independent non-executive Directors. This committee will meet at least twice a year and shall be responsible for performing the functions required of it in terms of section 94(7) of the Companies Act and the other functions in terms of its mandate. These functions include: (i) nominating and appointing the Company's auditors and ensuring that such auditors are independent of the Company; (ii) determining the auditors' fees and term of engagement; (iii) ensuring that the appointment of the auditors complies with the provisions of the Companies Act and any other

relevant legislation; (iv) determining, from time to time, the nature and extent of non-audit services to be provided by the Company's auditors and to pre-approve any agreement in respect of such services; (v) preparing a report to be included in the annual report of the Company, in compliance with the Companies Act; (vi) dealing with any complaints (whether from within or outside the Company) relating to accounting practices, internal audits of the Company or the content of the Company's financial statements and related matters; (vii) making submissions to the Board on any matter concerning the Company's accounting policies and financial control; (viii) evaluating the expertise and experience of the executive financial Director on an annual basis; and (ix) overseeing the Company's integrated reporting process.

The remuneration committee consists of three non-executive Directors, a majority of whom are independent. This committee will meet at least twice a year and shall be responsible for performing the functions required of it in terms of section 94(7) of the Companies Act and the other functions in terms of its mandate. These functions include: (i) determining and agreeing with the Board the Company's remuneration philosophy and the principles of its remuneration policy, ensuring that these are in line with the business strategy, objectives, values and long-term interests of the Company and comply with all regulatory requirements (ii) reviewing the Company's remuneration practices in relation to the Board's risk appetite statements ensuring that remuneration does not encourage excessive risk-taking, is determined within the Company's risk management and internal control framework and takes account of the Company's values and the long-term interests of shareholders, fund investors and other stakeholders (iii) determining the principles for the calculation of and to approve management proposals for the quantum of the variable compensation spend each year to be recommended by the Committee for subsequent approval by the Board (iv) reviewing the performance evaluations of the executive directors and recommend to the Board for approval, within the broad remuneration policy and in consultation with the Chairman and Chief Executive Officer as appropriate, the total annual compensation for individual executive directors (including salary, bonus deferred awards and pension). No director shall be present during or participate in the discussion or approval of his or her own compensation, (v) having oversight of the performance evaluations for and to review and approve, within the broad remuneration policy, the total annual compensation package for Directors (including salary, bonus and deferred awards (vi) reviewing and recommending to the Board for approval the annual objectives for executive directors against which their performance for compensation purposes will be evaluated. No director will participate in the discussion or approval of his or her annual objectives, (vii) approving compensation guarantees above a level delegated to management as agreed by the Committee from time to time. (viii).approving the design of and determine the performance and vesting criteria attaching to share incentive plans to align these with the interests of shareholders prior to recommendation to the Board and submission to shareholders for approval (ix) reviewing the vesting criteria of share incentive plans against the Company's results each year and determine the extent to which these have been achieved (x) determine the contractual termination terms for executive directors and approve any severance payments or arrangements (xi) recommending to the Board for approval the total compensation for the Chairman of the Board. The remuneration of the non-executive directors shall be a matter for the Chairman and the executive directors of the Board. The Chairman, if he is a member of the Committee, shall not be present during or participate in the discussion or approval of his own compensation, (xii) selecting, appointing and setting the terms of reference for any remuneration consultants used by the committee and obtain information on remuneration policy and practice in other comparable companies, (xiii) reviewing, prior to approval by the Board, the Directors' Remuneration Policy and the Directors' Remuneration Report published in the Annual Report each year in line with applicable statutory and regulatory disclosure requirements (xiv) reviewing or making decisions on any other matters referred to the Committee by the Board; and (xv) reporting to the Board on the proceedings of the Committee after each meeting and make available to Board members the minutes of Committee meetings where appropriate.

The social committee consists of three non-executive Directors, a majority of whom are independent. This committee will meet at least twice a year and shall be responsible for performing the functions required of it in terms of section 72(4) of the Companies Act and the other functions in terms of its mandate. These functions include: (a) monitoring the Company's activities with regard to –(i) social and economic development; (ii) good corporate citizenship, (iii) the environment, health and public safety, (iv) consumer relationships, (v) labour and employment.(b) drawing matters within its mandate to the attention of the Board; and (c) reporting to the shareholders. on the matters within its mandate.

The Company intends to adhere to the relevant principles contained in the King Code relating to the abovementioned committees once these committees have been established.

3. COMPANY SECRETARY

ER Goodman Secretarial Services CC is the Company secretary, duly appointed by the Board in accordance with the Companies Act. The Board considered and is satisfied that the individuals who perform the Company secretary role, and the members of ER Goodman Secretarial Services CC are properly qualified and experienced to competently carry out the duties and responsibilities of Company secretary and that there is an arm's-length relationship between itself and the Company secretary.

The Company secretary ensures the Board remains cognisant of its duties and that all Directors have full and timely information that may be relevant in the proper discharge of their duties, collectively and individually, with detailed guidance on their duties, responsibilities and powers. It is also a central source of information and advises the Board and the Company on matters of ethics and good corporate governance. The Company secretary ensures that, in accordance with pertinent laws, the proceedings and affairs of the Board and its members, the Company itself and, where appropriate, the owners of securities in the Company are properly administered. It also assists and ensures that the Board, individual Directors and Board committees are evaluated annually. The Company secretary ensures compliance with the Listings Requirements and other statutory requirements applicable to the Company.

The Board will evaluate the Company secretary on an annual basis wherein the Board will satisfy itself as to the competence, qualifications and experience of the Company secretary.

4. APPLICATION OF THE KING CODE

The Company, and the Board, is committed to effective corporate governance, and the need to conduct the business of the Company in a manner which upholds the principles of responsibility, accountability, fairness and transparency advocated by the King Code.

The table below, to the best of the knowledge and belief of the Board, sets out the extent of the Company's current application of the principles of the King Code and explains the non-application of certain of its principles where principles are not fully applied.

	Principle	Status	Comments
1.	ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP		
1.1	The Board should provide effective leadership based on an ethical foundation.	Applied	Ethics form an integral part of the values of the Company and the Board. In conducting the affairs of the Company, the Board endorses the principles of fairness, responsibility, transparency and accountability advocated by the King Code.
1.2	The Board should ensure that the Company is, and is seen to be, a responsible corporate citizen.	Applied	The Board is responsible for ensuring that the Company protects, enhances and invests in the well-being of the economy, society and the environment.
1.3	The Board should ensure that the Company's ethics are managed effectively.	Applied	A social and ethics committee has been established which will be responsible for, <i>inter alia</i> , the management of the Companies Ethics.
2.	BOARD AND DIRECTORS		
2.1	The Board should act as the focal point for, and custodian of, corporate governance.	Applied	The Directors are aware of their fiduciary duties. The Board considers sound corporate governance practises to be critical and recognises that it is the ultimate custodian of corporate governance.

Principle	Status	Comments
2.2 The Board should appreciate that strategy, risk, performance and sustainability are inseparable.	Applied	The Directors of the Company subscribe to the principle that they have accountability to shareholders and an obligation to all stakeholders (including shareholders), to ensure that the Company's resources are utilised to ensure its continuing viability. The Board appreciates that strategy, risk, performance and sustainability are inseparable.
2.3 The Board should provide effective leadership based on an ethical foundation.	Applied	Please refer to principle 1.1 above.
2.4 The Board should ensure that the Company is and is seen to be a responsible corporate citizen.	Applied	Please refer to principle 1.2 above.
2.5 The Board should ensure that the Company's ethics are managed effectively.	Applied	Please refer to principle 1.3 above.
2.6 The Board should ensure that the Company has an effective and independent audit committee.	Applied	The audit and risk committee has been established, and consists of three independent non-executive Directors. The members of the audit and risk committee have the necessary experience and skills.
2.7 The Board should be responsible for the governance of risk.	Applied	The Board is responsible for the governance of risk and ensures that the Company has an effective risk management system.
2.8 The Board should be responsible to information technology (IT) governance.	Applied	The Board bears ultimate responsibility for IT governance.
2.9 The Board should ensure that the Company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Applied	The Board is responsible for ensuring that the Company complies with applicable laws and considers adhering to non-binding rules, codes and standards.
2.10 The Board should ensure that there is an effective risk-based internal audit.	Explain	As the Company was recently incorporated as a public Company, it has not yet appointed an internal auditor and the Company has not performed an internal audit. Once an internal auditor has been appointed, the Board will ensure that an effective risk-based internal audit is performed. Once a Viable Asset has been acquired, the appropriate internal audit function will be appointed.
2.11 The Board should appreciate that stakeholders' perceptions affect the Company's reputation.	Applied	The Board believes that stakeholders perceptions are of critical importance and to this end the Board will ensure transparent and effective communication with stakeholders and treat shareholders equitably.

Principle	Status	Comments
2.12 The Board should ensure the integrity of the Company's integrated report.	Explain	As the Company was recently incorporated as a public Company, it has not yet issued an integrated report but the Board will consider and approve the Company's integrated reports when issued, on the recommendation of the audit and risk committee.
2.13 The Board should report on the effectiveness of the Company's system of internal controls.	Explain	Once operations have commenced, the Board will report on the effectiveness of the Company's system of internal control. The Company's audit and risk committee will provide the Board with assurance on the effectiveness of the internal control framework. Once a Viable Asset has been acquired, the appropriate internal controls will be established.
2.14 The Board and its Directors should act in the best interests of the Company.	Applied	Please refer to principle 2.1 above. The Board of Directors individually and collectively understand their fiduciary responsibility to act in the best interests of the Company and disclosures of interest and Director's dealings are reported on in accordance with a policy adopted by the Board in this regard.
2.15 The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the Company is financially distressed as defined in the Companies Act.	Applied	The Board is aware of the requirements of the Companies Act regarding business rescue.
2.16 The Board should elect a chairman of the Board who is an independent non-executive Director. The CEO of the Company should also not fulfil the role of chairman of the Board.	Applied	The Company is exempted from compliance with this principle in accordance with LR 4.39(a) but has nevertheless chosen to comply.
2.17 The Board should appoint the chief executive officer and establish a framework for the delegation of authority.	Applied	The Company is exempted from compliance with this principle in accordance with LR 4.39(a) but has nevertheless chosen to comply.
2.18 The Board should comprise a balance of power, with a majority of non-executive Directors. The majority of non-executive Directors should be independent.	Applied	The Company is exempted from compliance with this principle in accordance with LR 4.39(a) but has nevertheless chosen to comply.
2.19 Directors should be appointed through a formal process.	Applied	The Company is exempted from compliance with this principle in accordance with LR 4.39(a) but has nevertheless chosen to comply.
2.20 The induction of and on-going training and development of Directors should be conducted through formal processes.	Applied	Training of Board members is arranged at the Company's expense as and when required.

Principle	Status	Comments
2.21 The Board should be assisted by a competent, suitably qualified and experienced Company secretary.	Applied	The Board is assisted by a suitably qualified Company secretary, who has adequate experience, who is not a Director of the Company and who has been empowered to fulfil his duties. The Board reviews the Company secretary at least annually and the Board is satisfied that the Company secretary maintains an arms-length relationship with the Board and is sufficiently qualified and experienced to execute the required duties.
2.22 The evaluation of the Board, its committees and the individual Directors should be performed every year	Explain	As the Company is recently incorporated as a public Company, the evaluation of the Board, its committees and Directors is yet to be performed. The Board will ensure that such evaluations are performed on an annual basis.
2.23 The Board should delegate certain functions to well-structured committees but without abdicating its own responsibilities	Applied	The Board has delegated certain specific responsibilities to the audit and risk committee, the social and ethics committee and remuneration committee without abdicating its own responsibilities. These committees will operate in accordance with written terms of reference approved by the Board and reviewed annually.
2.24 A governance framework should be agreed between the Group and its subsidiary boards.	Explain	The Company does not currently have any subsidiary companies.
2.25 Companies should remunerate Directors and executives fairly and responsibly.	Applied	The remuneration committee has been established, and consists of three non-executive Directors, the majority of whom are independent. The members of the remuneration committee have the necessary experience and skills. It is also intended that the Board will review and determine the remuneration of Directors and executives based on recommendations made by the remuneration committee, taking into account market conditions, expert advice from remuneration specialists and in accordance with the remuneration policy (once finalised and approved by the Board).
2.26 Companies should disclose the remuneration of each individual Director and certain senior executives.	Explain	The Company will disclose Directors' remuneration in the integrated report. As the Company is recently incorporated as a public Company, it has not yet published an integrated report.

Principle	Status	Comments
2.27 Shareholders should approve the Company's remuneration policy.	Explain	<p>The remuneration policy will be disclosed in the integrated annual report and will be put to shareholders to approve by way of a non-binding advisory vote.</p> <p>The remuneration of directors will remain the responsibility of the remuneration committee and the Board. The remuneration of Directors will be subject to shareholder approval by way of special resolution at the Company's annual general meeting.</p>

3. AUDIT COMMITTEE

3.1 The Board should ensure that the Company has an effective and independent audit committee.	Applied	An audit and risk committee has been established. The terms of reference of the audit and risk committee have been approved by the Board.
3.2 Audit committee members should be suitably skilled and experienced independent non- executive Directors.	Applied	The audit and risk committee comprises three independent non-executive Directors, who are suitably skilled and experienced as well. The Chairperson of the Board is not a member of the audit and risk committee.
3.3 The audit committee should be chaired by an independent non-executive Director.	Applied	The audit and risk committee is chaired by an independent non-executive Director.
3.4 The audit committee should oversee integrated reporting.	Applied	In accordance with its terms of reference, the audit and risk committee is responsible for overseeing the Company's integrated reporting process.
3.5 The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	Applied	The audit and risk committee obtains combined assurance from the external auditors, KPMG Inc. and management and ensures that the combined assurance received is appropriate to address all significant risks facing the Company.
3.6 The audit committee should satisfy itself of the expertise, resources and experience of the Company's finance function.	Explain	The audit and risk committee has satisfied itself of the effectiveness of the Chief Financial Officer and will satisfy itself of the expertise, resource and experience of the Company's finance function. This will be reevaluated formally on an annual basis.
3.7 The audit committee should be responsible for overseeing of internal audit.	Explain	The audit and risk committee formulates and monitors the Company's risk management policies, monitor the Company's governance compliance and oversees the scope and performance of internal audit.
3.8 The audit committee should be an integral component of the risk management process.	Explain	The audit and risk committee will form an integral component of the risk management process. The committee's terms of reference set out its responsibilities in terms of risk management.

Principle	Status	Comments
3.9 The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	Applied	The audit and risk committee is responsible for overseeing the external audit process, fees and terms of engagement of the external auditors and to recommend the same for approval to the Board. The committee is responsible for determining the nature and extent of non-audit services provided by the auditors to the Company.
3.10 The audit committee should report to the Board and shareholders on how it has discharged its duties.	Applied	The chairperson of the audit and risk committee will report to the Board after each meeting of the committee. The audit and risk committee compiles a written report on how it has discharged its duties annually. This report will be included in the integrated report of the Company.

4. THE GOVERNANCE OF RISK

4.1 The Board should be responsible for the governance of risk.	Applied	The Board takes overall responsibility for risk management with a formal process implemented for managing risk while delegating authority to the audit and risk committee.
4.2 The Board should determine the levels of risk tolerance.	Explain	It is also intended that specific limits be set annually at the risk committee meeting which limits will be approved by the Board. These limits will take account of both external and internal risk factors.
4.3 The risk committee or audit committee should assist the Board in carrying out its risk responsibilities.	Applied	The audit and risk committee has been established to assist the Board in carrying out its risk responsibilities, oversees internal financial controls, fraud risks as they relate to financial reporting and IT risks as they relate to financial reporting.
4.4 The Board should delegate to management the responsibility to design, implement and monitor the risk management plan.	Applied	Management will be accountable to the Board, through the audit and risk committee, for embedding the risk management process in the business.
4.5 The Board should ensure that risk assessments are performed on a continual basis.	Applied	The risk assessment process identifies risks and opportunities and the process is formalised and regular.
4.6 The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	Explain	The audit and risk committee will be responsible for the implementation of these frameworks and methodologies.
4.7 The Board should ensure that management considers and implements appropriate risk responses.	Applied	The implementation of controls, existing and new, is monitored on an ongoing basis.
4.8 The Board should ensure continual risk monitoring by management.	Applied	There is continual risk monitoring and the process is monitored by management.

	Principle	Status	Comments
4.9	The Board should receive assurance regarding the effectiveness of the risk management process.	Explain	Once operations have commenced, the Board will report on the effectiveness of the risk management process.. The Company's audit and risk committee will provide the Board with assurance on the effectiveness of risk management process.
4.10	The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.	Applied	The Board will disclose the top risks facing the Company.

5. THE GOVERNANCE OF INFORMATION TECHNOLOGY

5.1	The Board should be responsible for IT governance.	Applied	The Board takes overall responsibility for IT governance.
5.2	IT should be aligned with the performance and sustainability objectives of the Company.	Applied	IT is fully integrated into the strategic planning process ensuring strategic, tactical and operational alignment in the achievement of business objectives.
5.3	The Board should delegate to management the responsibility for the implementation of an IT governance framework.	Explain	As the Company was recently incorporated as a public Company, the IT governance framework has not yet been finalised. Management will be responsible for the implementation of the IT governance framework, once this framework has been finalised by the Board. Once a Viable Asset has been acquired, the appropriate IT governance function will be appointed.
5.4	The Board should monitor and evaluate significant IT investments and expenditure.	Applied	IT investments and expenditure forms part of the normal budgeting process, and therefore has to be approved by the Board.
5.5	IT should form an integral part of the Company's risk management.	Applied	IT is considered an integral part of risk management.
5.6	The Board should ensure that information assets are managed effectively.	Applied	The audit and risk committee is responsible for ensuring that systems are in place for the management of information which includes security, information management and privacy.
5.7	A risk committee and audit committee should assist the Board in carrying out its IT responsibilities.	Explain	The Audit and risk committee will review key elements of IT practice including IT internal controls and risk management.

6. COMPLIANCE WITH LAWS, CODES, RULES AND STANDARDS

6.1	The Board should ensure that the Company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Applied	The Board is responsible for ensuring that the Company complies with applicable laws and considers adhering to non-binding rules, codes and standards.
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	Principle	Status	Comments
6.2	The Board and each individual Director should have a working understanding of the effect of the applicable laws, rules, codes and standards on the Company and its business.	Applied	Training will be provided to the Board and each individual Director from time to time as required.
6.3	Compliance risk should form an integral part of the Company's risk management process.	Applied	Compliance is an integral part of the Company's risk management process.
6.4	The Board should delegate to management the implementation of an effective compliance framework and processes.	Explain	<p>As the Company was recently incorporated as a public Company, the compliance framework and processes have not yet been finalised.</p> <p>Management will be responsible for the implementation of the compliance framework and processes, once the framework and processes have been finalised by the Board.</p> <p>Once a Viable Asset has been acquired, the appropriate compliance frame work will be implemented.</p>
7. INTERNAL AUDIT			
7.1	The Board should ensure that there is an effective risk based internal audit.	Explain	Please refer to Principle 2.10 above.
7.2	Internal audit should follow a risk based approach to its plan.	Explain	Please refer to Principle 2.10 above.
7.3	Internal audit should provide a written assessment of the effectiveness of the Company's system of internal controls and risk management.	Explain	Please refer to Principle 2.10 above.
7.4	The audit committee should be responsible for overseeing internal audit.	Explain	Please refer to Principle 2.10 above.
7.5	Internal audit should be strategically positioned to achieve its objectives.	Explain	Please refer to Principle 2.10 above.
8. GOVERNING STAKEHOLDER RELATIONSHIPS			
8.1	The Board should appreciate that stakeholders' perceptions affect a Company's reputation.	Applied	Please refer to Principle 2.11 above.
8.2	The Board should delegate to management to proactively deal with stakeholder relationships stakeholders and the outcomes of these dealings.		<p>Stakeholder relationships are critical for the Company and management is responsible for dealing proactively with stakeholder relationships.</p> <p>Financial results, trading updates and announcements will be published in accordance with the JSE Listings Requirements and results announcements, the integrated report will also published on the Company's website.</p>

	Principle	Status	Comments
8.3	The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the Company.	Applied	The Board strives to maintain a balance between the various stakeholders while acting in the best interests of the Company.
8.4	Companies should ensure the equitable treatment of shareholders.	Applied	The Company provides timely and equitable disclosure of information to the market and all shareholders are treated equally in this regard. Information is posted on the Company's website as well as in the integrated annual report.
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	Applied	Please refer to Principle 8.4 above.
8.6	The Board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible.	Applied	Open and transparent dialogue is encouraged and maintained on an ongoing basis in an effort to prevent disputes and if needs be to resolve disputes effectively and efficiently.

9. INTEGRATED REPORTING AND DISCLOSURE

9.1	The Board should ensure the integrity of the Company's integrated report.	Explain	Please refer to Principle 2.12 above. The Company intends to adhere to the relevant principles contained in the King Code relating to integrated reporting and disclosure.
9.2	Sustainability reporting and disclosure should be integrated with the Company's financial reporting.	Explain	Please refer to Principle 2.12 above. The Company intends to adhere to the relevant principles contained in the King Code relating to integrated reporting and disclosure.
9.3	Sustainability reporting and disclosure should be independently assured.	Explain	Please refer to Principle 2.12 above. The Company intends to adhere to the relevant principles contained in the King Code relating to integrated reporting and disclosure.

REPORT OF HISTORICAL FINANCIAL INFORMATION

The definitions commencing on page 5 of the Pre-listing Statement have been used throughout this Annexure E.

Basis of preparation

The historical financial information of Hulisani Limited, comprising of the statement of financial position as at 13 October 2015 and notes thereto has been extracted, without adjustment, from the audited statutory financial statements of the Hulisani Limited for the 1 day Period ended 13 October 2015 in accordance with IFRS ('Hulisani Limited Historical Financial Information').

KPMG Inc. is the reporting accountant to Hulisani Limited. KPMG Inc. conducted the audit of the Hulisani Limited Historical Financial Information for the 1 day period ended 13 October 2015 in accordance with International Standards on Auditing and reported without qualification on the 13 October 2015 Hulisani Limited Historical Financial Information.

The Directors are responsible for the Report of the Hulisani Limited Historical Financial Information

Directors Commentary

Hulisani Limited was incorporated on 13 October 2015 and will serve as a holding company for the Group.

Statement of financial position as at 13 October 2015

STATEMENT OF FINANCIAL POSITION:

	At 13 October 2015
Assets	
Current assets	–
Cash and cash equivalents	200
Total assets	200
Capital and reserves	
Equity and liabilities	
Share capital	200
Total equity and liabilities	200
Number of Shares in issue	20
Net asset value per Share	R10
Tangible asset value per Share	R10

STATEMENT OF CHANGES IN EQUITY FOR THE ONE DAY PERIOD ENDED 13 OCTOBER 2015:

	Notes	Share capital	Share premium	Retained loss	Total
As at 13 October 2015		–	–	–	–
Issue of Directors' Shares	1.4	100	–	–	100
At 13 October 2015		100	–	–	100

Hulisani Limited has been dormant since incorporation and has no trading history, therefore, no statement of profit or loss and other comprehensive income has been presented. The company held no cash or cash equivalents for this period therefore, a statement of cash flows is not presented.

Notes to the Report of the Hulisani Limited Historical Financial Information

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 General information

Hulisani Limited is a Strategic investor of renewable energy projects. Hulisani Limited was incorporated on 13 October 2015. Hulisani Limited's primary function is to act as a holding company.

1.2 Statement of compliance

This Report of Historical Financial Information of Hulisani Limited has been prepared in accordance with IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council.

1.3 Basis of preparation

The Report of Historical Financial Information of Hulisani Limited has been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Report of Historical Financial Information of Hulisani has been prepared on the going concern basis and the accounting policies set out below have been applied consistently across to all periods presented.

The Company's functional currency used for the preparation of the Report of Historical Financial Information is South African Rand.

1.4 Issued Capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

As at 13 October 2015

Authorised share capital

1 000 000 000 ordinary shares of no par value

Issued share capital

20 ordinary shares of no par value issued at R10

200

2. TAXATION

No provision has been made for taxation as Hulisani Limited has no taxable income during the 1 day period ended.

3. EMPLOYEES

No remuneration was paid to the Directors or other members of key management personnel during the 1 day period ended.

4. SUBSEQUENT EVENTS

The Directors confirm that, as set out in this Pre-listing Statement, there has been no material change in the financial or trading position of Hulisani Limited between date of incorporate and the date of issue of this Pre-listing Statement.

INDEPENDENT REPORTING ACCOUNTANTS' REPORTS ON THE HISTORICAL FINANCIAL INFORMATION OF HULISANI

The Directors
Hulisani Limited
11th Floor, Sandton Eye
126 West St
Corner Rivonia Road
Sandton, 2196

22 March 2016

Dear Sirs

Independent Reporting Accountants' Report on the Historical Financial Information of Hulisani Limited as at 13 October 2015

At your request, and for the purposes of the Pre-listing Statement, we have audited the historical financial information of Hulisani Limited as at 13 October 2015, presented in the Report of Historical Financial Information of Hulisani Limited as at 13 October 2015, which comprises the statement of financial position, statement of changes in equity, a summary of significant accounting policies and other explanatory notes ("**Report of Historical Financial Information of Hulisani Limited**"), as presented in **Annexure 1** to the Pre-listing Statement dated on or about **22 March 2016**, in compliance with the JSE Listings Requirements and IFRS.

KPMG Inc is the independent reporting accountant and auditor to Hulisani Limited.

Responsibility of the Directors

The Directors are responsible for the compilation, contents and preparation of the Pre-listing Statement including the Report of Historical Financial Information of Hulisani Limited in accordance with the JSE Listings Requirements.

The Directors are also responsible for the fair presentation of the historical financial information of Hulisani Limited in accordance with IFRS and for such internal control as the Directors determine is necessary to enable the preparation of the Report of Historical Financial Information of Hulisani Limited that is free from material misstatement, whether due to fraud or error.

Responsibility of the Independent Reporting Accountants

Our responsibility is to express an audit opinion on the Report of Historical Financial Information of Hulisani Limited based on our audit, as at 13 October 2015, in accordance with International Standards on Auditing.

Report of Historical Financial Information of Hulisani Limited

We have audited the Report of Historical Financial Information of Hulisani Limited attached as **Annexure 1** to the Pre-listing Statement.

Responsibility of the Independent Reporting Accountants in respect of the Report of Historical Financial Information of Hulisana

Our responsibility is to express an opinion on the Report of Historical Financial Information of Hulisani Limited. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Report of Historical Financial Information of Hulisani Limited is free from material misstatement.

Scope of audit

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Report of Historical Financial Information of Hulisani Limited. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Report of Historical

Financial Information of Hulisani Limited, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Report of Historical Financial Information of Hulisani Limited in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Report of Historical Financial Information of Hulisana Limited

In our opinion, the Report of Historical Financial Information of Hulisani Limited, as set out in **Annexure 1** to the Pre-listing Statement, presents fairly, in all material respects, for the purpose of the Pre-listing Statement, the financial position of Hulisani Limited at 13 October 2015 in accordance with IFRS and in the manner required by the JSE Listings Requirements.

Yours faithfully

KPMG Inc.

per S Loonat
Chartered Accountants (SA)
Director