
**Corporate Advisor and
Transaction Sponsor**



Legal Advisor to the Company

WEBBER WENTZEL
in alliance with > **Linklaters**

Independent Expert

PKF OCTAGON

**Investment Bank and
Corporate Advisor to the Offeror**



Legal Advisor to the Offeror

Guarantor to the Offeror

Date of issue: Tuesday, 7 December 2021

This Circular is available in English only. Copies of this Circular are available on the website of the Company (<https://hulisani.co.za/investment-opportunities-hulisani>) and will, by prior arrangement, be available for inspection by Shareholders at Hulisani's registered office and the offices of the Corporate Advisor and Transaction Sponsor (the addresses of which appear in the "Corporate Information and Advisors" section of this Circular) during normal office hours from the date of posting of this Circular until and including the Operative Date.

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CORPORATE INFORMATION AND ADVISORS

Directors

Executive

Masibulele Dem (Interim Chief Executive Officer and Chief Financial Officer)

Independent Non-Executive

Patilizwe Caswell Mdoda (Chairman)

Dudu Rosemary Hlatshwayo

Harald Heinz Schaaf

Karabo Ngwanamela Kekana

Patrick Birkett

Place and date of incorporation

South Africa, 13 October 2015

Ongoing Sponsor

Questco Corporate Advisory Proprietary Limited
(Registration number 2011/106751/07)

Ground Floor, Block C

Investment Place, 10th Road

Hyde Park, 2196

Corporate Advisor and Transaction Sponsor to Hulisani

Questco Proprietary Limited

(Registration number 2002/005616/07)

Ground Floor, Block C

Investment Place, 10th Road

Hyde Park, 2196

Independent Expert

PKF Octagon

(Registration number 2018/515503/21)

21 Scott Street, Waverley

Johannesburg, 2090

(Private Bag X02, Highlands North, 2037)

Legal Advisor to the Offeror

Cliffe Dekker Hofmeyr Inc

(Registration number 2008/018923/21)

1 Protea Place

Sandton, Johannesburg, 2196

(Private Bag X40, Benmore, 2010)

Company secretary

Rilapax Proprietary Limited

(trading as William Radcliffe)

(Registration number 2013/068456/07)

2nd Floor, Block C

Edenburg Terraces

348 Rivonia Boulevard

Edenburg, 2196

Registered office

4th Floor

North Tower

90 Rivonia Road

Sandton, 2196

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)

Rosebank Towers

15 Biermann Avenue

Rosebank, 2196

(Private Bag X9000, Saxonwold, 2132)

Legal Advisor to the Company

Webber Wentzel

90 Rivonia Road

Sandton, Johannesburg, 2196

(PO Box 61771, Marshalltown, 2107)

Investment Bank and Corporate Advisor to the Offeror

Nedbank Corporate and Investment Banking,
(a division of Nedbank Limited)

(Registration number 1951/000009/06)

3rd Floor, Corporate Place, Nedbank Sandton

135 Rivonia Road

Sandton, 2196

(PO Box 1144, Johannesburg, 2000)

IMPORTANT LEGAL NOTICES

FOREIGN SHAREHOLDERS

This Circular has been prepared for the purposes of complying with the JSE Listings Requirements, the Companies Act and the Companies Regulations and is published in terms thereof and the information disclosed may not be the same as that which would have been disclosed if this Circular had been prepared in accordance with the laws and regulations of any jurisdiction outside of South Africa. The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than South Africa should inform themselves about and observe any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction.

This Circular is not intended to and does not constitute or form part of an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction other than South Africa. This Circular does not constitute a prospectus or a prospectus-equivalent document. Shareholders are advised to read this Circular, which contains the full terms and conditions of the Scheme, with care.

Any decision to approve or disapprove of the Scheme or to respond to the proposals set out herein should be made only on the basis of the information in this Circular.

FORWARD-LOOKING STATEMENTS

This Circular contains statements about Hulisani and/or the Group that are, or may be, forward-looking statements. All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations 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, expansion prospects or future capital expenditure levels and other economic factors, such as, *inter alia*, interest 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. Hulisani cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Hulisani and/or the Group operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions regarding Hulisani and/or the Group, as made by Hulisani, and although Hulisani believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not materialise. 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 other matters not yet known to Hulisani or not currently considered material by Hulisani.

Hulisani Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Hulisani and/or the Group 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 are not known. Hulisani has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

Any forward-looking statement has not been reviewed nor reported on by the external auditors.

DISCLAIMER

The contents of this Circular do not purport to constitute legal advice or deal with the regulatory and tax implications of the Scheme for each Hulisani Shareholder comprehensively. Hulisani Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory and tax positions regarding the Scheme, and in particular, the receipt of the Scheme Consideration and the Agterskot Payment (if any).

Shareholders should take note that the TRP does not consider the commercial advantages or disadvantages of affected transactions when it approves such transactions.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 12 of this Circular apply *mutatis mutandis* to these Salient Dates and Times.

Record date for Shareholders to be recorded in the Register in order to be entitled to receive this Circular	Friday, 26 November 2021
Posting of the Circular to Shareholders and Notice released on SENS	Tuesday, 7 December 2021
Expected Voting LDT to be recorded in the Register on the Voting Record Date to be eligible to attend and vote at the General Meeting	Tuesday, 28 December 2021
Voting Record Date	Friday, 31 December 2021
Last date for Shareholders to lodge Electronic Participation Forms by no later than 10:00 on	Wednesday, 5 January 2022
Lodge Forms of Proxy (<i>blue</i>) by 10:00 on	Wednesday, 5 January 2022
Last date for Shareholders to give Notice of Objection by no later than 10:00 on	Friday, 7 January 2022
General Meeting to be held at 10:00 on	Friday, 7 January 2022
Results of General Meeting published on SENS	Friday, 7 January 2022
Results of General Meeting published in the South African press on or about	Monday, 10 January 2022

If the Scheme Resolution is approved at the General Meeting by Scheme Members with sufficient voting rights:

Last day for Shareholders who voted against the Scheme Resolution to require the Company to seek Court approval for the Scheme in terms of section 115(3) (a) of the Companies Act (if at least 15% of the total votes of Shareholders at the General Meeting were exercised against the Scheme), on	Friday, 14 January 2022
Last day on which Shareholders who voted against the Scheme Resolution can make application to Court in terms of section 115(3)(b) of the Companies Act, on	Friday, 21 January 2022
Last date for the Company to give Notice of Adoption on	Friday, 21 January 2022
Last date for Dissenting Shareholders, by reason of adoption of the Scheme Resolution, to make Valid Appraisal Demands	20 Business Days after Notice of Adoption issued

The following dates assume that no Court approval or review of the Scheme in terms of section 115(3) of the Companies Act is required and that all Conditions Precedent (save for the Condition Precedent in respect of receipt of unconditional approval from the TRP in terms of a compliance certificate or exemption to be issued in terms of the Companies Act in relation to the Scheme) are fulfilled or, where applicable, waived and will be confirmed in the finalisation announcement if the Scheme becomes unconditional:

Finalisation announcement expected to be published on SENS	Tuesday, 15 February 2022
Expected Scheme LDT to be recorded in the Register on the Scheme Record Date on	Tuesday, 22 February 2022
Expected date of suspension of listing of Shares on the JSE on	Wednesday, 23 February 2022
Scheme Record Date to receive settlement of the Scheme Consideration in terms of the Scheme on	Friday, 25 February 2022
Expected Operative Date on	Monday, 28 February 2022
Dematerialised Scheme Participants expected to have their accounts held at their Broker or CSDP credited with the Scheme Consideration on	Monday, 28 February 2022
Expected date of settlement of the Scheme Consideration to be paid electronically to certificated Scheme Participants on	Monday, 28 February 2022
Expected date of the termination of listing of the Shares on the JSE at the commencement of trade on	Tuesday, 1 March 2022

Notes:

1. All dates and times in respect of the Scheme are subject to change with the approval of the JSE and/or the TRP to the extent required. The dates have been determined based on certain assumptions regarding the dates by which certain regulatory approvals including, but not limited to, that of the JSE and TRP, will be obtained and that no Court approval or review of the Scheme will be required. Any change of the dates will be released on SENS.
2. Shareholders are referred to paragraph 7.7 of the Circular (which contains a summary of Dissenting Shareholders' Appraisal Rights) regarding timing considerations relating to the Appraisal Rights afforded to Shareholders.
3. Shareholders should note that as transactions in Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, persons who acquire Hulisani Shares after the Voting LDT (i.e. Tuesday, 28 December 2021) will not be eligible to vote at the General Meeting but will, provided the Scheme is approved and they acquire the Hulisani Shares on or prior to the Scheme LDT (expected to be Tuesday, 22 February 2022), participate in the Scheme (i.e. sell their Scheme Shares to the Offeror in accordance with the Scheme for the Scheme Consideration and the Agterskot Payment (if any)).
4. A Shareholder may submit a Form of Proxy (*blue*) to the Transfer Secretaries at any time before the commencement of the General Meeting (or any adjournment of the General Meeting) or email it to the Transfer Secretaries who will provide it to the Chairman of the General Meeting before the appointed proxy exercises any of the relevant Shareholder's rights at the General Meeting (or any adjournment of the General Meeting). Dematerialised Shareholders without own-name registration who wish to attend the General Meeting, or appoint a proxy to represent them at the General Meeting, should instruct their CSDPs or Brokers to issue them with the necessary letters of representation to attend the General Meeting, in the manner stipulated in their Custody Agreement.
5. If the General Meeting is adjourned or postponed, Forms of Proxy (*blue*) submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.
6. Certificated Shareholders are required to have completed the attached Form of Surrender (*pink*) in accordance with its instructions and returned it, together with the relevant Documents of Title, to the Transfer Secretaries, to be received by no later than the designated time and date set out in paragraph 5.2 of the "*Action required by Shareholders in respect of the Scheme*" section on page 7 of this Circular.
7. All times given in this Circular are local times in South Africa.
8. If the Scheme becomes operative, share certificates may not be Dematerialised, and Dematerialised Shares may not be rematerialised (i.e. converted into physical Documents of Title) after the Scheme LDT.
9. As authorised by the Board in accordance with article 29.1 of the MOI, the General Meeting will be held entirely by video conference and Shareholders will be able to cast their votes electronically. The Company will facilitate the electronic participation and voting by Shareholders.
10. Shareholders who wish to attend and speak at the General Meeting are referred to paragraph 5 of the "*Action required by Shareholders in respect of the Scheme*" section on page 7 of this Circular.

ACTION REQUIRED BY SHAREHOLDERS IN RESPECT OF THE SCHEME

The definitions and interpretations commencing on page 12 of this Circular shall apply *mutatis mutandis* to this section on Action required by Shareholders in respect of the Scheme.

Please take careful note of the following provisions regarding the actions required of Shareholders:

1. **DOUBT AS TO ACTION TO BE TAKEN**

If you are in any doubt as to the action you should take, please consult your CSDP, Broker, legal advisor, accountant, banker or other professional advisor immediately.

2. **SHARES ALREADY DISPOSED OF**

If you have disposed of all your Shares, then this Circular, together with the attached Notice, Form of Proxy (*blue*), Form of Surrender (*pink*) and Electronic Participation Form, should be handed to the purchaser of such Shares or to the Broker, CSDP, banker or other agent through whom the disposal was affected.

3. **DISCLAIMER OF RESPONSIBILITY**

Neither Hulisani nor Reatile accepts any responsibility, or will be held liable, for any action of, or omission by, any CSDP or Broker of a Dematerialised Shareholder to notify such Shareholder of the transaction set out in this Circular, including the General Meeting, or to take any action on behalf of such Shareholder.

4. **GENERAL MEETING**

The General Meeting will be held in electronic format as authorised by the Board in accordance with article 29.1 of the MOI, and in accordance with the provisions of section 63(2) of the Companies Act at 10:00 on Friday, 7 January 2022 (or any other adjourned or postponed date and time in accordance with the provisions of section 64(11) of the Companies Act and the MOI, as read with the JSE Listings Requirements) to consider and vote on the Resolutions required to authorise and effect the implementation of the Scheme. Hulisani will be assisted by The Meeting Specialist who will act as scrutineers in accordance with article 28.3(a) of the MOI.

The Notice is attached to, and forms part of, this Circular.

5. **ATTENDANCE AND VOTING AT THE GENERAL MEETING**

5.1 **Dematerialised Shareholders without own-name registration**

If you (or the relevant holder of voting rights as contemplated in section 57(1) of the Companies Act) wish to attend the General Meeting, you (or the relevant holder of voting rights) should instruct your CSDP or Broker to issue you (or the relevant holder of voting rights) with the necessary letter of representation to attend the General Meeting in person, in the manner stipulated in your Custody Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature.

You will not be permitted to attend, participate or vote in the General Meeting, nor appoint a proxy to represent you at the General Meeting, without the necessary letter of representation being issued to you.

If you (or the relevant holder of voting rights) do not wish to, or are unable to, attend the General Meeting, but wish to vote at the General Meeting, you (or the relevant holder of voting rights) should provide the CSDP or Broker with your voting instructions, in the manner stipulated in the Custody Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature.

If your CSDP or Broker does not obtain instructions from you, your CSDP or Broker will be obliged to act in accordance with the instructions contained in the Custody Agreement concluded between you and your CSDP or Broker.

If you have not been contacted, it would be advisable for you to contact your CSDP or Broker immediately and furnish your CSDP or Broker with your instructions.

You must **not** complete the attached Form of Proxy (*blue*).

5.2 Own-Name Dematerialised Shareholders and Certificated Shareholders

Own-Name Dematerialised Shareholders and Certificated Shareholders may, subject to section 58 of the Companies Act, attend, participate in and vote at the General Meeting as detailed in paragraph 5.3 below.

Alternatively, if you (or the person contemplated in section 57(1) of the Companies Act, as the case may be) do not wish to or are unable to attend the General Meeting and wish to be represented thereat, you (or such person) must complete the attached Form of Proxy (*blue*) in accordance with the instructions therein and return it to The Meeting Specialist, to be received preferably for administration purposes by no later than 48 hours before the General Meeting, i.e. by 10:00 on Wednesday, 5 January 2022. Should the Form of Proxy (*blue*) not be lodged with The Meeting Specialist by 10:00 on Wednesday, 5 January 2022, it may nevertheless be emailed to The Meeting Specialist at the email address below, who will provide it to the Chairman of the General Meeting or adjourned General Meeting (as the case may be) prior to commencement of the General Meeting (or any adjournment of the General Meeting).

The Form of Proxy (*blue*) may be delivered by hand or sent by mail or email to the following addresses:

If delivered by hand

1st Floor, JSE Building
One Exchange Square, 2 Gwen Lane
Sandown
2196

If sent by mail or email

The Meeting Specialist Proprietary Limited
(PO Box 62043, Marshalltown, 2107 South Africa)
Email: proxy@tmsmeetings.co.za

5.3 Participation at the General Meeting

Hulisani Shareholders are advised in terms of section 63(3) of the Companies Act and article 29.1 of the MOI, that Shareholders or their proxies may, as authorised by the Board, participate in the General Meeting by way of video conference, as contemplated in section 63(2) of the Companies Act, and Hulisani Shareholders and/or their proxies will be able, at their own expense, to participate in and vote at the General Meeting by means of a video conference facility.

5.4 Attending the General Meeting electronically

Shareholders or their proxies who wish to participate electronically and/or vote at the General Meeting are required to contact The Meeting Specialist on proxy@tmsmeetings.co.za as soon as possible, but in any event, for administrative purposes only, by no later than 10:00 on Wednesday, 5 January 2022. However, this will not in any way affect the rights of Shareholders to register for the General Meeting after this date, provided, however, that only those Shareholders who are fully verified (as required in terms of section 63(1) of the Companies Act) and subsequently registered at the commencement of the General Meeting will be allowed to participate in and/or vote by electronic means.

Shareholders are strongly encouraged to submit votes by proxy before the General Meeting. If Shareholders wish to attend the General Meeting, they should instruct their CSDP or Broker to issue them with the necessary letter of representation to attend the General Meeting, in the manner stipulated in their Custody Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature.

The Meeting Specialist will assist Shareholders with the requirements for electronic participation in, and/or voting at, the General Meeting. The Meeting Specialist is further obliged to validate (in correspondence with Hulisani and each Shareholder's CSDP) each Shareholder's entitlement to participate in and/or vote at the General Meeting, before providing he/she/it with the necessary means to access the General Meeting and/or the associated voting platform.

Notwithstanding the above, Shareholders are reminded that they are still able to vote normally through proxy submission, despite deciding to participate either electronically or not at all in the

General Meeting. Shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting and return it to The Meeting Specialist.

Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the General Meeting. Any such charges will not be for the account of the JSE, Hulisani, The Meeting Specialist, the Offeror and/or Computershare. None of the JSE, Hulisani, The Meeting Specialist, the Offeror and/or Computershare can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevent any such Shareholder from participating in and/or voting at the General Meeting.

Identification of meeting participants

In terms of section 63(1) of the Companies Act, before any person may attend or participate in a shareholders' meeting, that person must present reasonable satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder, or as a proxy of a shareholder, has been reasonably verified.

6. PROCEDURE FOR SHAREHOLDERS REGARDING THE SURRENDER OF DOCUMENTS OF TITLE

6.1 Dematerialised Shareholders

Should the Scheme become unconditional and operative, irrespective of whether or not you have voted in favour of the Resolutions or abstained from voting, you will have your account at your CSDP or Broker credited with the Scheme Consideration and, in due course, the Agterskot Payment (if any), in respect of each Scheme Share held by you as at the Scheme Record Date, and debited with the Scheme Shares acquired by the Offeror on the Discharge Date.

Scheme Participants holding Dematerialised Shares do not have to surrender any Documents of Title and must **not** complete the attached Form of Surrender (*pink*).

6.2 Certificated Shareholders

Should the Scheme become unconditional and operative, irrespective of whether or not you voted in favour of the Resolutions or abstained from voting, in order to receive the Scheme Consideration and, in due course, the Agterskot Payment (if any), pertaining to your Scheme Shares, you are required to surrender your Documents of Title in respect of all your Scheme Shares by completing the attached Form of Surrender (*pink*) in accordance with its instructions and returning it, together with the relevant Documents of Title, to the Transfer Secretaries, by no later than 12:00 on the Scheme Record Date.

Certificated Shareholders must note that the Company reserves the right, in its sole and absolute discretion, to:

- treat as invalid a Form of Surrender (*pink*) not accompanied by valid Documents of Title;
- treat as invalid a Form of Surrender (*pink*) which has not been fully completed or which has been incorrectly completed; and/or
- require proof of the authority of the person signing the Form of Surrender (*pink*) where such proof has not yet been lodged with, or recorded by, the Transfer Secretaries.

The Form of Surrender (*pink*) may be delivered by hand or sent by mail or email to the following addresses:

If delivered by hand

Computershare Investor Services
Proprietary Limited
Rosebank Towers, 15 Biermann Avenue
Rosebank
2196

If sent by mail or email

Computershare Investor Services
Proprietary Limited
(Private Bag X3000, Saxonwold, 2132)
Email: corporate.events@computershare.co.za

If the Documents of Title relating to the Scheme Shares held by you have been lost or destroyed, you should nevertheless return a duly completed Form of Surrender (*pink*), together

with an indemnity on terms satisfactory to the Company. The Company may, in its sole and absolute discretion, dispense with the surrender of such Documents of Title upon production of satisfactory evidence that the Documents of Title have been lost or destroyed and upon provision of an indemnity on terms acceptable to it. Unless otherwise agreed by the Company, only indemnity forms obtained from the Transfer Secretaries (available on request by emailing GroupAdmin1@Computershare.co.za) will be regarded as suitable. The Company shall be entitled, in its absolute discretion, by way of agreement to waive the requirement of an indemnity.

If the Scheme becomes unconditional and you do not submit a duly completed Form of Surrender (*pink*), together with the Documents of Title or indemnity, as the case may be, on or before 12:00 on the Scheme Record Date, then your Scheme Consideration and, in due course, the Agterskot Payment (if any), will be held by the Transfer Secretaries for your benefit, pending receipt of the necessary information or instructions, for a maximum period of five years, after which period such funds shall be made over to the Guardians Fund of the High Court of South Africa.

If you wish to Dematerialise your Shares, please contact a CSDP or Broker. You do not need to Dematerialise your Shares in order to receive the Scheme Consideration and, in due course, the Agterskot Payment (if any) in respect thereof.

Certificated Shareholders must note that they will not be able to Dematerialise or deal in their Shares between: (i) the date of surrender of their Documents of Title; and (ii) the Operative Date or, if the Scheme does not become operative, the date on which their Documents of Title are returned to them as envisaged in the paragraph above.

7. **APPROVAL OF THE SCHEME AT THE GENERAL MEETING**

The Scheme must be approved by a Special Resolution, in accordance with section 115(2)(a) of the Companies Act, at the General Meeting, at which sufficient Scheme Members are present to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised at the General Meeting and at least three such Scheme Members are present (whether in person or by proxy) at the General Meeting.

8. **COURT APPROVAL**

Hulisani Shareholders are advised that, in terms of section 115(3) of the Companies Act, in certain circumstances Hulisani may not proceed to implement the Scheme Resolution despite the fact that the Scheme Resolution has been adopted at the General Meeting, without the approval of the Court.

A copy of section 115 of the Companies Act pertaining to the required approval for the Scheme is set out in **Annexure 5** to this Circular.

9. **SETTLEMENT OF THE SCHEME CONSIDERATION AND THE AGTERSKOT PAYMENT (IF ANY)**

9.1 **Dematerialised Shareholders**

If the Scheme becomes unconditional and operative, your account held with your CSDP or Broker will be credited with the Scheme Consideration and debited with the Scheme Shares acquired by the Offeror on the Discharge Date.

If the Agterskot Payment becomes payable, your account held with your CSDP or Broker will be credited with the Agterskot Payment within five Business Days from the date you are notified by your CSDP or Broker that such payment will be made.

9.2 **Certificated Shareholders**

Should you surrender your Documents of Title in anticipation of the Scheme becoming operative and the Scheme then does not become operative, the Transfer Secretaries shall, within five Business Days of either the date upon which it becomes known that the Scheme will not be implemented or on receipt by the Transfer Secretaries of the required Documents of Title, whichever is the later, return the Documents of Title to you by registered post at your own risk.

If the Scheme becomes unconditional and you surrender your Documents of Title to the Transfer Secretaries on or before 12:00 on the Scheme Record Date, the Scheme Consideration due to you

will be paid to you in cash by way of EFT into your bank account on record with Computershare or the bank account nominated by you in the Form of Surrender (*pink*), as the case may be, within five Business days of receipt by the Transfer Secretaries of your Documents of Title. If you fail to surrender your Documents of Title to Computershare, or if your banking details are not on record with Computershare and you have failed to provide your banking details in the completed Form of Surrender (*pink*) the Scheme Consideration due to you will be held by the Transfer Secretaries for your benefit, pending receipt of the necessary information or instructions, for a maximum period of five years, after which period such funds shall be made over to the Guardians Fund of the High Court of South Africa.

If the Agterskot Payment becomes payable and you have already surrendered your Documents of Title to the Transfer Secretaries, the Agterskot Payment will be paid to you in cash by way of EFT into your bank account on record with Computershare or the bank account nominated by you in the Form of Surrender (*pink*), as the case may be. If you fail to surrender your Documents of Title to Computershare, or if your banking details are not on record with Computershare and you have failed to provide your banking details in the completed Form of Surrender (*pink*) the Agterskot Payment due to you will be held by the Transfer Secretaries for your benefit, pending receipt of the necessary information or instructions, for a maximum period of five years, after which period such funds shall be made over to the Guardians Fund of the High Court of South Africa. If you surrender your Documents of Title after the Agterskot Payment becomes due, the Agterskot Payment will be paid to you, as set out above, within five Business Days of receipt by the Transfer Secretaries of your Documents of Title.

If you do not return a duly completed Form of Surrender (*pink*) and/or properly surrender your Documents of Title or if your Scheme Consideration or Agterskot payment (if any), as applicable, is returned undelivered to the Transfer Secretaries, your Scheme Consideration or Agterskot Payment (if any), as applicable, will be held by the Transfer Secretaries for your benefit, pending receipt of the necessary information or instructions, for a maximum period of five years, after which period such funds shall be made over to the Guardians Fund of the High Court of South Africa.

10. DISSENTING SHAREHOLDERS' APPRAISAL RIGHTS IN TERMS OF SECTION 164 OF THE COMPANIES ACT

Section 115(8) of the Companies Act entitles Dissenting Shareholders to exercise Appraisal Rights under section 164 of the Companies Act. A detailed summary of section 164 of the Companies Act is provided in paragraph 7.7 of the Circular and a copy of the relevant provisions of the Companies Act is provided in **Annexure 5** to this Circular.

11. FOREIGN SHAREHOLDERS

Foreign Shareholders must satisfy themselves as to the full observance of any applicable laws concerning the receipt of the Scheme Consideration and/or Agterskot Payment (if any), as applicable, including, without limitation, obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such jurisdiction. Foreign Shareholders who are in any doubt as to their positions should consult their professional advisors immediately.

12. TRP APPROVAL OF THIS CIRCULAR

In approving this Circular and otherwise exercising its powers and functions with respect to the Scheme, the TRP has not considered, and the TRP expresses no opinion or view in relation to, the commercial advantages or disadvantages of the Scheme.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context otherwise indicates, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column hereunder have the meaning stated opposite them in the second column, as follows:

“Agterskot Committee”	a special sub-committee of the Hulisani Board consisting of three Committee Members governed by the Agterskot Committee Charter;
“Agterskot Committee Charter”	the terms of reference of the Agterskot Committee, as set out in the Implementation Agreement, which govern, <i>inter alia</i> , the constitution and functioning of the Agterskot Committee, the form of which is attached as Annexure 6 to this Circular;
“Agterskot Payment”	the additional, variable consideration which may become payable to Scheme Participants (that is, in addition to the Scheme Consideration), following the effective realisation by Hulisani of its indirect interests in the GRI Shares pursuant to the exercise of the GRI Put Option, in accordance with paragraph 7.4 of this Circular
“Appraisal Demand”	a written demand made by a Shareholder to the Company in terms of section 164(5) of the Companies Act, in terms of which a Shareholder demands that Hulisani pays such Shareholder the fair value for all the Shares which such Shareholder holds;
“Appraisal Rights”	the rights afforded to Hulisani Shareholders under section 164 of the Companies Act, as set out in Annexure 5 to this Circular;
“Auditor”	the statutory Auditor of Reatile, currently PwC South Africa;
“Authorised Dealer”	a person authorised by the Financial Surveillance Department of the South African Reserve Bank, established in terms of section 9 of the Currency and Banking Act, 31 of 1920, as amended and currently governed by the South African Reserve Bank Act, 90 of 1989, as amended to deal in foreign exchange, as contemplated by the Exchange Control Regulations;
“Avon”	Avon Peaking Power (RF) Proprietary Limited (registration number 2008/011908/07), a private company incorporated in accordance with the laws of South Africa;
“Board”, “Hulisani Board”, “Directors” or “Hulisani Directors”	the board of directors of Hulisani for the time being and from time to time, which, as at the Last Practicable Date, comprise those persons identified as directors in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“Broker”	any person registered as a “ <i>broking member (equities)</i> ” in terms of the rules of the JSE, made in accordance with the provisions of the Financial Markets Act, including any nominee of such person;
“Business Day”	any day other than a Saturday, Sunday or an official public holiday in South Africa;
“Certificated Shareholder”	a holder of Certificated Shares;
“Certificated Shares”	Shares which are not Dematerialised, title to which is represented by Documents of Title;

“Circular”	this entire bound document dated Tuesday, 7 December 2021, including the annexures hereto, the Notice, the Form of Proxy (<i>blue</i>), the Form of Surrender (<i>pink</i>) and the Electronic Participation Form;
“Committee Members”	in respect of the initial Committee Members, two members (and their alternates) nominated by the Hulisani Board and one member (and his/her alternate) nominated by Reatile, in each case by no later than the Scheme Record Date;
“Common Monetary Area”	South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of eSwatini;
“Companies Act”	the Companies Act, 71 of 2008, as amended;
“Companies Regulations”	the Companies Regulations, 2011, promulgated in terms of section 223 of the Companies Act and Item 14 of Schedule 5 to the Companies Act under GN R351 in GG 34239 of 26 April 2011;
“Company” or “Hulisani”	Hulisani Limited (registration number 2015/363903/06), a public company incorporated in accordance with the laws of South Africa, the Shares of which are listed on the Main Board of the JSE;
“Company Secretary”	Rilapax Proprietary Limited (registration number 2013/068456/07), a private company incorporated in accordance with the laws of South Africa (trading as William Radcliffe), further details of which are set out in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“Conditions Precedent”	the conditions precedent to which the Scheme is subject, as set out in paragraph 7.2 of this Circular;
“Corporate Advisor” and “Transaction Sponsor”	Questco Proprietary Limited (registration number 2002/005616/07), a private company incorporated in accordance with the laws of South Africa, acting as the Corporate Advisor and Transaction Sponsor to Hulisani on the Scheme, further details of which are set out in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“Court”	any South African court with competent jurisdiction to approve the implementation of the Scheme Resolution set out in the Notice pursuant to section 115 of the Companies Act and/or to review the Scheme Resolution and/or to determine the fair value of the Shares and/or to make an order pursuant to section 164(14) of the Companies Act;
“CSDP”	a Central Securities Depository Participant, accepted as a “ <i>participant</i> ” in terms of the Financial Markets Act, including any nominee of such participant, appointed by an individual Shareholder for the purposes of, and in regard to, the Dematerialisation of Documents of Title for purposes of incorporation into Strate;
“Custody Agreement”	the custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker governing their relationship in respect of Dematerialised Shares held by the CSDP or Broker on behalf of the Dematerialised Shareholder;
“Debt Funding”	any loan, preference share or other financial indebtedness of Hulisani or any of its Subsidiaries or investee companies to any bank or other financial institution;

“Dedisa”	Dedisa Peaking Power (RF) Proprietary Limited (registration number 2008/011914/07), a private company incorporated in accordance with the laws of South Africa;
“Delisting”	the termination of the listing of all the Hulisani Shares on the JSE;
“Dematerialise” or “Dematerialisation”	the process whereby Certificated Shares are replaced by electronic records of ownership under Strate, as contemplated in the Financial Markets Act, and recorded in the sub-register of Shareholders maintained by a CSDP or Broker;
“Dematerialised Shareholder”	a holder of Dematerialised Shares;
“Dematerialised Shares”	Shares which have been Dematerialised and which are no longer evidenced by physical Documents of Title, but the evidence of ownership of which is determined electronically and recorded in a sub-register maintained by a CSDP;
“Discharge Date”	the date of discharge of the Scheme Consideration, which: (i) for Dematerialised Shareholders will be the Operative Date; and (ii) for Certificated Shareholders will be the later of: (a) the Operative Date; and (b) within six Business Days after the date of receipt of the Form of Surrender (<i>pink</i>) together with the relevant Documents of Title or indemnity, as applicable;
“Dissenting Shareholders”	the Shareholders who: (i) validly exercise Appraisal Rights (if any) in relation to the Scheme by giving written notice to Hulisani objecting to the Scheme Resolution, voting against the Scheme Resolution and making a demand, in accordance with sections 164(5), 164(7) and 164(8) of the Companies Act, that Hulisani pay to them the fair value of their Shares; and (ii) have not withdrawn that demand or allowed an offer by Hulisani to lapse as contemplated in sections 164(9)(a) or (b), or section 164(15)(c)(v)(aa) of the Companies Act;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts and/or any other form of acceptable documents of title to Hulisani in respect of Shares;
“EFT”	electronic funds transfer;
“Electronic Participation Form”	the electronic participation form attached to and forming part of this Circular to be completed by Shareholders or their proxies who wish to participate in and/or vote at the General Meeting via the video conference facility;
“Encumber” and “Encumbrance”	includes: (i) any pledge, charge, hypothecation, lien, subordination, mortgage, option over, right of retention, right of first refusal, right of set-off, third party right or interest, assignment in security, title extension, trust arrangement, cession in security, security interest of any kind or any other encumbrance whatsoever, or any form of hedging or over Hulisani Shares, or lending Hulisani Shares; or (ii) any other type of preferential transaction or agreement having, or which might have, the effect of Encumbering as contemplated in (i), whether or not subject to a condition precedent, and the words “ Encumbered ” and “ Encumbering ” shall bear corresponding meanings;
“Eskom”	Eskom Holdings SOC Limited (registration number 2002/015527/06), a state-owned company incorporated in accordance with the laws of South Africa;

“Eurocape”	Eurocape Renewables Proprietary Limited (registration number 2008/025330/07), a private company incorporated in accordance with the laws of South Africa, 100% of the ordinary shares of which are, at the Last Practicable Date, held by Hulisani;
“Exchange Control Regulations”	the Exchange Control Regulations, 1961, as amended, made in terms of section 9 of the Currency and Exchanges Act, 9 of 1933, as amended, and all directives and rulings issued thereunder;
“Excluded Dissenting Shareholders”	Dissenting Shareholders who accept an offer made to them by the Company in terms of section 164(11) of the Companies Act or, pursuant to an order of Court, tender their Hulisani Shares to Hulisani in terms of section 164(15)(v), read with section 164(13)(a), of the Companies Act;
“FICA”	the Financial Intelligence Centre Act, 38 of 2001, as amended;
“Financial Markets Act”	the Financial Markets Act, 19 of 2012, as amended;
“Firm Intention Announcement”	the joint announcement by Hulisani and the Offeror, detailing the terms of the Scheme, as published on SENS on Tuesday, 9 November 2021;
“Foreign Shareholder”	a Hulisani Shareholder who has a registered address outside South Africa, is located outside South Africa and/or who is a national, citizen or resident of a country other than South Africa;
“Form of Proxy (<i>blue</i>)”	the form of proxy (<i>blue</i>) attached to and forming part of this Circular to be completed by Certificated Shareholders and Own-Name Dematerialised Shareholders only;
“Form of Surrender (<i>pink</i>)”	the form of surrender, transfer and acceptance of Documents of Title (<i>pink</i>) attached to and forming part of this Circular for use only by Scheme Participants holding Certificated Shares;
“General Meeting”	the general meeting of Hulisani Shareholders to be held in electronic format only, as authorised by the Board in accordance with article 29.1 of the MOI, and in accordance with the provisions of section 63(2) of the Companies Act, at 10:00 on Friday, 7 January 2022 (or any postponed or adjourned meeting in accordance with the provisions of section 64 of the Companies Act and the MOI, as read with the JSE Listings Requirements) to be convened in connection with the Scheme for the purpose of considering and, if deemed fit, approving, with or without modification, the Resolutions;
“GRI Put Option”	the right/put option held by Pele 13 in terms of the Shareholders Agreement, to require GRI SL to purchase the GRI Shares from it at a price equal to the GRI Put Option Consideration, which right/put option can be exercised during the Put Option Period;
“GRI Put Option Consideration”	the price equal to the purchase consideration which Pele 13 originally paid for the GRI Shares (being, c. R82 500 000.00) less any dividends that may have been paid to Pele 13 in respect of the GRI Shares, being, at the Last Practicable Date, Rnil;
“GRI Shares”	the issued ordinary shares in the share capital of GRI SA held by Pele 13, comprising 25% of the total issued ordinary shares of GRI SA;

“GRI SA”	GRI Wind Steel South Africa Proprietary Limited (registration number 2013/127156/07), a private company incorporated in accordance with the laws of South Africa, 25% of the ordinary shares of which are, at the Last Practicable Date, held indirectly by Hulisani through Pele 13 as more fully set out in paragraph 4.2.4 of this Circular;
“GRI SL”	GRI Renewables Industries. S.L (registration number B85497352), a limited liability company duly incorporated in accordance with the laws of Spain;
“Group”	Hulisani, and its Subsidiaries from time to time;
“Hulisani SAR Scheme”	Hulisani’s long-term share appreciation rights scheme, in terms of which conditional share appreciation rights are awarded to eligible members of Hulisani’s senior management and which, pursuant to vesting, may be settled in the form of cash or, at the discretion of Hulisani’s Remuneration Committee, Hulisani Shares (to be acquired on-market and not through the issue of new Hulisani Shares), as documented in the “ <i>Rules of the Senior Management Share Incentive Scheme</i> ” dated March 2017;
“Hulisani Shareholders” or “Shareholders”	the registered holders of Hulisani Shares as reflected in the Register;
“Hulisani Shares” or “Shares”	issued ordinary shares of no par value in the share capital of the Company;
“Implementation Agreement”	the written agreement entered into between the Offeror, Reatile Group and Hulisani on Tuesday, 9 November 2021, which written agreement regulates, <i>inter alia</i> , the conduct of the parties with respect to the Scheme and contains undertakings in relation thereto;
“Independent Board”	those members of the Hulisani Board who are independent non-executive Directors and have been appointed as required by the Companies Regulations as the independent board of Hulisani, namely Patrick Birkett, Karabo Ngwanamela Kekana and Dudu Rosemary Hlatshwayo, all of whom are independent, as contemplated in regulation 108(8) of the Companies Regulations;
“Independent Expert” or “PKF Octagon”	the independent expert appointed to provide a fair and reasonable opinion to the Independent Board in respect of the Scheme in terms of section 114(3) of the Companies Act and regulation 90 of the Companies Regulations, being PKF Octagon Proprietary Limited (registration number 2018/515503/21), a private company incorporated in accordance with the laws of South Africa, further details of which are set out in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“Independent Expert’s Report”	the report to be prepared by the Independent Expert in accordance with section 114(3) of the Companies Act and regulation 90(6) of the Companies Regulations;
“IPP”	Independent Power Producer;
“Irrevocable Undertaking”	the irrevocable undertaking given by Mazi to vote in favour of the Scheme, as more fully described in paragraph 12 of this Circular;

“JSE”	the JSE Limited (registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa, which is licensed as an exchange in terms of the Financial Markets Act;
“JSE Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;
“Kouga”	Kouga Wind Farm (RF) Proprietary Limited (registration number 2010/017030/07), a private company incorporated in accordance with the laws of South Africa, 6.67% of the ordinary shares of which are, at the Last Practicable Date, held by Hulisani;
“Last Practicable Date”	Tuesday, 30 November 2021 being the last practicable date prior to the finalisation of this Circular;
“LDT”	last day to trade;
“LPS”	Legend Power Solution Proprietary Limited (registration number 2002/022617/07, a private company incorporated in accordance with the laws of South Africa;
“LPS Shareholders”	the holders of ordinary shares in LPS from time to time;
“Material Adverse Event”	<ul style="list-style-type: none"> (i) any circumstance, fact or event which has arisen or might reasonably be expected to arise after the Signature Date which, alone or together with any other circumstance, fact or event, which has arisen or which might reasonably be expected to arise has, or is reasonably expected to have, the effect of being materially adverse with regard to the operations, continued existence, business, condition, assets and/or liabilities of the Group and its investee companies. To be “<i>materially adverse</i>” the effect or reasonably expected effect must represent a negative impact on Net Asset Value of not less than 5%, if compared to the Net Asset Value as at 28 February 2021 (determined by reference to the annual financial statements of Hulisani for the financial period ended 28 February 2021); or (ii) Hulisani having breached any warranty, representation or undertaking in terms of clauses 12 and/or 14 of the Implementation Agreement and not having remedied such breach to the reasonable satisfaction of Reatile within 10 Business Days (or such shorter period as provided for in the Implementation Agreement) of receipt of written notice from Reatile requiring it to do so;
“Mazi”	Mazi Asset Management Proprietary Limited (registration number 2012/012860/07), a private company incorporated in accordance with the laws of South Africa;
“MOI”	the memorandum of incorporation of the Company, as amended from time to time;
“Momentous Technologies”	Momentous Technologies Proprietary Limited (registration number 2008/027448/07), a private company incorporated in accordance with the laws of South Africa, 100% of the ordinary shares of which are, at the Last Practicable Date, held by Hulisani;
“MW”	megawatt;
“Net Asset Value”	means the total assets less the total liabilities of Hulisani, which net asset value is in the amount of R377 304 000 as per Hulisani's audited financial statements for the financial period ended 28 February 2021;

“Notice”	the notice convening the General Meeting, which is attached to and forms part of this Circular;
“Notice of Adoption”	a written notice given by the Company to a Shareholder in terms of section 164(4) of the Companies Act;
“Notice of Objection”	a written notice given by a Shareholder to the Company in terms of section 164(3) of the Companies Act;
“OCGT”	Open Cycle Gas Turbine;
“Operative Date”	the date on which the Scheme is to be implemented, being the first Business Day following the Scheme Record Date, which is expected to be Monday, 28 February 2022, subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular;
“Own-Name Dematerialised Shareholders”	Dematerialised Shareholders who have instructed their CSDP to hold their Shares in their own name on the sub-register of the Register;
“Pele 13”	Pele SPV 13 Proprietary Limited (registration number 2015/329348/07), a private company incorporated in accordance with the laws of South Africa, whose ordinary shares are held by Hulisani (as to 50%) and Pele 198 (as to 50%);
“Pele 13 Realisation Distribution”	has the meaning given thereto in paragraph 7.4.3 of this Circular;
“Pele 198”	Pele SPV 198 Proprietary Limited (registration number 2017/170427/07), a private company incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of Pele Green Energy;
“Pele 13 Shares”	issued ordinary shares in the share capital of Pele 13;
“Pele 198 Preference Shares”	issued preference shares in the share capital of Pele 198;
“Pele 198 Realisation Distribution”	has the meaning given thereto in paragraph 7.4.3 of this Circular;
“Pele 198 Shares”	issued ordinary shares in the share capital of Pele 198;
“Pele Green Energy”	Pele Green Energy Proprietary Limited (registration number 2010/005109/07), a private company incorporated in accordance with the laws of South Africa and the ultimate shareholder of Pele 198;
“PPA”	Power Purchase Agreement;
“Put Option Period”	the period of two months which commences on the fifth anniversary of the conclusion of the Shareholders Agreement, being 7 March 2022;
“Qualifying Hulisani SAR Scheme Participants”	such Hulisani employees as at the Operative Date who hold unvested and/or unsettled share appreciation rights under the Hulisani SAR Scheme and who are in active service and not under resignation being, as at the Signature Date, Masibulele Dem and Nombali Sihlobo, and “ Qualifying Hulisani SAR Scheme Participant ” shall mean any one of them as the context requires;
“Rand” or “R” or “ZAR”	South African Rand, the official currency of South Africa;
“Reatile” or “Offeror”	Reatile Solar Power 2 Proprietary Limited (registration number 2019/313309/07), a private company incorporated in accordance with the laws of South Africa, which is a wholly-owned subsidiary of Reatile Group;

“Reatile Group”	Reatile Group Proprietary Limited (registration number 2003/027219/07), a private company incorporated in accordance with the laws of South Africa, a wholly-owned subsidiary of EM-Three Investment Holdings Proprietary Limited (registration number 2002/032168/07), a private company incorporated in accordance with the laws of South Africa;
“Red Cap”	Red Cap Investments Proprietary Limited (registration number 2008/026283/07), a private company incorporated in accordance with the laws of South Africa, 100% of the ordinary shares of which are, at the Last Practicable Date, held by Hulisani;
“Register”	Hulisani’s securities register maintained by the Transfer Secretaries in accordance with sections 50(1) and 50(3) of the Companies Act, including the relevant sub-registers and the register of disclosures of Hulisani;
“REIPPPP”	Renewable Energy Independent Power Producer Procurement Programme;
“Resolutions”	the resolutions detailed in the Notice, which include the Scheme Resolution;
“RMB”	Rand Merchant Bank, a division of FirstRand Bank Limited;
“RustMo1”	RustMo1 Solar Farm (RF) Proprietary Limited (registration number 2011/005878/07), a private company incorporated in accordance with the laws of South Africa, 66% of the ordinary shares of which are, at the Last Practicable Date, held by Hulisani;
“Scheme”	the scheme of arrangement in terms of section 114(1)(c) of the Companies Act, read with section 115 of the Companies Act, proposed by the Board between Hulisani and the Shareholders pursuant to which Reatile will, with effect from the Operative Date, be deemed to acquire the Scheme Shares from Scheme Participants against payment by Reatile of the Scheme Consideration plus the Agterskot Payment (if any), subject to the Dissenting Shareholders’ Appraisal Rights;
“Scheme Consideration”	the initial fixed consideration payable to Scheme Participants for their Scheme Shares, being a cash consideration of R4.30 per Scheme Share, which consideration shall be settled on the Discharge Date in compliance with the Financial Markets Act;
“Scheme Consideration Settlement Date”	the date on which the Scheme Consideration is to be settled to the Scheme Participants, which date shall be on or about the Operative Date;
“Scheme LDT”	the last day to trade in Shares in order to be recorded on the Register on the Scheme Record Date, which date is expected to be Tuesday, 22 February 2022, subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular;
“Scheme Longstop Date”	Monday, 28 February 2022 or such later date as the Independent Board and the Offeror may agree, with any such change being published on SENS;
“Scheme Members”	Hulisani Shareholders recorded in the register on the Voting Record Date who are lawfully entitled to attend and vote at the General Meeting;

“Scheme Participants”	the Hulisani Shareholders, who are registered as such in the Register on the Scheme Record Date, but excluding any Dissenting Hulisani Shareholders who have not, whether voluntarily or pursuant to a final order of the Court, withdrawn their demands made in terms of sections 164(5) to 164(8) of the Companies Act before the Scheme Record Date, or allowed any offers made to them in terms of section 164(11) of the Companies Act to lapse before the Scheme Record Date, being persons who are entitled to receive the Scheme Consideration;
“Scheme Record Date”	the date on which Shareholders must be recorded in the Register in order to receive the Scheme Consideration and the Agterskot Payment (if any), which date is expected to be Friday, 25 February 2022, subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular;
“Scheme Resolution”	the Special Resolution to be proposed at the General Meeting in accordance with sections 114 and 115 of the Companies Act for the approval of the Scheme, the full terms of which are set out in the Notice;
“Scheme Shares”	all the Hulisani Shares held by Scheme Participants on the Scheme Record Date (which shall not exceed 50 000 020 Hulisani Shares), which shares shall be acquired by Reatile from the Scheme Participants under the Scheme with effect from the Operative Date;
“SENS”	the Stock Exchange News Service of the JSE;
“Settlement Agreements”	the Settlement and Waiver Agreements, entered into on the Signature Date between Hulisani and each of the Qualifying Hulisani SAR Scheme Participants;
“Settlement Amount”	means, in respect of Masibulele Dem, an amount of R2,054,082.00, and in respect of Nombali Sihlobo, an amount of R546,519.00, and such amounts together, the “ Settlement Amount ”;
“Shareholders Agreement”	the share sale and shareholders agreement entered into between Pele 13 and GRI SL on or about 7 March 2017, as amended;
“Signature Date”	the date on which the Implementation Agreement was signed, being Tuesday, 9 November 2021;
“South Africa”	the Republic of South Africa;
“Special Resolution”	a resolution adopted with the support of at least 75% of the voting rights exercised on the resolution;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a private company incorporated in accordance with the laws of South Africa, and a licensed Central Securities Depository in terms of the Financial Markets Act;
“Subsidiary”	a subsidiary as defined in the Companies Act;
“The Meeting Specialist”	The Meeting Specialist Proprietary Limited (registration number 2017/287419/07), a private company incorporated in accordance with the laws of South Africa;
“Transfer Secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company incorporated in accordance with the laws of South Africa, further details of which are set out in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;

“TRP”	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
“Valid Appraisal Demands”	appraisal right demands that comply with section 164(5) of the Companies Act, made by Dissenting Shareholders within the time period set out in section 164(7) of the Companies Act and which otherwise complies with section 164 of the Companies Act, in terms of which the applicable Hulisani Shareholders demands that Hulisani pay such Hulisani Shareholders the fair value for all of the Hulisani Shares such Hulisani Shareholders holds;
“Voting LDT”	last day to trade in Shares in order to be recorded on the Register on the Voting Record Date, which date is expected to be Tuesday, 28 December 2021, subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular;
“Voting Record Date”	the date on, and time which, a Shareholder must be recorded in the Register in order to be eligible to vote at the General Meeting, which is expected to be Friday, 31 December 2021 subject to the events set out in the “ <i>Salient Dates and Times</i> ” section of this Circular; and
“Umhlaba”	Umhlaba Land Lease Co Proprietary Limited (registration number 2017/276678/07), a private company incorporated in accordance with the laws of South Africa, 90% of the ordinary shares which are, at the Last Practicable Date, held by Hulisani.



Hulisani Limited

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

COMBINED CIRCULAR TO HULISANI SHAREHOLDERS

1. INTRODUCTION AND BACKGROUND

- 1.1 Hulisani Shareholders were advised in the Firm Intention Announcement that the Company had entered into the Implementation Agreement. In terms of the Implementation Agreement, the Offeror has agreed, *inter alia*, to make an offer to acquire the Scheme Shares for the Scheme Consideration plus the Agterskot Payment (if the Agterskot Payment becomes due), to be implemented by way of a Scheme.
- 1.2 The Scheme is subject to the fulfilment or waiver (as the case may be) of the Conditions Precedent.
- 1.3 Should the Scheme become unconditional and operative, all Scheme Participants will, on and with effect from the Operative Date, be deemed to have sold all of their Scheme Shares for the Scheme Consideration plus the Agterskot Payment (if the Agterskot Payment becomes due) to the Offeror and application will be made by Hulisani to the JSE to terminate the listing of its Shares on the JSE with effect from Tuesday, 1 March 2022, subject to the events set out in the "*Salient Dates and Times*" section of this Circular.

2. PURPOSE OF THIS CIRCULAR

The purpose of this Circular is to provide Shareholders with information relating to the Scheme and incorporates:

- 2.1 the report of the Independent Expert prepared in terms of section 114(3) of the Companies Act;
- 2.2 the opinion and recommendation of the Independent Board in respect of the Scheme; and
- 2.3 a notice convening the General Meeting at which Scheme Members will consider and, if deemed fit, approve, with or without modification, the Resolutions necessary to give effect to the Scheme in accordance with the Companies Act.

3. RATIONALE FOR THE SCHEME

- 3.1 Hulisani listed on the JSE in 2016 as a Special Purpose Acquisition Company to take advantage of investor demand for energy assets in South Africa and greater Sub-Saharan Africa. Its reasons for listing included, *inter alia*, access to institutional investment funding and the potential to use its shares as acquisition currency.
- 3.2 Since listing, however, Hulisani has been unable to attract further institutional interest to justify the limitations imposed by the regulatory processes and the ongoing compliance costs incidental to being listed on the JSE. Its ability to raise capital is not only hampered by the lack of investment interest in small, illiquid counters, but also by its current share price which is trading at a deep discount to their underlying net asset value and results in any capital raise at market value being highly dilutive to Hulisani Shareholders.

- 3.3 The Hulisani Board has therefore resolved to propose the Scheme to provide Hulisani Shareholders with the ability to realise their investment in Hulisani at a price considerably higher than the 90-day and 120-day volume weighted average price share price of Hulisani Shares (measured with reference to the date preceding the date of the Firm Intention Announcement), and before taking into account the potential benefit of the Agterskot Payment (if any) as more fully described in paragraph 7.4 below.
- 3.4 As part of the strategic ambitions of the Reatile Group, its strategy contemplates creating value for its shareholders by investing in sectors that are aligned to energy, petro-chemicals and the industrial sector.
- 3.5 Reatile Group believes that the proposed transaction would align well to its group strategy, and further brings the additional benefits of:
- Reatile bringing a management team with a deep understanding of the sector and proven track record;
 - creating scale and providing an immediate strategic impact to the Reatile Group; and
 - affording Reatile Group the opportunity to explore synergies in Hulisani by utilising Reatile's ability to operate and manage Hulisani's investment portfolio on a rationalised basis.

4. OVERVIEW OF HULISANI

4.1 History and nature of business

Hulisani was incorporated on 13 October 2015 as an investment holding company focused on power generation projects ranging from gas, diesel, solar photovoltaic, concentrated solar, wind and hydro, in South Africa and in Sub-Saharan Africa.

4.2 Subsidiaries and investments of Hulisani

4.2.1 RustMo1

RustMo1 is an IPP that began commercial operation in 2013 and was the first IPP to connect under REIPPPP. RustMo1 generates and sells energy from a 7MW solar photovoltaic generation facility that has a 20-year PPA to supply electricity to Eskom. Hulisani holds 100% of the issued shares in Momentous Technologies. Momentous Technologies holds a 66% interest in RustMo1.

4.2.2 Umhlaba

Umhlaba is a Subsidiary in which Hulisani holds 90% shareholding. The company was set up to procure long term cashflows underlying a portfolio of land leases arising from operational renewable energy projects and to build a portfolio of such leases to provide diversification from power generation. The company no longer has a pipeline of projects, as several leases have fallen away.

4.2.3 Kouga

Kouga, is an IPP that began commercial operation in 2015 and was one of the first wind farms to be connected under the REIPPPP. Kouga generates and sells energy from an 80MW wind energy generation facility that has a 20-year PPA to supply electricity to Eskom. Hulisani holds 100% of the issued shares in Red Cap and Eurocape. Red Cap and Eurocape hold 5.46% and 1.21% interest in Kouga respectively, combined to 6.67%.

4.2.4 GRI SA

GRI SA manufactures wind turbine towers used in energy production and established its wind tower manufacturing plant in 2014. The plant has the capacity to manufacture over 150 wind towers per annum, which is the equivalent of supplying 400MW in new-build wind farms per annum.

The investment structure is such that Hulisani holds 50% of the Pele 13 Shares and all the Pele 198 Preference Shares. Pele 198 in turns holds the remaining 50% of the Pele 13 Shares. Pele Green Energy holds all the Pele 198 Shares.

Pele 13 holds 25% of the issued ordinary shares in GRI SA, with the remaining issued ordinary shares in GRI SA being held by GRI SL, the majority (75%) shareholder of GRI SA.

GRI SL granted Pele 13 a put option to sell the GRI Shares back to GRI SL for the original purchase price, which was c. R82.5 million, less any dividends received from GRI SA up to date of exercise of the GRI Put Option, which is exercisable by Pele 13 during the Put Option Period.

As at the Last Practicable Date, no dividends had been received by Pele 13.

4.2.5 **LPS**

Established in 2005, LPS is an investment company whose mandate is to pursue opportunities in the electricity industry in Southern Africa. LPS has an equity stake in Avon (670MW) and Dedisa (335MW) OCGT peaking power plants. The power generated by the two OCGT power plants supplies Eskom with electricity during peak demand times. The plants have 15-year PPA's with Eskom. Hulisani has an interest in the Avon and Dedisa Peaking Power Plants, held indirectly through a convertible loan into LPS which participates in 9% of the distributable profits available to LPS Shareholders.

5. **BUSINESS AND HISTORY OF THE REATILE GROUP**

- 5.1 Reatile Group is a 100% black owned and operated investment holding company that was formed in 2003 to take advantage of the opportunities presented by South Africa's economic transformation. It is a Level 1 Broad-Based Black Economic Empowerment contributor, with 100% black ownership and 30% black woman ownership, and a procurement recognition level of 135%. The Offeror is a wholly-owned Subsidiary of Reatile Group.
- 5.2 The board and executive management team of Reatile Group have in excess of 200 years' combined experience in the energy and allied sectors and have a proven record of successfully operating, maintaining, managing and growing a portfolio of energy investments alongside some of the largest energy companies in South Africa and the world.
- 5.3 Through its active participation in all aspects of the energy sector, Reatile Group has developed, and maintains, sustainable, professional relationships with all key players in the energy sector, including the Department of Energy, industry regulators and industry participants.
- 5.4 Since its incorporation, Reatile Group has concluded 17 acquisitions, disposals and merger transactions (including associated fund raising) and has been actively involved in the funding and implementation of 14 major growth projects.

6. **OFFEROR' INTENTIONS REGARDING THE CONTINUATION OF HULISANI'S BUSINESS AND THE HULISANI BOARD SUBSEQUENT TO THE IMPLEMENTATION OF THE SCHEME**

- 6.1 It is not envisaged that the Company's strategy will change significantly following the implementation of the Scheme, although the Group will be placed under the control and strategic guidance of Reatile's management team.
- 6.2 Hulisani will procure that, unless otherwise agreed with Reatile in writing, all of the existing members of the Hulisani Board resign with effect from the Operative Date, and those persons nominated by Reatile are elected or appointed as Directors with effect from the Operative Date.

7. **SCHEME AND MECHANISM**

7.1 **Scheme details, Scheme Consideration and Agterskot Payment (if any)**

- 7.1.1 The Scheme is proposed by the Hulisani Board between Hulisani and the Hulisani Shareholders pursuant to which, if approved by the requisite majority of Scheme Members, the Offeror will, with effect from the Operative Date, be deemed to acquire all of the Scheme Shares held by the Scheme Participants for the Scheme Consideration plus the Agterskot Payment (if it becomes due).
- 7.1.2 The Scheme will be implemented in accordance with the Companies Act and the Companies Regulations and is regulated by the TRP.

- 7.1.3 Hulisani has, in terms of the Implementation Agreement, warranted, amongst others, that it shall not declare, pay or make any distributions to Hulisani Shareholders in the period between the Signature Date and the Operative Date.
- 7.1.4 The Scheme Consideration will be paid in cash to the Scheme Participants on the Discharge Date, in respect of which further details are provided in paragraphs 7.3 and 9 below.
- 7.1.5 Any Agterskot Payment, if it becomes due, will be settled and paid to the Scheme Participants, in respect of which further details are provided in paragraphs 7.3, 7.4 and 9 below.
- 7.1.6 As a consequence of the Scheme becoming operative, an application will be made to the JSE for the delisting of all of the Hulisani Shares from the JSE.

7.2 **Conditions Precedent**

- 7.2.1 The implementation of the Scheme is subject to the fulfilment and/or waiver (in whole or in part where capable of waiver) of the following Conditions Precedent:
 - 7.2.1.1 by no later than 17:00 on the Scheme Longstop Date the Resolutions being approved by the requisite majority of Hulisani Shareholders, as contemplated in the Companies Act;
 - 7.2.1.2 by no later than 17:00 on the Scheme Longstop Date, to the extent required under section 115(3) of the Companies Act, approval of the implementation of the Scheme Resolution by the Court is obtained and, if applicable, Hulisani not having treated the Scheme Resolution as a nullity (which it may not do unless it is instructed to do so by Reatile), as contemplated in section 115(5)(b) of the Companies Act;
 - 7.2.1.3 by no later than 17:00 on the Scheme Longstop Date, the Offeror has procured the written consent of the Department of Minerals Resources and Energy of the change of indirect control of RustMo1 that would result from the implementation of the Scheme, as envisaged in and as required by clause 16.1 of the implementation agreement entered into between RustMo1 and the Department of Minerals Resources and Energy;
 - 7.2.1.4 by no later than 17:00 on the Scheme Longstop Date, the Offeror has procured that the counterparties to the Debt Funding to RustMo1 and Kouga have, to the extent required, provided such consents or approvals, in writing, as may be required under the relevant agreements relating to the Debt Funding in order for the Scheme to be able to be implemented without triggering any event of default, mandatory prepayment or other potential adverse consequence under the relevant agreements;
 - 7.2.1.5 as at 12:00 on the Business Day immediately following the last day on which a Valid Appraisal Demand may be made by a Hulisani Shareholder in respect of the Scheme in terms of section 164(7) of the Companies Act, Hulisani has not received Valid Appraisal Demands from Hulisani Shareholders who, in aggregate, hold more than 4% of all the issued Hulisani Shares;
 - 7.2.1.6 by no later than 17:00 on the Scheme Longstop Date, to the extent required, the receipt of the unconditional approval of the Scheme in writing by the relevant South African competition authority/ies, to the extent required in terms of the Competition Act, 89 of 1998, as amended, or if such approval is conditional, such conditions being acceptable to the party/ies upon whom they are imposed or upon whom they have an impact (being, Reatile and/or Reatile Group and/or Hulisani), in their sole and absolute discretion, provided however that in considering whether to accept any such condition, each party shall act in good faith;
 - 7.2.1.7 by no later than 17:00 on the Scheme Longstop Date, all regulatory approvals legally necessary for the implementation of the Scheme (including any exchange control approvals, but excluding the approvals by the competition authorities as contemplated in paragraph 7.2.1.6 and the issue of the compliance certificate by

the TRP as contemplated in clause 7.2.1.10), have been obtained on an unconditional basis or if any such approval is conditional, such conditions being acceptable to the parties upon whom they are imposed or upon whom they have an impact, in their sole and absolute discretion, provided however that in considering whether to accept any such condition, each party shall act in good faith;

- 7.2.1.8 as at 17:00 on the date on which the last of the Conditions Precedent in paragraph's 7.2.1.1 to 7.2.1.7 has been fulfilled or, where appropriate, waived, none of the following events shall have occurred in respect of Hulisani:
- any corporate action, legal proceedings or other procedure or other step (including an application to Court, proposal of a resolution or convening of a meeting of shareholders, directors or other officers) is taken by any person other than Reatile Group, any person related to Reatile Group (being any person who is a related party to Reatile Group, as contemplated in section 2 of the Companies Act), or any person acting in concert with any of them, with a view to:
 - a moratorium, compromise, composition, business rescue or similar arrangement with any of its creditors;
 - its winding-up, dissolution or commencement of business rescue proceedings, or for the seeking of relief under any applicable bankruptcy, insolvency, company or similar law, or any such resolution;
 - the value of its assets is less than its liabilities (measured on a consolidated basis, taking into account of contingent liabilities) or it is unable to pay its debts as they fall due;
- 7.2.1.9 (i) as at 17:00 on the date on which the last of the Scheme Conditions in paragraphs 7.2.1.1 to 7.2.1.7 have been fulfilled or, where appropriate, waived (“**MAE Deadline**”), no Material Adverse Event has occurred (and for clarity, it is noted that Reatile may, on written notice (“**MAE Termination Notice**”) given to Hulisani at any time prior to the MAE Deadline, require the Scheme and the Implementation Agreement to be terminated at any time prior to such time, if a Material Adverse Event has occurred and is continuing at the relevant time), it being agreed that: (a) should Hulisani or any member of the Hulisani Board or management team become aware of the occurrence of any Material Adverse Event prior to the MAE Deadline it shall immediately notify Reatile of such occurrence in writing; and (b) this Condition Precedent shall be regarded as having been fulfilled unless Reatile has informed Hulisani by not later than the MAE Deadline that this Condition Precedent has not been fulfilled; or (ii) if Reatile has delivered a MAE Termination Notice by the MAE Deadline, then by the 20th Business Day after the appointment of an expert (as provided for in the Implementation Agreement) to determine if a Material Adverse Event occurred, Hulisani and Reatile having agreed in writing, or the expert having determined in accordance with the provisions of the Implementation Agreement, that no Material Adverse Event applicable in relation to that MAE Termination Notice has occurred, provided that if the independent expert does not make a determination within the aforementioned 20 Business Day period, this Condition Precedent will be deemed not to have been fulfilled;
- 7.2.1.10 as at 17:00 on the date on which the last of the Conditions Precedent in paragraphs 7.2.1.1 to 7.2.1.7 have been fulfilled or, where appropriate, waived, the certificate contemplated in clause 12.5 of the Implementation Agreement has been delivered to Reatile, and it confirms that the provisions of clause 12.1 of the Implementation Agreement have been fully complied with as at the date of the certificate and are expected to be complied with as at the Operative Date; and
- 7.2.1.11 by not later than 17:00 on the Scheme Longstop Date, the TRP issuing a compliance certificate in respect of the Scheme in terms of section 119(4)(b) of the Companies Act.

- 7.2.2 The Conditions Precedent in paragraphs 7.2.1.4, 7.2.1.5, 7.2.1.8, 7.2.1.9 and 7.2.1.10 are for the benefit of and may be waived or relaxed by the Offeror in its sole discretion by notice in writing to Hulisani prior to the expiry of the time period set out in those respective paragraphs (or such extended time period as may be agreed in writing between Hulisani, Reatile Group and Reatile, provided that such date may be extended by Reatile on written notice given by Reatile to Hulisani by not later than such date, to a date which is not later than 28 February 2022). The Condition Precedent in paragraph 7.2.1.3 has been inserted for the benefit of both Hulisani and Reatile and may be waived or relaxed by written agreement between Hulisani and Reatile prior to the expiry of the time period set out in that paragraph (or such extended time period as may be agreed in writing between Hulisani and Reatile in accordance with clause 8.4 of the Implementation Agreement).
- 7.2.3 The Scheme Conditions in paragraphs 7.2.1.1, 7.2.1.2, 7.2.1.6, 7.2.1.7 and 7.2.1.11 cannot be waived.
- 7.2.4 Hulisani, Reatile Group and Reatile may by agreement in writing and with the prior approval of the TRP (where required), extend the dates for the fulfilment of any one or more of the Conditions Precedent and such agreement shall not be unreasonably withheld or delayed if the Condition Precedent is of a regulatory nature and the delay is occasioned on the part of the regulator and the period of the extension accords with the period of the delay.
- 7.2.5 The Scheme shall not be implemented and shall be of no force and effect if the Conditions Precedent are not fulfilled or waived, where applicable, on or before the Scheme Longstop Date.
- 7.2.6 On the first Business Day on which Hulisani and Reatile are satisfied that all the Conditions Precedent have been fulfilled or waived (as the case may be), Hulisani and Reatile will confirm to each other in writing that all the Conditions Precedent have been fulfilled or waived (to the extent permitted) ("**Confirmation Notice**"), as the case may be, whereupon all the Conditions Precedent will be deemed to have been timeously fulfilled or waived in accordance with the above terms notwithstanding that Hulisani or Reatile may subsequently discover that any Conditions Precedent may not have been fulfilled or waived (as the case may be). For the avoidance of doubt, should Hulisani and/or Reatile fail to exchange the Confirmation Notice upon the fulfilment or waiver (as the case may be) of the Conditions Precedent, the Scheme will nonetheless be considered to be unconditional (and the Conditions Precedent taken to be fulfilled or waived (as the case may be)) and will be implemented in accordance with its terms.
- 7.2.7 An announcement will be released on SENS, and where required, published in the South African press as soon as possible after: (i) the fulfilment, or waiver, as the case may be, of all of the Conditions Precedent; or (ii) the non-fulfilment of any Condition Precedent.

7.3 Scheme mechanics

- 7.3.1 In terms of the Scheme, the Offeror will, on and with effect from the Operative Date, be deemed to acquire the Scheme Shares from the Scheme Participants for the Scheme Consideration plus the Agterskot Payment (if the Agterskot Payment becomes due). If the Scheme becomes unconditional and operative:
- 7.3.1.1 the Scheme Participants (whether or not they have voted in favour of the Resolutions or abstained from voting) shall be deemed to dispose of each of their Scheme Shares, free of Encumbrances, to the Offeror on and with effect from the Operative Date in exchange for the Scheme Consideration and the Agterskot Payment (if the Agterskot Payment becomes due) and the Offeror shall acquire all the registered and beneficial ownership of such Scheme Shares as of the Operative Date;
- 7.3.1.2 the disposal and transfer by each Scheme Participant of their Scheme Shares to the Offeror, pursuant to the provisions of the Scheme, shall be effected on the Operative Date;
- 7.3.1.3 the Scheme Participants shall be deemed to have transferred to the Offeror all their Scheme Shares, without any further act or instrument being required; and

- 7.3.1.4 Scheme Participants shall be entitled to receive the Scheme Consideration and the Agterskot Payment (if the Agterskot Payment becomes due), subject to the remaining provisions of this paragraph 7.3.
- 7.3.2 In terms of the Scheme, each Scheme Participant irrevocably and *in rem suam* (for their own advantage) authorises each and every officer/Director of the Company, as its agent, with full power of substitution, to cause the Scheme Shares disposed of by the Scheme Participant in terms of the Scheme to be transferred to the Offeror on the Operative Date, and to do all such things and take all such steps (including the signing of any transfer form) as may be necessary or expedient in order to effect the transfer.
- 7.3.3 The Scheme Consideration and the Agterskot Payment (if the Agterskot Payment becomes due) shall be paid in full, in accordance with the terms of the Scheme, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Company or the Offeror may otherwise be, or claim to be, entitled against any Scheme Participant, unless otherwise agreed to between the Offeror and the relevant Scheme Participant.
- 7.3.4 Hulisani, as principal, shall procure that the Offeror complies with its obligations under the Scheme and the Implementation Agreement (as applicable), and Hulisani alone shall have the right to enforce those obligations (if necessary) against the Offeror.
- 7.3.5 The rights of the Scheme Participants to receive the Scheme Consideration and the Agterskot Payment (if the Agterskot Payment becomes due) will be rights enforceable by a Scheme Participant against the Company only. Scheme Participants will be entitled to require Hulisani to enforce its rights in terms of the Scheme against the Offeror, as contemplated in the Implementation Agreement.
- 7.3.6 In terms of the Implementation Agreement, Hulisani and the Offeror have agreed that, upon the Scheme becoming unconditional and operative, they will give effect to the terms and conditions of the Scheme and will take all actions and sign all necessary documents to give effect to the Scheme.

7.4 The Agterskot Payment

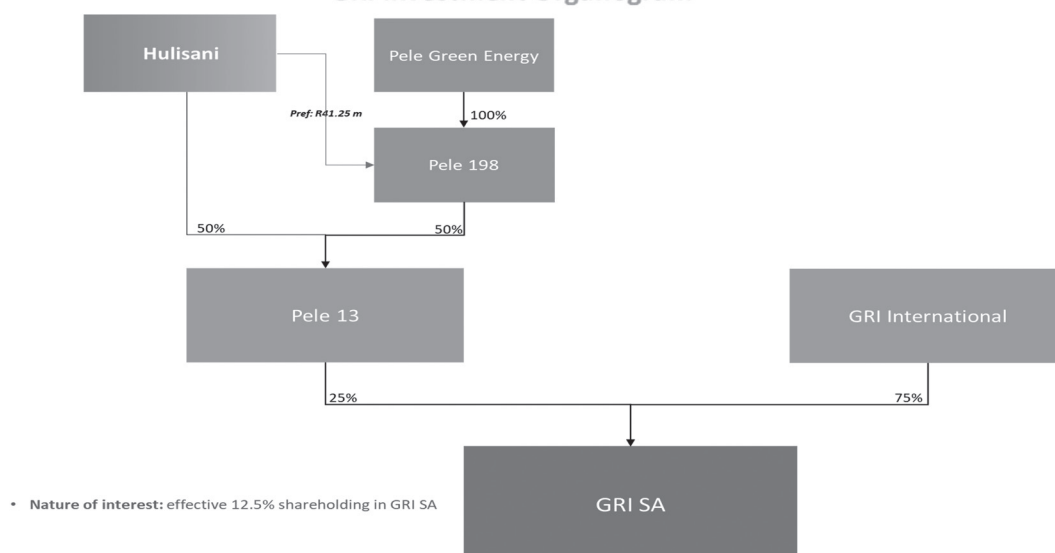
- 7.4.1 Reatile has undertaken, in terms of the Implementation Agreement, and at that time in its capacity as sole shareholder of Hulisani and, indirectly, Pele 13 after the Scheme becomes operative, to, amongst others, enforce Pele 13's rights in terms of the GRI Put Option. The GRI Put Option may be exercised during the Put Option Period.

7.4.2 Background

Hulisani holds 50% of the Pele 13 Shares and all the Pele 198 Preference Shares. Pele 198 in turn holds the remaining 50% of the Pele 13 Shares (the "**Remaining Pele 13 Shares**"). Pele Green Energy holds all the Pele 198 Shares. Pele 13 holds 25% of the GRI SA Shares, with the remaining GRI SA Shares being held by GRI SL.

The Remaining Pele 13 Shares have been pledged and ceded by Pele 198 in favour of Hulisani as continuing covering security for the due, proper and punctual payment and performance in full of all its obligations under the preference share agreement pursuant to which Hulisani subscribed for the Pele 198 Preference Shares ("**Preference Share Agreement**"). Similarly, Pele Green Energy has provided a guarantee, and pledged and ceded all its Pele 198 Shares in favour of Hulisani as continuing covering security for the due, proper and punctual payment and performance in full of all of Pele 198's obligations under the Preference Share Agreement. The security documents together, being the "**Preference Share Security Documents**". Hulisani's interests in Pele 13, Pele 198 and, indirectly, GRI SA are shown in the diagram below.

GRI Investment Organogram



In terms of the Shareholders Agreement, Pele 13 has a right/put option to require GRI SL (during the Put Option Period) to purchase the GRI Shares from it, at a price equal to the purchase consideration which Pele 13 originally paid therefor (being c. R82 500 000.00) less any dividends that may have been paid to Pele 13 in respect of the GRI Shares (being, as the Signature Date, Rnil).

7.4.3 Agterskot Payment mechanism

The purpose of the Agterskot Payment mechanism is to ensure that any net proceeds of the GRI Put Option Consideration and distributions in respect of the Pele 198 Preference Shares that may be received by Hulisani in respect of any effective realisation by Hulisani, after the Scheme Record Date, of its indirect interests (via the Pele 13 Shares and Pele 198 Preference Shares) in the GRI Shares, after the Scheme Record Date, will in effect accrue for the benefit of, and be payable by or on behalf of Reatile to, the Scheme Participants, in the form of an additional consideration for their Scheme Shares.

In terms of the Implementation Agreement, Hulisani has agreed to, and Reatile shall use its reasonable commercial endeavours to procure that Hulisani shall as soon as is reasonably practicable after the Operative Date and from time to time thereafter: (i) timeously exercise and take all necessary action to enforce its direct and indirect contractual rights and available legal remedies, including in its capacity as holder of the Pele 13 Shares and/or Pele 198 Preference Shares (and which may include any of the Remaining Pele 13 Shares and/or Pele 198 Shares which it may hold and/or control pursuant to the Preference Share Agreement, the Preference Share Security Documents or otherwise); (ii) without limiting the generality of (i), in good faith exercise such voting rights as it may have in its capacity as holder of the Pele 13 Shares and/or Pele 198 Preference Shares (and which may include any of the Remaining Pele 13 Shares and/or Pele 198 Shares which it may hold and/or control pursuant to the Preference Share Agreement, the Preference Share Security Documents or otherwise); and (iii) use its reasonable commercial endeavours to procure to the maximum extent reasonably possible that any persons that it had nominated, or may nominate, and which have been, or may be, elected or appointed as directors to the board of directors of Pele 13 and/or Pele 198, exercise such voting rights as he/she/they may have in his/her/their capacity as directors with a view to ensuring that –

- Pele 13 exercises the GRI Put Option and receives the GRI Put Option Consideration to the maximum extent reasonably possible;
- to the extent required, Hulisani, Pele 13 and/or Pele 198 enforce its direct and indirect contractual rights and available legal remedies to procure the receipt by Pele 13 of the GRI Put Option Consideration;

- Pele 13 distributes the net after tax proceeds of any realisation of the GRI Shares to its shareholders, being Hulisani and Pele 198 (“**Pele 13 Realisation Distribution**”); and
- Pele 198 applies any distribution received by it as contemplated above in order to make distributions and/or redemption payments in respect of the Pele 198 Preference Shares, in accordance with the terms of the Pele 198 Preference Shares and all agreements relating to the Pele 198 Preference Shares (including the Preference Share Agreement and the Preference Share Security Documents) (“**Pele 198 Realisation Distribution**”), in each case as soon as reasonably practicable after the GRI Put Option date, to the extent required, take such steps and actions, and institute such legal proceedings and incur such legal costs as may be necessary for the achievement of the above, to the extent that doing so is associated with a reasonable prospect of success.

Each Scheme Participant shall be entitled, as additional consideration for their Scheme Shares, to receive payment of an amount equal to its Shareholder proportion (being the proportion which its Scheme Shares bear to all the Scheme Shares) of an amount equal to the amount of any distribution described above which has been received by Hulisani, being the Agterskot Payment, less an amount equal to: (i) any and all taxes that may be payable by Hulisani in respect thereof; and (ii) any and all reasonable and verifiable costs or expenses (including, the cost of the applicable Audit (as defined below) and all costs associated with the services provided by the Transfer Secretaries and any fees payable to any service providers which may be contingent on the payment of the Agterskot Payment) that may have been or are required to be incurred by Hulisani or Reatile directly in connection with the performance of their obligations under, and the implementation of the arrangements contemplated, in this paragraph 7.4.3 (the resultant amount being the “**Applicable Agterskot Amount**”).

If Hulisani receives any distribution contemplated above, Reatile shall calculate the Applicable Agterskot Amount and shall procure that the Applicable Agterskot Amount is, as soon reasonably possible thereafter, audited by the Auditor with a view to confirming that the quantum of the Applicable Agterskot Amount has been correctly calculated in accordance with this paragraph 7.4.3, and if necessary making any adjustments that may be required to ensure compliance in this regard (“**Audit**”), which Audit shall be undertaken in accordance with the provisions of the Implementation Agreement.

7.4.4 **Agterskot Committee**

In order to seek to ensure that Hulisani’s indirect interest in the GRI Shares is effectively realised through the due exercise and enforcement by Pele 13 of its rights in terms of the GRI Put Option, for the ultimate benefit of Scheme Participants, an Agterskot Committee will be established in terms of the Agterskot Committee Charter, to be adopted by the Hulisani Board on and with effect from the Operative Date and, pursuant to which, the Hulisani Board shall delegate such of its authority, powers and functions to the Agterskot Committee to the extent required and for the sole purpose of giving effect to the obligations under paragraph 7.4.3. The form of the Agterskot Committee Charter is attached as **Annexure 6** to this Circular.

The Agterskot Committee will consist of three Committee Members. Two of the Committee Members (as well as an alternate to each of them) shall be nominated in writing by the Hulisani Board (and are envisaged to be independent of the Reatile Group, and at least one of which shall be appointed as an alternate director (as contemplated in section 1 of the Companies Act) to a member of the Hulisani Board) by no later than the Scheme Record Date, provided that the remaining Committee Member (as well as an alternate to him/her) shall be nominated by Reatile on or prior to such date. The Hulisani Board shall procure that these nominations are appointed as Committee Members, so as to constitute the Agterskot Committee with effect from the Operative Date. Upon a resignation by a Committee Member from the Agterskot Committee or upon a Committee Member no longer being available to serve on the Agterskot Committee, and if the applicable alternate Committee Member is not available to take up the relevant position on the Agterskot Committee, the remaining Committee Members shall be entitled to nominate a Committee Member in his/her place and stead, which nomination will be appointed to the Agterskot Committee by the Hulisani Board.

Hulisani and Reatile, each as applicable, shall take all such actions, and sign all such documents and procure that their respective boards of directors approve, authorise and/or ratify any action as may be necessary for the establishment and effective functioning of the Agterskot Committee, or as may be directed by the Agterskot Committee in the course of its mandate, as envisaged in terms of the Implementation Agreement and the Agterskot Committee Charter.

Subject to the provisions of section 72(2)(a)(ii) of the Companies Act, all resolutions of the Agterskot Committee will be taken as adopted pursuant to a simple majority of the votes cast, and each Committee Member will have one vote, on any matter to be decided by the Agterskot Committee, provided that if only one of the two Hulisani Board nominated Committee Members (or their alternates) is appointed as an alternate director to a member of the Hulisani Board, such a Committee Member will have an additional, casting vote, in the event of a deadlock on any matter to be decided by the Agterskot Committee.

Upon the earliest to occur of: (i) Hulisani receiving the Pele 13 Realisation Distribution and the Pele 198 Realisation Distribution; (ii) having regard to such professional advice as the Committee Members may consider necessary, the Agterskot Committee unanimously resolving that there is no reasonable prospect of Pele 13 recovering under the GRI Put Option Consideration and/or Hulisani receiving the Pele 13 Realisation Distribution and the Pele 198 Realisation Distribution; and (iii) a period of two years having lapsed since the date on which the GRI Put Option was exercised, the Agterskot Committee's delegated authority will be withdrawn and the Agterskot Committee will be dissolved.

At any time prior to the end of the two year period, the Agterskot Committee may (but will not be obliged) to elect to procure the transfer of Hulisani's indirect interests in the GRI SA structure (being the Pele 13 Shares, the Pele 198 Preference Shares and any of the Remaining Pele 13 Shares and/or Pele 198 Shares which it may hold and/or control pursuant to the Preference Share Agreement, the Preference Share Security Documents or otherwise) to a trust or other special purpose vehicle for the benefit of Scheme Participants.

7.4.5 **Risks in respect of the Agterskot Payment**

Hulisani Shareholders should carefully consider the risks and uncertainties described below in relation to the Agterskot Payment, in addition to the other information contained in this Circular, in determining whether to vote in favour of, or against, the Scheme. The risks and uncertainties outlined below are not exhaustive of all risks and uncertainties in respect of the Agterskot Payment. Additional risks and uncertainties not presently known to Hulisani, or that Hulisani currently considers immaterial, may also individually or cumulatively have a materially adverse impact on the Agterskot Payment and Scheme Participants' entitlement to receive any value under the Agterskot Payment.

There is no guarantee that: (i) the potential benefits of the Agterskot Payment will be materialised at all, whether in full, in part and/or in a timely manner; or (ii) presently unforeseen adverse consequences in respect of the Agterskot Payment will not emerge. As more fully described in paragraph 7.4 of the Circular, the Agterskot Payment (and therefore Scheme Participants' entitlement to receive any value under the Agterskot Payment) is primarily dependent on the effective realisation by Hulisani, after the record date of the Scheme, of its indirect interest in GRI SA by means of the exercise of the GRI Put Option. However, the ability of Hulisani to achieve this and to realise any proceeds in respect of the GRI Put Option is subject to various factors, risks and uncertainties, which may adversely impact on the Agterskot Payment, including:

- the GRI Put Option may only be exercised by Pele 13 (acting through the board of directors of Pele 13 ("**Pele 13 Board**"), in respect of which Hulisani does not have the right to appoint the majority of directors) and therefore, absent: (i) an undertaking by the Pele13 Board; or (ii) a continuing, unremedied breach under the Preference Share Subscription Agreement between Pele 198, Pele Green Energy and Hulisani, Hulisani has no right or ability, whether directly or indirectly, to direct the Pele 13 Board to exercise the GRI Put Option during the Put Option Period;
- in accordance with paragraph 7.4.3 of the Circular, the proceeds of the GRI Put Option, if successfully realised and received by Hulisani, will be reduced by an amount equal to:

- (i) any and all taxes that may be payable by Hulisani in respect thereof; and (ii) any and all reasonable and verifiable costs or expenses that may have been or are required to be incurred by Hulisani or Reatile, which are variable costs unknown to Hulisani (although these deductions will be verified by the Auditor);
- unlike the Scheme Consideration which is secured by an unconditional and irrevocable bank guarantee issued by RMB to the TRP as described in paragraph 17.2 of this Circular, the Agterskot Payment is potential additional, variable consideration, and is therefore not secured by a bank guarantee or other form of security. In the event that the Agterskot Payment becomes payable, Scheme Participants will only have an unsecured contractual claim against Hulisani (which, in turn, will be able to enforce its rights against Reatile) in the event that Reatile is unable or unwilling to effect settlement of the Applicable Agterskot Amount to Scheme Participants;
- there is no guarantee that GRI SL (as the counterparty to the GRI Put Option) will have sufficient cash resources to purchase the GRI Shares from Pele 13 in terms of the GRI Put Option; and
- GRI SL is a company incorporated in accordance with the laws of Spain and, therefore, should any legal proceedings be instituted against the company (whether to enforce the GRI Put Option or otherwise), such proceedings may be costly and the outcome thereof will be uncertain.

7.5 Effects of the Scheme

The effect of the Scheme will be that the Offeror will, on and with effect from the Operative Date, become the registered and beneficial owner of the Scheme Shares. Hulisani will, accordingly, become a wholly-owned Subsidiary of the Offeror and Hulisani's listing on the JSE will be terminated.

7.6 Shareholder approval and rights in respect of the Scheme

- 7.6.1 Section 115(2) of the Companies Act requires that the Scheme be approved by a Special Resolution adopted by Hulisani Shareholders entitled to exercise voting rights in respect thereof, at a meeting called for that purpose. In terms of the MOI, read with section 115(2) of the Companies Act, at least three Hulisani Shareholders entitled to vote on the Special Resolution and holding at least 25% of the voting rights that are entitled to be exercised, must be present (in person or represented by proxy) at the General Meeting.
- 7.6.2 If: (i) 15% or more of the voting rights exercised on the Resolution oppose the Scheme Resolution; and (ii) a person who voted against the Scheme Resolution, within five Business Days after the vote, requires Hulisani to seek Court approval for the Scheme, then Hulisani must either: (i) within 10 Business Days of the vote apply to Court to approve the Scheme Resolution; or (ii) treat the Scheme Resolution as a nullity, in accordance with section 115(3)(a) read with section 115(5) of the Companies Act.
- 7.6.3 Further, any person who voted against the Scheme Resolution may, within 10 Business Days after the vote, apply to Court for leave to launch an application to review the Scheme Resolution in terms of section 115(3)(b) of the Companies Act. In such circumstances, Hulisani may not proceed to implement the Scheme Resolution unless the Court refuses leave to launch the application to review the Scheme Resolution or, having granted leave to launch the application to review the Scheme Resolution, the Court refuses to set aside the Scheme Resolution.

7.7 Dissenting Shareholders' Appraisal Rights

Hulisani Shareholders are hereby advised of their Appraisal Rights.

- 7.7.1 Hulisani Shareholders who wish to exercise their Appraisal Rights are required, before the Scheme Resolution is voted on at the General Meeting, to give a Notice of Objection to Hulisani.

- 7.7.2 If the Scheme Resolution is adopted, Hulisani is required in terms of section 164(4) of the Companies Act to send a Notice of Adoption, within 10 Business Days after the Scheme Resolution is adopted, to all Hulisani Shareholders who gave Notice of Objection and who have not: (i) withdrawn their Notice of Objection nor; (ii) voted in support of the Scheme Resolution, which Notice of Adoption notifies the Hulisani Shareholders that the Scheme Resolution has been adopted.
- 7.7.3 Hulisani Shareholders may, within 20 Business Days after receipt of the Notice of Adoption or, if the Hulisani Shareholder does not receive the Notice of Adoption from Hulisani, within 20 Business Days after learning that the Scheme Resolution has been adopted, issue an Appraisal Demand, provided that:
- 7.7.3.1 such Hulisani Shareholder sent Hulisani a Notice of Objection and has not withdrawn that notice;
- 7.7.3.2 Hulisani has adopted the Scheme Resolution; and
- 7.7.3.3 such Hulisani Shareholder voted against the Scheme Resolution and has complied with all the procedural requirements set out in section 164 of the Companies Act.
- 7.7.4 The Appraisal Demand must set out:
- 7.7.4.1 the relevant Hulisani Shareholder's name and address;
- 7.7.4.2 the number of Hulisani Shares in respect of which the relevant Hulisani Shareholder seeks payment; and
- 7.7.4.3 a demand for payment of the fair value of those Hulisani Shares.
- 7.7.5 If Hulisani receives: (i) Valid Appraisal Demand/s; and (ii) such demand is not withdrawn before the Operative Date, Hulisani shall, in accordance with section 164(11) of the Companies Act, with five Business Days after the later of:
- 7.7.5.1 the Operative Date; and
- 7.7.5.2 the last day for receipt of Valid Appraisal Demands in terms of section 164(7)(a) of the Companies Act; or
- 7.7.5.3 the day Hulisani received the relevant Valid Appraisal Demand/s, if the circumstances contemplated in section 164(7)(b) of the Companies Act are applicable,
- make a written offer to the Dissenting Shareholder/s to purchase their Hulisani Shares at a purchase price considered by the Hulisani Directors to be the fair value thereof, determined as at the date on which, and time immediately before, Hulisani adopted the Scheme Resolution, which offer must be accompanied by a statement showing how the fair value was determined.
- 7.7.6 The offer made by Hulisani in accordance with section 164(11) of the Companies Act will, in terms of section 164(12)(b) of the Companies Act, lapse if it is not accepted by the Dissenting Shareholder within 30 Business Days after it was made. If the Dissenting Shareholder allows the offer to lapse, it will cease to be a Dissenting Shareholder and will become a Scheme Participant whose Hulisani Shares will be acquired by the Offeror, in accordance with paragraphs 9.4.4 and 9.4.5 below, with retrospective effect from the Operative Date.
- 7.7.7 A Dissenting Shareholder who accepts an offer made by Hulisani in terms of section 164(11) of the Companies Act will become an Excluded Dissenting Shareholder and will not participate in the Scheme. The Excluded Dissenting Shareholder must, if it: (i) holds Certificated Shares, tender the Documents of Title in respect of such Certificated Shares to Hulisani or the Transfer Secretaries; or (ii) holds Dematerialised Shares, instruct its CSDP or Broker to transfer those Dematerialised Shares to Hulisani or the Transfer Secretaries. Hulisani must pay that Excluded Dissenting Shareholder the offer consideration within 10 Business Days after the Excluded Dissenting Shareholder has accepted the offer in terms of section 164(11) of the Companies Act and tendered the Documents of Title or directed the transfer of the Dematerialised Hulisani Shares, as the case may be, to Hulisani.

- 7.7.8 A Dissenting Shareholder who considers the purchase price offered by Hulisani in accordance with section 164(11) of the Companies Act to be inadequate may, in accordance with section 164(14) of the Companies Act, apply to Court to determine a fair value in respect of the Hulisani Shares that were the subject of the Appraisal Demand and an order requiring Hulisani to pay the Dissenting Shareholder the fair value so determined.
- 7.7.9 A Dissenting Shareholder who has sent Hulisani an Appraisal Demand may withdraw that demand before Hulisani makes an offer in accordance with section 164(11) of the Companies Act or if Hulisani fails to make such an offer. If a Dissenting Shareholder voluntarily withdraws its Appraisal Demand, it will cease to be a Dissenting Shareholder and will become a Scheme Participant whose Hulisani Shares will be acquired by the Offeror, in accordance with the Scheme, with retrospective effect from the Operative Date.
- 7.7.10 A Dissenting Shareholder who has sent Hulisani an Appraisal Demand has no further rights in respect of the Hulisani Shares which are the subject of the Appraisal Demand, other than to be paid the fair value of such Hulisani Shares, unless:
- 7.7.10.1 that Dissenting Shareholder withdraws that Appraisal Demand before Hulisani makes an offer in accordance with section 164(11) of the Companies Act;
- 7.7.10.2 Hulisani makes an offer in accordance with section 164(11) of the Companies Act and the Dissenting Shareholder allows such offer to lapse; or
- 7.7.10.3 Hulisani fails to make an offer in accordance with section 164(11) of the Companies Act and that Dissenting Shareholder withdraws its Appraisal Demand,
- in which case such Hulisani Shareholder's rights shall, in terms of section 164(10) of the Companies Act, be reinstated without interruption.
- 7.7.11 If a Dissenting Shareholder withdraws its Appraisal Demand, the Dissenting Shareholder will cease to be a Dissenting Shareholder and will become a Scheme Participant whose Hulisani Shares will be acquired by the Offeror, in accordance with paragraphs 9.4.4 and 9.4.5 below, with retrospective effect from the Operative Date.
- 7.7.12 For the purpose of section 164 of the Companies Act, any Notice of Objection or Appraisal Demand or withdrawal of an Appraisal Demand to be sent by a Hulisani Shareholder to Hulisani should be sent by registered post for the attention of the Company Secretary at Hulisani's address set out in the "*Corporate Information and Advisors*" section of this Circular.
- 7.7.13 Before exercising their rights under section 164 of the Companies Act, Hulisani Shareholders should have regard to the following:
- 7.7.13.1 having considered the terms and conditions of the Scheme, the Independent Expert has concluded that the Scheme is unfair but reasonable to Scheme Participants. Hulisani Shareholders are referred to **Annexure 1** of this Circular, which sets out the full text of the Independent Expert's Report on the Scheme; and
- 7.7.13.2 the Court is empowered to grant a costs order in favour of, or against, a Dissenting Shareholder.
- 7.7.14 The above summary of the provisions of section 164 of the Companies Act is not intended to provide specific advice and no action should be taken or omitted to be taken in reliance upon it. A copy of section 164 of the Companies Act, which sets out the Appraisal Rights, is included in **Annexure 5** to this Circular.
- 7.7.15 Hulisani Shareholders that are in doubt as to what action to take must consult their legal or professional advisor in this regard.

8. THE HULISANI SAR SCHEME

- 8.1 The Hulisani SAR Scheme was established in May 2017 as a mechanism to incentivise and retain selected members of the Hulisani management team. Upon vesting, awards under the Hulisani SAR Scheme may be cash-settled or settled in Hulisani Shares, at the election of Hulisani's Remuneration Committee. To the extent that entitlements under the Hulisani SAR Scheme are settled in Hulisani Shares, such Hulisani Shares must be acquired by Hulisani on market.

- 8.2 The Hulisani SAR Scheme contemplates the accelerated vesting of a portion of awards when the Company is the subject of a take-over. In addition, in terms of the Companies Act, read with the Companies Regulations, the Qualifying Hulisani SAR Scheme Participants are entitled to be treated equitably, alongside Hulisani Scheme Participants.
- 8.3 Hulisani and each of the Qualifying Hulisani SAR Scheme Participants have entered into the Settlement Agreements in terms of which, subject to the Scheme becoming unconditional and with effect from the Operative Date, each Qualifying Hulisani SAR Scheme Participant agrees to relinquish any and all rights and entitlements under the Hulisani SAR Scheme, and waive any rights which they may have to a comparable offer, in terms of section 125(2) of the Companies Act (as read with regulation 87 of the Companies Regulations), in exchange for the Settlement Amount.
- 8.4 The Settlement Amount, which will be funded out of Hulisani's internal cash resources, has been calculated in accordance with the accelerated vesting provisions of the rules of the Hulisani SAR Scheme pertaining to take-overs and delistings, and is furthermore based on the Scheme Consideration so as to provide Qualifying Hulisani SAR Scheme Participants with incremental value on the basis of the Scheme, thereby affording equitable treatment.
- 8.5 Masibulele Dem, the Chief Financial Officer and acting Chief Executive Officer of Hulisani, is a Hulisani SAR Scheme Participant and has entered into an agreement as described in paragraph 8.3, entitling him to receive an amount of R2 054 082.

9. **PROCEDURE FOR THE RECEIPT OF THE SCHEME CONSIDERATION**

All Hulisani Shareholders recorded in the Register on the Scheme Record Date, will be eligible to participate in the Scheme and receive the Scheme Consideration and the Agterskot Payment (if the Agterskot Payment becomes due). Shareholders are also referred to the "*Action required by Shareholders in respect of the Scheme*" section on page 7 of this Circular.

9.1 **Validity of Forms of Surrender (*pink*)**

In respect of Certificated Shares, the Company reserves the right, in its sole and absolute discretion, to:

- 9.1.1 treat as invalid Forms of Surrender (*pink*) not accompanied by valid Documents of Title; or
- 9.1.2 require proof of the authority of the person signing the Form of Surrender (*pink*) where such proof has not yet been lodged with, or recorded by, the Transfer Secretaries.

9.2 **Certificated transfers**

Where Documents of Title have been surrendered, no receipts will be issued to the Hulisani Shareholders for the Forms of Surrender (*pink*) and the Documents of Title lodged with the Transfer Secretaries, unless specifically requested by such Hulisani Shareholders. Lodging agents who require special transaction receipts are requested to prepare such receipts and submit them for stamping, together with the Documents of Title lodged.

9.3 **Lost or destroyed Documents of Title in respect of Certificated Shareholders**

If Documents of Title relating to the Hulisani Shares have been lost or destroyed, Hulisani Shareholders should nevertheless return the Forms of Surrender (*pink*) duly signed and completed. Provided that the properly completed Forms of Surrender (*pink*) and evidence has been received on or before the Scheme Record Date and, such evidence is satisfactory to the Company or the Transfer Secretaries in their sole and absolute discretion, indicating that they have been lost or destroyed, the Transfer Secretaries shall issue a suitable indemnity form to such Shareholder. Such indemnity shall be in a form and substance acceptable to the Company in its sole and absolute discretion.

9.4 **Settlement of the Scheme Consideration**

- 9.4.1 Subject to paragraph 9.4.2 and the Scheme becoming operative, Scheme Participants will be entitled to receive the Scheme Consideration in respect of each Scheme Share held by them on the Scheme Record Date.

- 9.4.2 Settlement of the Scheme Consideration is subject to the Exchange Control Regulations, the salient provisions of which are set out in **Annexure 3** to this Circular.
- 9.4.3 Hulisani or its agents will administer and effect payment of the Scheme Consideration and/or will transfer or post the Scheme Consideration to Scheme Participants. To the extent that the Scheme Consideration is posted, it will be at the risk of the Scheme Participant concerned.
- 9.4.4 Scheme Participants who hold Dematerialised Shares will, if they are not Dissenting Shareholders on the Scheme Record Date, have their accounts held at their CSDPs credited with the Scheme Consideration and debited with the Scheme Shares that they are transferring to the Offeror pursuant to the Scheme on the Operative Date.
- 9.4.5 Scheme Participants who hold Certificated Shares, and who are not Dissenting Shareholders on the Scheme Record Date, will:
 - 9.4.5.1 if they have surrendered their Documents of Title and completed the Forms of Surrender (*pink*) to the Transfer Secretaries on or before 12:00 on the Scheme Record Date, receive the Scheme Consideration by way of EFT on the Operative Date; or
 - 9.4.5.2 if they surrender their Documents of Title and completed Forms of Surrender (*pink*) to the Transfer Secretaries after 12:00 on the Scheme Record Date, have the Scheme Consideration paid to them by way of EFT, within five Business Days of the Transfer Secretaries receiving their Documents of Title and completed Form of Surrender (*pink*).
- 9.4.6 Scheme Participants who hold Certificated Shares and who are Dissenting Shareholders on the Scheme Record Date, but who become Scheme Participants after the Scheme Record Date, will need to surrender their Documents of Title, together with completed Forms of Surrender (*pink*), to the Transfer Secretaries, and will have the Scheme Consideration paid to them by way of EFT, within five Business Days of the later of the date on which the Transfer Secretaries receive their Documents of Title and completed Forms of Surrender (*pink*) and the date on which they cease to be Dissenting Shareholders.
- 9.4.7 In the case of Hulisani Shareholders who are Dissenting Shareholders on the Scheme Record Date, the Scheme Shares held by such Dissenting Shareholders and the Scheme Consideration due to such Dissenting Shareholders shall be held in abeyance until such Dissenting Shareholders either:
 - 9.4.7.1 become Scheme Participants, as a result of the fact that they withdrew their Appraisal Demands or allowed an offer made by Hulisani in terms of section 164(11) of the Companies Act to lapse or a Court ordered them to withdraw their Appraisal Demands; or
 - 9.4.7.2 become Excluded Dissenting Shareholders, as a result of the fact that they accepted an offer made by Hulisani in terms of section 164(11) of the Companies Act or a Court ordered Hulisani to make them an offer to purchase their Hulisani Shares.
- 9.4.8 Where, on or subsequent to the Operative Date, a person, who was not a registered holder of Scheme Shares on the Scheme Record Date, tenders to the Transfer Secretaries Documents of Title, together with a duly stamped Form of Surrender (*pink*), purporting to have been executed by or on behalf of the registered holder of such Scheme Shares and, provided that the Scheme Consideration has not already been posted to the registered holder of the relevant Scheme Shares, then such transfer may be accepted by Hulisani and the Offeror who have been, if so required by any or all of them, provided with an indemnity on terms acceptable to them in respect of such Scheme Consideration.
- 9.4.9 In the case of Scheme Participants who are Foreign Shareholders, if the information regarding Authorised Dealers is not given or written instructions to the contrary are provided but no address is given, as required in terms of paragraphs 2 and 3 of **Annexure 3**, the Scheme Consideration will be held in trust by Hulisani, or the Transfer Secretaries on behalf of Hulisani, for the Scheme Participants concerned, pending receipt of the necessary information or instructions. No interest will be paid on the Scheme Consideration so held. If the necessary information or instructions have not been provided after a period of five years, such Scheme Consideration shall be paid over to the Guardians Fund of the High Court of South Africa, from which it can be claimed.

9.4.10 If the Scheme Consideration is not paid or posted to Certificated Shareholders entitled thereto because the relevant Documents of Title have not been properly surrendered or if the Scheme Consideration is returned undelivered to the Transfer Secretaries, the Scheme Consideration will be held by the Transfer Secretaries for the benefit of the Certificated Shareholders concerned, pending receipt of the necessary information or instructions, for a maximum period of five years, after which period such funds shall be made over to the Guardians Fund of the High Court of South Africa.

9.5 Settlement of Applicable Agterskot Amount

9.5.1 Hulisani shall, once the proceeds from the exercise of the GRI Put Option have been received and after the Applicable Agterskot Amount has been determined in accordance with paragraph 7.4.3 above, pay (on behalf of Reatile,) the Applicable Agterskot Amount to the Transfer Secretaries.

9.5.2 Upon receipt of the Applicable Agterskot Amount, Hulisani shall, notify Scheme Participants of the Applicable Agterskot Amount: (i) by email and/or electronic text messaging service to the extent that Scheme Participants' electronic contact details are known to Hulisani and/or the Transfer Secretaries (including by means of a SWIFT message via Strate to the relevant CSDPs); and (ii) by publishing an announcement in the *Business Day* newspaper, confirming: (a) the quantum of the Applicable Agterskot Amount; (b) that the Applicable Agterskot Amount has been Audited; and (c) that the Applicable Agterskot Amount has been paid to the Transfer Secretaries (the date of the last of such publications being the "**Publication Date**").

9.5.3 Such payment by Hulisani and the accompanying email and/or electronic text messaging service notification (including by means of a SWIFT message via Strate to the relevant CSDPs) and publication in the press shall constitute a full and final discharge by Reatile of its obligations under the Scheme and/or the Implementation Agreement to pay or procure the payment to Scheme Participants of the Applicable Agterskot Amount and to notify Scheme Participants thereof, and no Scheme Participant shall be entitled to dispute the quantum of the Applicable Agterskot Amount on any basis.

9.5.4 The Transfer Secretaries shall, as soon as reasonably possible after receipt of the Applicable Agterskot Amount, apply such amount in order to settle and pay to Scheme Participants the Applicable Agterskot Amount, such settlement and payment to take place as far as practicably possible (having regard for the rules of Strate and any applicable provisions of the Financial Markets Act) in the same manner and by applying the same procedures as was applicable to the settlement and payment of the Scheme Consideration.

9.5.5 Insofar as Certificated Shareholders are concerned, where bank account details have not been provided, the Transfer Secretaries will hold the Applicable Agterskot Amount in escrow in its bank account until it is claimed by the Scheme Participants concerned. The Applicable Agterskot Amount will be held as aforesaid for a maximum period of five years from the Publication Date, after which period the Applicable Agterskot Amount held in escrow on behalf of such Scheme Participants shall be made over to the Guardians Fund of the High Court of South Africa. The Applicable Agterskot Amount shall not bear interest. However, should there be any interest that has accrued on the Applicable Agterskot Amount held in escrow, such interest will accrue for the benefit of Reatile and will be paid to Reatile at the same time as the payment of the Applicable Agterskot Amount to the Scheme Participants and/or the Guardians Fund of the High Court of South Africa, as the case may be.

9.6 Restricted Jurisdictions

9.6.1 To the extent that the release, publication or distribution of this Circular in certain jurisdictions outside of South Africa may be restricted or prohibited by the laws of such jurisdiction, then this Circular is deemed to have been provided for information purposes only and neither the Hulisani Board nor the board of directors or trustees, as the case may be, of the Offeror accept any responsibility for any failure by Foreign Shareholders to inform themselves about, and to observe, any applicable legal requirements in any such relevant foreign jurisdiction.

9.6.2 Hulisani Shareholders who are in doubt as to their position should consult their professional advisors immediately.

10. MATERIAL AGREEMENTS IN RELATION TO THE SCHEME AND OTHER ARRANGEMENTS

- 10.1 Other than the Implementation Agreement entered into by the Company and the Offeror, and the Settlement Agreements entered into by the Company and the Qualifying Hulisani SAR Scheme Participants' (both of which are available for inspection per paragraph 24 below), no agreements exist between:
- 10.1.1 the Offeror and any person acting in concert with the Offeror, on the one hand, and Hulisani or any Directors (or persons who were directors of Hulisani within the preceding 12-month period); or
- 10.1.2 Hulisani and any directors or trustees of the Offeror (or persons who were directors or trustees of the Offeror within the preceding 12-month period).
- 10.2 Other than the Irrevocable Undertaking, no other agreements, that are considered to be material to a decision regarding the Scheme to be taken by Hulisani Shareholders, exist between:
- 10.2.1 the Offeror and any person acting in concert with the Offeror, on the one hand, and Hulisani Shareholders (or persons who were holders of Hulisani Shares within the preceding 12-month period); or
- 10.2.2 Hulisani and holders of shares (or a beneficial interest in shares) in the Offeror (or persons who were holders of shares or a beneficial interest in share in the Offeror within the preceding 12-month period).

11. AUTHORITY TO IMPLEMENT THE SCHEME AND DELISTING

- 11.1 The Scheme Resolution, which is required to approve the Scheme, will be proposed to Hulisani Shareholders at the General Meeting.
- 11.2 No approval will be sought from Hulisani Shareholders for the Delisting of the Hulisani Shares from the JSE as such approval is not required by virtue of paragraph 1.17(b) of the JSE Listings Requirements. The JSE has provided its in-principle approval for the Delisting, subject to the Scheme becoming unconditional and operative, which will be implemented immediately following implementation of the Scheme.

12. IRREVOCABLE UNDERTAKING

- 12.1 Mazi, which entity in its capacity as investment manager, is in control of, and mandated by its clients (who are Hulisani Shareholders) in respect of 38 447 532 Hulisani Shares, which equate to 77.7% of the total voting rights in Hulisani, has furnished an Irrevocable Undertaking to vote all such shares in favour of the Resolutions required to implement the Scheme.
- 12.2 Details of trading in Hulisani Shares by Mazi in the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date are set out in the table below.

Trade date	Purchase/Disposal	Volume	Price (cents)	Value (Rands)
26/10/2021	Disposal	1 711	420	7 169
27/10/2021	Disposal	23 497	420	98 565
29/10/2021	Disposal	18 650	420	78 231
02/11/2021	Disposal	22 314	420	93 602

- 12.3 Mazi has no interest in the shares of the Offeror.

13. EXCHANGE CONTROL REGULATIONS

- 13.1 A summary of the relevant Exchange Control Regulations is contained in **Annexure 3** to this Circular.
- 13.2 Scheme Participants who are Foreign Shareholders must satisfy themselves as to the full observance of the laws of any relevant jurisdiction concerning the receipt of the Scheme Consideration and the Agterskot Payment (if any), including (without limitation) obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction. If in doubt, Scheme Participants should consult their professional advisors immediately.

14. TAX IMPLICATIONS

The tax implications of the Scheme on the Hulisani Shareholders will depend on the individual circumstances of each independent Hulisani Shareholder. Accordingly, Hulisani Shareholders are advised to obtain independent tax advice in relation to the tax implications of the Scheme.

It should be noted that the Agterskot Payment constitutes an additional payment as consideration for the Scheme Shares. It is not a dividend or any form of distribution by Hulisani.

15. INDEPENDENT EXPERT'S OPINION

15.1 In accordance with section 114(3) of the Companies Act and regulations 90(1) and (2) of the Companies Regulations, the Independent Board appointed PKF Octagon as the Independent Expert (which meets the requirements set out in section 114(2) of the Companies Act and regulation 90 of the Companies Regulations) for the purposes of providing independent advice in regard to, among other things, the Scheme and to assist the Independent Board in forming its own opinion on the Scheme and the Scheme Consideration for the benefit of Shareholders.

15.2 The Independent Expert performed a valuation on the Hulisani Shares for the purposes of the Scheme. Taking into consideration the terms and conditions of the Scheme, the Independent Expert is of the opinion, based on the assumptions and other considerations set forth in its opinion included in **Annexure 1** to this Circular, that the terms and conditions of the Scheme are unfair but reasonable to Hulisani Shareholders.

15.3 The full text of such opinion from the Independent Expert is set out in **Annexure 1** to this Circular.

16. OPINIONS AND RECOMMENDATIONS BY THE INDEPENDENT BOARD

16.1 The Independent Board has been tasked with considering whether the terms of the Scheme are fair and/or reasonable to Hulisani Shareholders. In discharging its obligations, the Independent Board undertook an independent assessment of the terms of the Scheme and engaged the Independent Expert to provide an opinion in this regard

16.2 The Independent Expert has considered the proposed terms of the Scheme (assuming the Agterskot Payment will be Rnil) and is of the opinion that they are not fair but are reasonable to Hulisani Shareholders. The full text of the Independent Expert's Opinion in this regard is contained in **Annexure 1** to this Circular.

16.3 The Independent Board, taking into account the valuation range contained in the Independent Expert Report, has formed the view that the offer price is less than the fair value of a Hulisani Share. Nonetheless, having regard for the potential Agterskot Payment, the price at which Hulisani's shares have traded over the past two years, up to the date of the Firm Intention Announcement, as well as the fact that Hulisani's ability to raise capital to further its investment objectives is severely restricted in the current investment environment, as set out in paragraph 3.2 above, the Independent Board is unanimously of the opinion that the Scheme Consideration is unfair but reasonable and unanimously recommends that Hulisani Shareholders vote in favour of the Scheme Resolution at the General Meeting.

16.4 The Independent Board is not aware of factors that are difficult to quantify, or are unquantifiable, which affect this opinion. In reaching this conclusion, the Independent Board has taken into account the risks associated with the GRI Put Option and the uncertainty around the quantum of and timing of payment of the Agterskot Payment (as set out in paragraph 7.4.5) of this Circular. The Independent Board's assessment of fairness does not account for the proceeds expected from GRI Put Option.

16.5 Hulisani Directors intend to vote all of the Hulisani Shares that they own or control in favour of the Scheme Resolution at the General Meeting.

17. FUNDING OF THE SCHEME CONSIDERATION AND CONFIRMATION OF FINANCIAL RESOURCES

17.1 The Offeror confirms, in accordance with regulation 106(6)(c) of the Companies Regulations, that the repayment by the Offeror of the financing obtained to fund the Scheme Consideration is not dependent upon the business of Hulisani. The Agterskot Payment is conditional on the net proceeds that might be received by Hulisani in respect of any effective realisation by Hulisani (as a result of its indirect interests via the Pele 13 Shares and Pele 198 Preference Shares) in the GRI Put Option (as well as any distributions in relation to the Pele 198 Preference Shares), after the Scheme Record Date.

17.2 In accordance with regulation 111(4) and regulation 111(5) of the Companies Regulations, RMB, has provided an unconditional and irrevocable bank guarantee to the TRP confirming that, in aggregate, the Offeror has sufficient cash resources available to it to satisfy payment of the aggregate Scheme Consideration, totalling R215 000 086.

17.3 This guarantee further confirms that, if the Scheme Consideration is not paid within the relevant time period, RMB agrees to make payment of the aggregate Scheme Consideration to the Transfer Secretaries in respect of the Scheme or such other designated payment agent as the TRP may direct in writing, for the benefit of the Scheme Participants. Payment under any guarantee is subject to the Scheme becoming unconditional and being implemented in accordance with the terms and conditions of the Scheme.

18. INFORMATION RELATING TO REATILE

The business and history of the Reatile Group is set out in paragraph 5 of this Circular, Reatile is not acting in concert with any person in respect of the Scheme.

18.1 Interests of the Offeror in Hulisani Shares

As at the Last Practicable Date, the Offeror has no interest in Hulisani Shares.

18.2 Interests of the Offeror's directors in the Offeror's shares and in Hulisani Shares

As at the Last Practicable Date, the directors of the Offeror have no interest in Hulisani Shares or in the shares of the Offeror.

18.3 Interests of Hulisani in the Offeror's shares

As at the Last Practicable Date, Hulisani has no direct or indirect beneficial interests in the shares of the Offeror.

19. INFORMATION ON DIRECTORS

19.1 Statement of Directors' interests

19.1.1 Directors' interests in Hulisani and Reatile

The direct and indirect beneficial interests of the Hulisani Directors in Hulisani Shares as at the Last Practicable Date are set out in the table below.

Director	Beneficial		Total	Total %
	Direct	Indirect		
PC Mdoda	500 000	–	500 000	3.88
Total	500 000	–	500 000	3.88

Masibulele Dem is a participant in the Hulisani SAR Scheme. As at the last practicable date, he held 5 764 147 unvested rights. In terms of the accelerated vesting rules pursuant to a take-over as contained in the Hulisani SAR Scheme, 1 623 491 of these rights would vest upon the Operative Date. As set out in paragraph 8.5 of this Circular, Masibulele Dem has, however conditionally waived his rights as described in paragraph 8.3 of this Circular in exchange for a cash payment of R2 054 082 on the Operative Date.

As at the Last Practicable Date, neither Hulisani nor any Hulisani Director held a direct or indirect beneficial interest in the securities of Reatile or the Reatile Group.

19.1.2 Directors' dealings in Hulisani Shares

No Directors have dealt in Hulisani Shares in the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.

19.1.3 Remuneration of Directors

The remuneration receivable by Directors as approved by the Shareholders at the annual general meeting of Hulisani on Friday, 27 August 2021 shall cease as all of the existing members of the Hulisani Board will resign with effect from the Operative Date, and those persons nominated by Reatile will be elected or appointed as Directors with effect from the Operative Date.

19.1.4 Service Agreements

Save for the executive service contract entered into by the Company pursuant to the appointment of Masibulele Dem as interim Chief Executive Officer on 15 April 2021 and further extensions made on 27 July 2021 and 15 October 2021 to continue serving as the Company's interim Chief Executive Officer until 28 February 2022, on terms and conditions that are market related, there were no service contracts with Directors entered into or amended within the six months before the date of the Firm Intention Announcement. Service contracts with Directors are open for inspection in accordance with paragraph 24 of this Circular.

20. FINANCIAL INFORMATION

- 20.1 Extracts from the audited financial information of Hulisani for the years ended 28 February 2019, 29 February 2020 and 28 February 2021 are included in **Annexure 2** to this Circular. The full annual financial statements of Hulisani for the three financial years ended 28 February can be obtained from the Company's website (<https://hulisani.co.za/wp-content/uploads/2021/06/Hulisani-Integrated-Annual-Report-2021.pdf>) and will also be available for inspection as set out in paragraph 25 of this Circular.
- 20.2 Hulisani's financial results in respect of the six months ended 31 August 2021 were published on SENS on or about Monday, 15 November 2021.
- 20.3 In terms of regulation 106(7)(c) of the Companies Regulations, since the Scheme Consideration and the Agterskot Payment (if any) will be settled in cash, and not via an offer for shares, no *pro forma* financial effects on Hulisani Shares are required.

21. ADVISORS' CONSENTS

The advisors whose names appear in the "*Corporate Information and Advisors*" section of this Circular have all consented in writing to act in the capacities stated in this Circular and to their names being stated in this Circular and, in the case of the Independent Expert, reference to their report in the form and context in which it appears and have not withdrawn their consent prior to the publication of this Circular.

22. HULISANI'S RESPONSIBILITY STATEMENT

The Independent Board and the Hulisani Board, individually and collectively, accept full responsibility for the accuracy of the information contained in this Circular which relates to the Scheme as well as the extracts of information relating to Hulisani and certify that, to the best of their knowledge and belief, such information is true and this Circular does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this Circular.

23. OFFEROR'S RESPONSIBILITY STATEMENT

The Offeror accept responsibility for the accuracy of the information contained in this Circular which relates to Reatile as well as the extracts of information relating to the Offeror and confirm that, to the best of their knowledge and belief, such information is true and that this Circular does not omit any facts that would be likely to affect the importance of any information contained in this Circular.

24. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be: (i) available for inspection by Shareholders at Hulisani's registered offices and the offices of the Corporate Advisor and Transaction Sponsor (the addresses of which appear in the "Corporate Information and Advisors" section of this Circular); or (ii) made available to Shareholders following an email request to the Company Secretary at Lilian.Gomes@williamradcliffe.co.za, during normal office hours from the date of posting of this Circular until the Operative Date:

- 24.1 a signed copy of this Circular;
- 24.2 a signed copy of the Independent Expert's Report;
- 24.3 a signed copy of the Irrevocable Undertaking;
- 24.4 a signed copy of the Implementation Agreement;
- 24.5 signed copies of the Settlement Agreements;
- 24.6 the MOI;
- 24.7 executive Director's service agreements;
- 24.8 the TRP approval letter for the Circular;
- 24.9 the written consents by the advisors;
- 24.10 the Rules of the Hulisani SAR Scheme; and
- 24.11 the consolidated audited financial information of Hulisani for the three years ended 28 February 2019, 29 February 2020 and 28 February 2021, and the unaudited interim financial information for the six months ended 31 August 2021.

SIGNED AT JOHANNESBURG ON BEHALF OF THE INDEPENDENT BOARD

Karabo Kekana

Tuesday, 7 December 2021

SIGNED AT JOHANNESBURG ON BEHALF OF THE HULISANI BOARD

Patilizwe Mdoda

Tuesday, 7 December 2021

SIGNED AT JOHANNESBURG ON BEHALF OF THE OFFEROR

Sunette Smith

Tuesday, 7 December 2021

ANNEXURE 1: REPORT OF THE INDEPENDENT EXPERT

The Independent Board
Hulisani Limited
4th Floor North Tower
90 Rivonia Road
Sandton
2196
1 December 2021

Dear Sirs/ Mesdames

REPORT OF THE INDEPENDENT PROFESSIONAL EXPERT TO HULISANI LIMITED REGARDING THE PROPOSED OFFER BY REATILE SOLAR POWER 2 PROPRIETARY LIMITED TO ACQUIRE 100% OF THE ISSUED ORDINARY SHARES IN HULISANI LIMITED BY WAY OF A PROPOSED SCHEME OF ARRANGEMENT

Introduction

All defined terms appearing in this report are as per those defined in the Circular. The Hulisani Limited (“Hulisani” or the “Company”) board of directors (Hulisani Board) advised in the Firm Intention Announcement on 9 November 2021 that, following discussions with Reatile Solar Power 2 Proprietary Limited (“Reatile” or the “Offeror”), the Company had entered into an Offer and Implementation Agreement (the “Implementation Agreement”). In terms of the Implementation Agreement, the Offeror has agreed, *inter alia*, to make an offer to acquire the Scheme Shares for the Scheme Consideration plus the Agterskot Payment (if such payment becomes due), to be implemented by way of a Scheme of Arrangement (the “Scheme”) in terms of section 114(1)(c) of the Companies Act. In terms of the Scheme of Arrangement proposed by the Hulisani Board to the Hulisani Shareholders, Reatile will acquire 100% of the issued ordinary shares in Hulisani from the Hulisani Shareholders. The Scheme shall be between Hulisani and the Hulisani Shareholders to which Reatile will also be a party. In terms of the Scheme, the Scheme Participants shall dispose of their Scheme Shares to Reatile for the Scheme Consideration (the “Offer”). In arriving at our opinion, we assumed that the Agterskot Payment will be Rnil as there is no guarantee that the GRI Put Option Consideration will be paid over to the Scheme Participants if the GRI Put Option is exercised subsequent to the Scheme Implementation Date.

Furthermore, pursuant to the implementation of the Scheme, all Hulisani Shares will be delisted from the JSE Limited (“JSE”), in terms of paragraph 1.17(b) of the JSE Listings Requirements. No approval will be sought from Hulisani Shareholders for the Delisting of the Hulisani Shares from the JSE as such approval is not required by virtue of paragraph 1.17(b) of the JSE Listings Requirements. The JSE has provided its in-principle approval for the Delisting, subject to the Scheme becoming unconditional and operative, which will be implemented immediately following implementation of the Scheme.

The Scheme of Arrangement and subsequent Delisting is collectively referred to as the “Transaction”.

As at the date of this opinion, the share capital of the Company comprises:

- Authorised share capital comprising 1,000,000,000 Hulisani shares; and
- Issued share capital comprising 50,000,020 Hulisani shares.

Full details of the Transaction are contained in the Circular to be dated on 7 December 2021, which will include a copy of this letter.

Hulisani Shareholders that hold Hulisani Shares are the only class of shareholder that are affected by the Transaction.

Copies of sections 115 and 164 of the Companies Act are set out in Annexure 5 of the Circular and are incorporated herein by reference for purposes of section 114(3)(g) of the Companies Act.

Independent expert report required in terms of the Companies Act and Companies Regulations

The proposed Transaction is defined as a scheme of arrangement in terms of section 114(1)(c) of the Companies Act, read with section 115 of the Companies Act. In accordance with section 114(3) of the Companies Act and regulations 90(1) and (2) of the Companies Regulations, the Independent Board appointed PKF Octagon

(“PKF Octagon Corporate Finance”) as the Independent Expert (which meets the requirements set out in section 114(2) of the Companies Act and regulation 90 of the Companies Regulations) for the purposes of providing independent advice in regard to, among other things, the Scheme and to assist the Independent Board in forming its own opinion on the Scheme and the Scheme Consideration for the benefit of Shareholders.

Responsibility

Compliance with the JSE Listings Requirements, Companies Act and the Companies Regulations is the responsibility of the directors of Hulisani. Our responsibility is to report on the fairness and reasonableness of the terms and conditions of the Scheme.

We confirm that the Fair and Reasonable Opinion has been provided to the Independent Board for the sole purpose of assisting the Independent Board in forming and expressing an opinion for the benefit of the Hulisani Shareholders.

Definition of the terms “fair” and “reasonable” in the context of the Offer

The “fairness” of a transaction is based on quantitative issues. A transaction will generally be considered to be fair to a company’s shareholders if the benefits received, as a result of the transaction, are equal to or greater than the value given up.

The Offer will be considered fair to Hulisani Shareholders if the Scheme Consideration is equal to or greater than the fair value of an Hulisani Share, or unfair if the Scheme Consideration is less than the fair value of an Hulisani Share.

The assessment of reasonableness of an offer is generally based on qualitative considerations surrounding the transaction. Hence, even though the consideration to be paid in respect of an offer may be lower than the market value, the offer may be considered reasonable after considering other significant qualitative factors. The Offer may be said to be reasonable if the Scheme Consideration is greater than the trading price of an Hulisani Share as at the time of announcement of the Scheme, or at some other more appropriate identifiable time.

The assessment of reasonableness of the Scheme is based on the Scheme Consideration in relation to the prevailing trading price of an Hulisani Share as at the time of the Offer as well as qualitative factors.

Detail and sources of information

In arriving at our opinion, we have relied upon the following principal sources of information:

- The terms and conditions of the Transaction;
- Audited financial statements of Hulisani for the years ended 28 February 2021 and 2020;
- Condensed unaudited interim financial statements of Hulisani for the six months ended 31 August 2021;
- Unaudited year-to-date management accounts of Hulisani for the period ended 31 August 2021;
- Budget and forecast financial information of Hulisani prepared by the management of Hulisani for the financial years ending 28 February 2022 to 2026;
- Discussions with Hulisani directors and management regarding the rationale for the Transaction;
- Discussions with Hulisani directors and management regarding the historical and forecast financial information;
- Discussions with Hulisani directors and management on prevailing market, economic, legal and other conditions which may affect underlying value;
- Share price information of Hulisani;
- Publicly available information relating to Hulisani that we deemed to be relevant, including company announcements and media articles; and
- Publicly available information relating to the markets in which the Company operates.

The information above was secured from:

- Directors and management of Hulisani and their advisors; and
- Third party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing Hulisani.

Procedures

In arriving at our opinion, we have undertaken the following procedures and employed the following methods in evaluating the fairness and reasonableness of the Transaction:

- Reviewed the terms and conditions of the Transaction;
- Reviewed the audited and unaudited financial information of Hulisani, being the 2020 and 2021 audited financial statements, management accounts until 31 August 2021, and forecasts prepared by management;
- Held discussions with the management of Hulisani regarding historic and forecast financial information and the outlook for the sector;
- Held discussions with the directors and management of Hulisani as to their strategy and considered such other matters as we considered appropriate, including assessing the prevailing economic and market conditions and trends in the renewable energy sector.
- Reviewed and obtained an understanding from management of Hulisani as to the forecast financial information of the Company prepared by management. Considered the forecast cash flows and the basis of the assumptions therein including the prospects of the business of Hulisani. This review included an assessment of the recent historical performance to date as well as the reasonableness of the outlook assumed based on discussions with management and assessed the achievability thereof by considering historical information as well as macro-economic and sector-specific data;
- Valued Hulisani on a “sum of the parts” basis where we considered the values of its underlying investments and reduced the sum of the parts valuation by the present value of future expenses to determine the equity value of the Company.
- Compiled forecast cash flows for each of Hulisani’s underlying assets by using the forecast financial information as detailed above. Applied PKF Octagon Corporate Finance’s assumptions of cost of capital to the forecast cash flows to produce a discounted cash flow (“DCF”) valuation for each of the underlying assets and determined the value attributable to Hulisani based on its interest in the underlying asset;
- Performed a valuation of an Hulisani Share based on the Net Asset Value (“NAV”) approach;
- Considered appropriate discounts for an Hulisani Share;
- Performed such other studies and analyses as we considered appropriate and have taken into account our assessment of general economic, market and financial conditions and our experience in other transactions, as well as our experience in securities valuation and knowledge of the renewable energy sector generally;
- Assessed the long-term potential of Hulisani, with respect to the Company’s operations and development plans;
- Performed a sensitivity analysis on key assumptions included in the sum of the parts valuation;
- Evaluated the relative risks associated with Hulisani and the industry in which it operates;
- Reviewed certain publicly available information relating to Hulisani and the sector in which the Company operates that we deemed to be relevant, including Company announcements and media articles; and
- Where relevant, representations made by management and/or directors were corroborated to source documents or independent analytical procedures were performed by us, to examine and understand the industry in which Hulisani operates, and to analyse external factors that could influence the business of Hulisani.

Other considerations

In arriving at our opinion, we have considered, in addition to the matters referred to herein, other key qualitative factors, which may be difficult to quantify or are unquantifiable, as set out below:

- Rationale for the Transaction, as set out in the Circular.

Material assumptions

We arrived at our opinion based on the following material assumptions:

- That the Transaction will have the legal, accounting and taxation consequences described in the Circular and in discussions with, and materials furnished to us by representatives and advisors of Hulisani; and
- That reliance can be placed on the audited and unaudited financial information of Hulisani.

Appropriateness and reasonableness of underlying information and assumptions

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our opinion by:

- Placing reliance on audit reports in the financial statements of Hulisani;
- Conducting analytical reviews on the historical financial results and the forecast financial information, such as key ratios and trend analyses; and
- Determining the extent to which representations from management were confirmed by documentary and audited financial evidence, as well as our understanding of Hulisani and the economic environment in which the Company operates.

Limiting conditions

This opinion is provided in connection with and for the purposes of the Transaction. The opinion does not purport to cater for each individual Hulisani Shareholder's perspective, but rather for the rights and interests of the general body of Hulisani Shareholders.

Individual Hulisani Shareholders' decisions regarding the Transaction may be influenced by such Hulisani Shareholders' particular circumstances and accordingly individual Hulisani Shareholders should consult an independent advisor if in any doubt as to the merits or otherwise of the Transaction.

We have relied upon and assumed the accuracy of the information provided to us in deriving our opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our opinion, whether in writing or obtained in discussion with management, by reference to publicly available or independently obtained information. While our work has involved an analysis of, *inter alia*, the annual financial statements, and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards.

Where relevant, forward-looking information of Hulisani relates to future events and is based on assumptions that may or may not remain valid for the whole of the forecast period. Consequently, such information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely the actual future results of Hulisani will correspond to those projected. We have however compared the budgeted financial information to past trends as well as discussing the assumptions inherent therein with management.

We have also assumed that the Transaction will have the legal consequences described in the Circular and in discussions with, and materials furnished to us by representatives and advisors of Hulisani and we express no opinion on such consequences.

Our opinion is based on current information and takes into account current economic, regulatory, market and other conditions. Subsequent developments or changes to these conditions may affect the opinion, however, we are under no obligation to update, review or re-affirm our opinion based on such developments or changes.

Independence, competence and fees

We confirm that neither we nor any related person with us have a direct or indirect interest in the Hulisani Shares or the Transaction nor any relationship as contemplated in section 114(2)(b) of the Companies Act, and specifically declare, as required by Regulation 90(6)(i) and Regulation 90(3)(a) of the Companies Regulations, that we are independent in relation to the Transaction and will reasonably be perceived to be independent taking into account other existing relationships and appointments. We also confirm that we have the necessary competence to provide the Fair and Reasonable Opinion on the Transaction and meet the criteria set out in section 114(2)(a) of the Companies Act.

Furthermore, we confirm that our professional fees of R150,000 (one hundred and fifty thousand Rand) are payable in cash and are not contingent upon the success of the Transaction.

Valuation approach

This valuation has been prepared on the basis of "Market Value". The generally accepted definition of "Market Value" is the value as applied between a hypothetical willing vendor and a hypothetical willing prudent buyer in an open market and with access to all relevant information.

Hulisani Shares

The valuation of an Hulisani Share was performed by applying the income approach as a primary approach to its underlying investments. In addition, we considered the Net Asset Value ("NAV") approach as a secondary approach to support the results of the income approach.

The valuations were performed taking cognisance of risk and other market and industry factors affecting Hulisani and its underlying investments. Additionally, sensitivity analyses were performed considering key value drivers.

Key internal value drivers to the DCF valuation included growth in dividend income from underlying investments, the discount rate (represented by the cost of equity) and operating expense requirements.

External value drivers, including; key macro-economic parameters such as, GDP growth, interest rates, exchange rates, headline inflation rates, and prevailing market and industry conditions were considered in assessing the forecast cash flows and risk profile of Hulisani.

Our valuation results are also sensitive to sustainable dividend income and the operating expense requirements of Hulisani and the discount rates applied in the DCF valuations of the underlying investments.

Sensitivity analyses were performed by:

- Increasing and decreasing the discount rates by 50 basis points; and
- Increasing and decreasing the long-term growth rate by 15 basis points.

The sensitivity analysis did not indicate a sufficient effect on the valuation of an Hulisani Share to alter our opinion in respect of the fairness of the Offer.

Valuation results

In undertaking the valuation exercise above, we determined a valuation range of:

- R4.47 to R4.49 per Hulisani Share with a most likely value of R4.49 per Hulisani Share.

Notwithstanding our valuation, the true value negotiated between parties may differ from this value as it is dependent upon other considerations, including but not limited to differing views of micro and macro-economic conditions and forecasts as well as different assessments of risk. True and fair values negotiated between parties can only be determined through a process of negotiation.

Effects of the Transaction on the rights and interest of Hulisani shareholders

In accordance with section 114(3)(c) and section 114(3)(f) of the Companies Act, we confirm that the impact of the Transaction on the rights and interests of Hulisani Shareholders, including the directors of Hulisani that are Hulisani Shareholders, are that the Transaction will result in the expropriation of all the Hulisani Shares from its current shareholders and no longer have the rights of shareholders or a financial interest in Hulisani. Refer to Section 19.1 of this Circular for the Statement of Directors' interests in Hulisani and Reatile.

Opinion

The Scheme Consideration does not fall within the suggested range calculated from our valuation.

We are not aware of any material adverse effects of the Transaction.

PKF Octagon Corporate Finance has considered the proposed terms and conditions of the Offer, based upon and subject to the conditions set out herein, is of the opinion that the terms and conditions of the Offer, in respect of the Transaction, based on quantitative considerations, are not fair to the Hulisani Shareholders.

Based on qualitative factors, we are of the opinion that the terms and conditions of the Offer are reasonable from the perspective of Hulisani Shareholders.

Our opinion is necessarily based upon the information available to us up to 1 December 2021, including in respect of the financial, market and other conditions and circumstances existing and disclosed to us at the date thereof. We have furthermore assumed that all conditions precedent, including any material regulatory and other approvals and consents required in connection with the Transaction will be fulfilled or obtained.

Accordingly, it should be understood that subsequent developments may affect this opinion, which we are under no obligation to update, revise or re-affirm.

Consent

We hereby consent to the inclusion of this Fair and Reasonable Opinion, in whole or in part and references thereto in the Circular and in any required regulatory announcement or documentation.

PKF Octagon Inc.
Matthew Visser
Partner
21 Scott Street
Waverley
2090

ANNEXURE 2: EXTRACT OF CONSOLIDATED AUDITED HISTORICAL FINANCIAL INFORMATION OF HULISANI FOR THE YEARS ENDED 28 FEBRUARY 2019, 29 FEBRUARY 2020 AND 28 FEBRUARY 2021

The historical financial information is the responsibility of the Directors. The full set of annual financial statements for the years ended 28 February 2021, 29 February 2020 and 28 February 2019 are available on the Company's website: <https://hulisani.co.za/wp-content/uploads/2021/06/Hulisani-Integrated-Annual-Report-2021.pdf> and also open for inspection by Shareholders by prior arrangement at Hulisani's registered offices (the addresses of which appear in the "Corporate Information and Advisors" section of this Circular) during normal office hours from the date of posting of this Circular until and including the Operative Date.

A summary of the aforesaid financial information is also set out below.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 31-Aug 2021 R'000	Audited 28-Feb 2021 R '000	Audited 29-Feb 2020 R '000	Audited 28-Feb 2019 R'000
Assets				
Non-current assets				
Property, plant and equipment	106 753	111 695	121 462	125 771
Intangible assets	129 104	132 604	139 099	145 965
Investment in associate	100 609	104 759	103 337	103 560
Investment at amortised cost	–	–	–	19 276
Loan receivable	–	–	7 522	10 127
Convertible loan at fair value through profit or loss	118 346	95 293	81 609	76 786
Other financial assets at fair value through profit or loss	78 269	75 487	70 347	67 327
	533 081	519 838	523 376	548 812
Current assets				
Trade and other receivables	11 834	10 916	12 232	22 475
Cash and cash equivalents	23 961	26 947	26 923	31 697
	35 795	37 863	39 155	54 172
Total assets	568 876	557 701	562 531	602 984

	Unaudited 31-Aug 2021 R'000	Audited 28-Feb 2021 R '000	Audited 29-Feb 2020 R '000	Audited 28-Feb 2019 R'000
Equity and liabilities				
Capital and reserves				
Share capital	500 000	500 000	500 000	500 000
Other Reserve	7 471	8 049	6 562	6 562
Accumulated loss	(118 672)	(140 262)	(151 519)	(122 105)
Equity attributable to equity holders of the parent	388 799	367 787	355 043	384 457
Non-controlling interest	19 854	21 714	25 103	29 078
Total equity	408 653	389 501	380 146	413 535
Non-current liabilities				
Long term borrowings	99 543	99 543	108 862	114 695
Deferred tax	45 550	46 298	43 139	39 616
Lease liabilities	1 066	1 066	2 947	–
Total non-current liabilities	146 159	146 907	154 948	154 311
Current liabilities				
Trade and other payables	5 996	5 824	9 853	15 382
Borrowings	4 726	11 871	11 743	11 470
Lease liabilities	972	1 881	1 533	–
Current tax payable	2 370	1 717	–	–
Dividend payable	–	–	–	3 247
Bank overdraft	–	–	4 308	5 039
Total current liabilities	14 064	21 293	27 437	35 138
Total equity and liabilities	568 876	557 701	562 531	602 984

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Period ended 31-Aug 2021 R'000	Audited Year ended 28-Feb 2021 R '000	Audited Year ended 29-Feb 2020 R '000	Audited Year ended 28-Feb 2019 R'000
Revenue	32 142	62 392	69 438	50 371
Other operating income	254	13	1 000	17
Other operating gains	25 835	18 889	7 843	5 997
Other operating expenses	(28 849)	(71 480)	(73 609)	(73 303)
Financial assets write-off	–	–	(25 737)	–
Impairment reversal	–	14 314	–	–
Operating profit/(loss)	29 384	24 128	(21 065)	(16 918)
Investment income	513	1 222	3 807	7 485
Finance costs	(5 327)	(12 065)	(13 760)	(14 863)
Share of the profit from equity accounted investments	4 204	4 946	7 608	5 318
Profit/ (loss) before taxation	28 772	18 240	(23 410)	(18 978)
Taxation	(3 207)	(4 876)	(3 523)	(3 797)
Profit/(loss) for the year	25 565	13 364	(26 933)	(22 775)
Other comprehensive income	–	–	–	–
Total comprehensive income	25 565	13 364	(26 933)	(22 775)
Profit attributable to:				
Equity holders of the parent	24 590	11 257	(29 414)	(24 842)
Non-controlling interest	975	2 107	2 481	2 067
	25 565	13 364	(26 933)	(22 775)
Total comprehensive income attributable to:				
Equity holders of the parent	24 590	11 257	(29 414)	(24 842)
Non-controlling interest	975	2 107	2 481	2 067
	25 565	13 364	(26 933)	(22 775)
Basic earnings per share	49	23	(59)	(50)
Diluted earnings per share	49	23	(59)	(50)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated capital R'000	Equity settled share based payment reserve R'000	Accumulated loss R'000	Attributable to equity holders of the parent R'000	Non-controlling interest R'000	Total equity R'000
Equity at 28 February 2019	500 000	6 562	(122 105)	384 457	29 078	413 535
(Loss) profit for the year	-	-	(29 414)	(29 414)	2 481	(26 933)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) income for the year	-	-	(29 414)	(29 414)	2 481	(26 933)
Dividends	-	-	-	-	(6 456)	(6 456)
Equity at 29 February 2020	500 000	6 562	(151 519)	355 043	25 103	380 146
Profit for the year	-	-	11 257	11 257	2 107	13 364
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) income for the year	-	-	11 257	11 257	2 107	13 364
Employee share scheme – value of employee services	-	1 487	-	1 487	-	1 487
Dividends	-	-	-	-	(5 496)	(5 496)
Equity at 28 February 2021	500 000	8 049	(140 262)	367 787	21 714	389 501
Profit for the year	-	-	24 590	24 590	975	25 565
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) income for the year	-	-	24 590	24 590	975	25 565
Employee share scheme – value of employee services	-	(578)	-	(578)	-	(578)
Dividend paid	-	-	(3 000)	(3 000)	(2 835)	(5 835)
Equity at 31 August 2021	500 000	7 471	(118 672)	388 799	19 854	408 653

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Unaudited Period ended 31-Aug 2021 R'000	Audited Year ended 28-Feb 2021 R'000	Audited Year ended 29-Feb 2020 R'000	Audited Year ended 28-Feb 2019 R'000
Cash flows from operating activities	(439)	(3 996)	(5 737)	11 044
Cash used in operations	2 863	(3 996)	(5 737)	11 044
Tax paid	(3 302)	–	–	–
Cash flows from investing activities	14 087	36 604	32 874	8 483
Purchase of property, plant and equipment and intangibles	(490)	(1 670)	(1 032)	(1 148)
Disposal of property, plant and equipment	–	240	–	109
Receipts from loans receivables at amortised cost	–	7 522	–	–
Profit share	5 710	11 452	17 406	–
Interest received	513	1 222	1 754	4 866
Dividends received	8 354	17 838	14 746	17 156
Subscription of debt investments at amortised cost	–	–	–	(12 500)
Cash flows from financing activities	(16 634)	28 276	31 180	(28 386)
Repayment of borrowings	(4 542)	(8 339)	(5 560)	(10 512)
Proceeds from borrowings	–	–	–	622
Payment of lease liabilities	(909)	(1 533)	(1 120)	–
Dividends paid	(5 835)	(5 496)	(9 703)	(3 347)
Interest paid	(5 348)	(12 908)	(14 797)	(15 149)
Net increase/(decrease) in cash and cash equivalents	(2 986)	4 332	(4 043)	(8 859)
Cash and cash equivalents at beginning of the period/year	26 947	22 615	26 658	35 517
Cash and cash equivalents at end of the period/year	23 961	26 947	22 615	26 658

The full set of audited annual financial statements for the years ended 28 February 2019, 29 February 2020 and 28 February 2021 and the full set of unaudited interim financial statements for the period ended 31 August 2021 are available on the Company's website <https://hulisani.co.za/wp-content/uploads/2021/11/Hulisani-Interim-Results-31-08-2021.pdf> Physical copies may also be requested from the Company Secretary.

ANNEXURE 3: EXCHANGE CONTROL REGULATIONS

The definitions and interpretations commencing on page 12 of the Circular shall apply *mutatis mutandis* to this **Annexure 3**.

The settlement of the Scheme Consideration and the Agterskot Payment (if any) for both Certificated Shareholders and Dematerialised Shareholders will be made subject to the Exchange Control Regulations.

Shareholders that are to receive the Scheme Consideration and the Agterskot Payment (if any) who are not residents in South Africa, or who have registered addresses outside South Africa, must satisfy themselves as to the full observance of the laws of the relevant jurisdiction concerning the receipt of the Scheme Consideration and the Agterskot Payment (if any), including obtaining any required governmental or other consents, observing any other required formalities and paying any issue, transfer or other taxes due in that jurisdiction.

The following is a summary of the Exchange Control Regulations insofar as they apply to Hulisani Shareholders. In the event of any doubts, Hulisani Shareholders are advised to consult their professional advisors as soon as possible.

1. Residents of the Common Monetary Area

In the case of:

- 1.1 Certificated Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the Scheme Consideration and the Agterskot Payment (if any) will be posted by registered post to such Hulisani Shareholders, in accordance with the “*Action required by Shareholders in respect of the Scheme*” section of the Circular as set out on page 7; or
- 1.2 Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and have not been restrictively endorsed in terms of the Exchange Control Regulations, the Scheme Consideration and the Agterskot Payment (if any) will be transferred directly to the accounts nominated for the relevant Hulisani Shareholders by their duly appointed CSDP or Broker in terms of the provisions of the Custody Agreement with their CSDP or Broker.

2. Emigrants from the Common Monetary Area

In the case of Hulisani Shareholders who are emigrants from the Common Monetary Area, the Scheme Consideration and the Agterskot Payment (if any) will:

- 2.1 in the case of Certificated Shareholders whose Documents of Title are restrictively endorsed under the Exchange Control Regulations, be forwarded to the Authorised Dealer in foreign exchange in South Africa controlling such Certificated Shareholders’ remaining assets in terms of the Exchange Control Regulations. The attached Form of Surrender (*pink*) makes provision for details of the Authorised Dealer concerned to be given; or
- 2.2 in the case of Dematerialised Shareholders, be transferred to the emigrant capital account of the Hulisani Shareholders held at the CSDP of the Authorised Dealer controlling the particular emigrant’s remaining assets, or the CSDP contracted by such an Authorised Dealer, under the auspices of the controlling Authorised Dealer.

3. All other non-residents of the Common Monetary Area

The Scheme Consideration and the Agterskot Payment (if any) accruing to non-resident Hulisani Shareholders whose registered addresses are outside the Common Monetary Area and who are not emigrants from the Common Monetary Area will:

- 3.1 in the case of Certificated Shareholders, whose Documents of Title are restrictively endorsed under the Exchange Control Regulations, be posted to the registered addresses of the non-resident Hulisani Shareholders concerned, unless written instructions to the contrary are received and an address provided. The attached Form of Surrender (*pink*) makes provision for a substitute address; or

3.2 in the case of Dematerialised Shareholders, be credited by their duly appointed CSDP or Broker directly to the accounts nominated by the Hulisani Shareholders in terms of the provisions of the Custody Agreement with his/her/its CSDP or Broker.

4. **Information not provided**

If the information regarding Authorised Dealers is not given or the instructions are not given, the Scheme Consideration and the Agterskot Payment (if any) will be held in trust by Hulisani or the Transfer Secretaries on behalf of Hulisani for the Hulisani Shareholders concerned, pending receipt of the necessary information or instructions. Insofar as Certificated Shareholders are concerned, where bank account details have not been provided, the Transfer Secretaries will hold the Agterskot Payment (if any) in escrow in their bank account until it is claimed by the Scheme Participants concerned. The Agterskot Payment (if any) will be held as aforesaid for a maximum period of five years from the Publication Date, after which period the Agterskot Payment held in escrow on behalf of such Scheme Participants will be paid over to the Guardians Fund of the High Court of South Africa. The Applicable Agterskot Amount shall not bear interest. However, should there be any interest that has accrued on the Applicable Agterskot Amount held in escrow, same shall accrue for the benefit of Reatile and shall be paid to Reatile at the same time as the payment of the Applicable Agterskot Amount to the Scheme Participants and/or the Guardians Fund of the High Court of South Africa, as the case may be.

ANNEXURE 4: SHARE PRICE HISTORY FOR HULISANI INVESTMENTS

The definitions and interpretations commencing on page 12 of the Circular shall apply *mutatis mutandis* to this **Annexure 4**.

The daily closing share price, highest share price, lowest share price and volumes and values traded for the 30 trading days preceding the Last Practicable Date is set out below.

Date	Closing price (cents)	Highest price (cents)	Lowest price (cents)	Volume	Values (Rand)
24 Aug 2021	372	380	350	7 467	27 777
25 Aug 2021	350	365	350	179 012	626 542
26 Aug 2021	350	420	350	–	–
27 Aug 2021	351	355	351	5 118	17 964
30 Aug 2021	351	420	351	–	–
31 Aug 2021	420	420	420	3 611	15 166
01 Sep 2021	365	420	420	21 757	79 413
02 Sep 2021	450	450	365	11 851	53 330
03 Sep 2021	450	470	450	14 085	63 383
06 Sep 2021	450	4,89	450	17 690	79 605
07 Sep 2021	450	450	450	5 519	24 836
08 Sep 2021	450	450	351	–	–
09 Sep 2021	450	450	450	14 000	63 000
10 Sep 2021	450	450	450	15 000	67 500
13 Sep 2021	450	450	351	–	–
14 Sep 2021	450	450	450	1 762	7 929
15 Sep 2021	450	450	351	–	–
16 Sep 2021	4,5	450	351	–	–
17 Sep 2021	450	450	351	–	–
20 Sep 2021	527	527	439	17 841	94 022
21 Sep 2021	527	527	351	–	–
22 Sep 2021	521	527	521	3 200	16 672
23 Sep 2021	516	516	516	7 659	39 520
27 Sep 2021	516	516	516	129	666
28 Sep 2021	513	514	513	2 368	12 148
29 Sep 2021	510	515	510	54	275
30 Sep 2021	507	510	507	4 940	25 046
01 Oct 2021	450	450	450	1 818	8 181
04 Oct 2021	450	450	450	–	–
05 Oct 2021	429	444	429	4 696	20 146
06 Oct 2021	425	435	425	5 912	25 126
07 Oct 2021	424	425	424	3 553	15 065
08 Oct 2021	424	424	350	–	–
11 Oct 2021	434	434	434	2 270	9 852
12 Oct 2021	434	434	325	–	–
13 Oct 2021	434	508	325	–	–
14 Oct 2021	434	482	410	–	–
15 Oct 2021	434	514	325	–	–
18 Oct 2021	434	434	415	–	–
19 Oct 2021	416	434	416	4 643	19 315
20 Oct 2021	416	510	325	–	–
21 Oct 2021	416	416	325	–	–
22 Oct 2021	416	408	416	–	–

Date	Closing price (cents)	Highest price (cents)	Lowest price (cents)	Volume	Values (Rand)
25 Oct 2021	441	497	436	20 002	88 209
26 Oct 2021	420	420	404	11 926	50 089
27 Oct 2021	420	420	420	73 735	309 687
28 Oct 2021	420	420	325	–	–
29 Oct 2021	405	420	405	26 900	108 945
02 Nov 2021	420	420	179	22 117	92 891
03 Nov 2021	418	418	376	19 497	81 497
04 Nov 2021	417	418	377	11 247	46 900
05 Nov 2021	420	420	420	9	38
08 Nov 2021	418	430	418	1 108	4 631
09 Nov 2021	389	430	384	12 350	48 042
10 Nov 2021	395	418	395	223 214	881 695
11 Nov 2021	400	400	395	193 420	773 680
12 Nov 2021	380	400	366	35 628	135 386
15 Nov 2021	390	400	382	5 204	20 296
16 Nov 2021	391	400	390	13 778	53 872
17 Nov 2021	400	400	400	494	1 976
18 Nov 2021	390	395	390	16 899	65 906
19 Nov 2021	390	390	390	–	–
22 Nov 2021	390	391	390	17 344	67 642
23 Nov 2021	400	400	368	37 864	151 456
24 Nov 2021	385	385	385	3 100	11 935
25 Nov 2021	355	399	350	477 640	1 695 622
26 Nov 2021	350	361	323	119 005	416 518
29 Nov 2021	350	350	350	–	–
30 Nov 2021	371	399	370	10 435	35 714

The monthly closing share price, highest share price, lowest share price and volumes and values traded for the 12-months preceding the Last Practicable Date is set out below.

Date	Closing price (cents)	Highest price (cents)	Lowest price (cents)	Volume	Values (Rands)
30-Sep-2020	400	420	255	4 000	16 000
31-Oct-2020	340	400	300	14 817	50 378
30-Nov-2020	240	330	120	63 597	152 633
31-Dec-2020	250	320	150	25 574	63 935
31-Jan-2021	279	335	150	25 788	71 949
28-Feb-2021	189	279	150	184 673	349 032
31-Mar-2021	169	189	100	1 754 903	2 965 786
30-Apr-2021	180	205	115	224 468	404 042
31-May-2021	170	2,07	110	283 635	482 180
30-Jun-2021	250	330	120	1 975 372	4 938 430
31-July-2021	300	350	215	259 477	778 431
31-Aug-2021	420	527	281	304 716	1 279 807
28-Sep-2021	513	527	351	132 861	681 577
29-Oct-2021	420	514	325	155 455	652 577
30-Nov-2021	371	430	179	1 221 330	4 531 134

ANNEXURE 5: EXTRACT OF SECTIONS 115 AND 164 OF THE COMPANIES ACT

EXTRACT OF SECTION 115 OF THE COMPANIES ACT

- 1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:
 - (a) the disposal, amalgamation or merger, or scheme of arrangement:
 - (i) has been approved in terms of this section; or
 - (ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and
 - (b) to the extent that Parts B and C of this Chapter, and the Companies Regulations, apply to a company that proposes to:
 - (i) dispose of all or the greater part of its assets or undertaking;
 - (ii) amalgamate or merge with another company; or
 - (iii) implement a scheme of arrangement, the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4)(b), or exempted the transaction in terms of section 119(6).
- (2) A proposed transaction contemplated in subsection (1) must be approved:
 - (a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64(2); and
 - (b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if:
 - (i) the holding company is a company or an external company;
 - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the Subsidiary; and
 - (iii) having regard to the consolidated financial statements of the holding company, the disposal by the Subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and
 - (c) by the Court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).
- (3) Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a Court if:
 - (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within 5 Business Days after the vote, any person who voted against the resolution requires the company to seek Court approval; or
 - (b) the Court, on an application within 10 Business Days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a Court for a review of the transaction in accordance with subsection (7).
- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights:
 - (a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or
 - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.

- (4A) In subsection (4), “act in concert” has the meaning set out in section 117(1)(b).
- (5) If a resolution requires approval by a Court as contemplated in terms of subsection (3) (a), the company must either:
- (a) within 10 Business Days after the vote, apply to the Court for approval, and bear the costs of that application; or
 - (b) treat the resolution as a nullity.
- (6) On an application contemplated in subsection (3)(b), the Court may grant leave only if it is satisfied that the applicant:
- (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5) (a), or after granting leave in terms of subsection (6), the Court may set aside the resolution only if:
- (a) the resolution is manifestly unfair to any class of holders of the company’s securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person:
- (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that special resolution.
- (9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a Court for an order to effect:
- (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
 - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

EXTRACT OF SECTION 164 OF THE COMPANIES ACT

- “(1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.
- (2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to:
- (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
 - (b) enter into a transaction contemplated in section 112, 113, or 114,
- that notice must include a statement informing shareholders of their rights under this section.
- (3) At any time before a resolution referred to in subsection (2) is to be voted on, a Dissenting Shareholder may give the company a written notice objecting to the resolution.

- (4) Within 10 Business Days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who:
 - (a) gave the company a written notice of objection in terms of subsection (3); and
 - (b) has neither:
 - (i) withdrawn that notice; nor
 - (ii) voted in support of the resolution.
- (5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if:
 - (a) the shareholder:
 - (i) sent the company a notice of objection, subject to subsection (6); and (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
 - (b) the company has adopted the resolution contemplated in subsection (2); and
 - (c) the shareholder:
 - (i) voted against that resolution; and
 - (ii) has complied with all of the procedural requirements of this section.
- (6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting or failed to include in that notice a statement of the shareholders rights under this section.
- (7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within:
 - (a) 20 Business Days after receiving a notice under subsection (4); or
 - (b) if the shareholder does not receive a notice under subsection (4), within 20 Business Days after learning that the resolution has been adopted.
- (8) A demand delivered in terms of subsections (5) to (7) must state:
 - (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.
- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:
 - (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
 - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
 - (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within 5 Business Days after the later of:
 - (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.

- (12) Every offer made under subsection (11):
- (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 Business Days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12):
- (a) the shareholder must either in the case of:
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 Business Days after the shareholder accepted the offer and:
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a Court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has:
- (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the Court under subsection (14):
- (a) all Dissenting Shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the Court;
 - (b) the company must notify each affected Dissenting Shareholder of the date, place and consequences of the application and of their right to participate in the Court proceedings; and
 - (c) the Court:
 - (i) may determine whether any other person is a Dissenting Shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all Dissenting Shareholders, subject to subsection (16);
 - (iii) in its discretion may:
 - (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
 - (bb) allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the date the action approved by the resolution is effective, until the date of payment;
 - (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the Court; and
 - (v) must make an order requiring:
 - (aa) the Dissenting Shareholders to either withdraw their respective demands, in which case the shareholder is reinstated to their full rights as a shareholder, or to comply with subsection (13)(a); and
 - (bb) the company to pay the fair value in respect of their shares to each Dissenting Shareholder who complies with subsection (13)(a), subject to any conditions the Court considers necessary to ensure that the Company fulfils its obligations under this section.

- (15A) At any time before the Court has made an offer contemplated in subsection (15)(c)(v), a Dissenting Shareholder may accept the offer made by the company in terms of subsection (11), in which case:
- (a) that shareholder must comply with the requirements of subsection 13(a); and
 - (b) the company must comply with the requirements of subsection 13(b).
- (16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.
- (17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a Court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months:
- (a) the company may apply to a Court for an order varying the company's obligations in terms of the relevant subsection; and
 - (b) the Court may make an order that:
 - (i) is just and equitable, having regard to the financial circumstances of the company; and
 - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.
- (18) If the resolution that gave rise to a Shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.
- (19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to:
- (a) the provisions of that section; or
 - (b) the application by the company of the solvency and liquidity test set out in section 4.
- (20) Except to the extent:
- (a) expressly provided in this section; or
 - (b) that the Panel rules otherwise in a particular case,
- a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person."

ANNEXURE 6: AGTERSKOT COMMITTEE CHARTER

- A. The board of directors of Hulisani Limited (“**Hulisani**”) (“**Board**”) has adopted this charter (“**Charter**”) for the constitution and functioning of a special committee of the Board known as the Agterskot Committee (the “**Committee**”) on _____ 2022.
- B. Capitalised terms used but otherwise not defined in this Charter shall have the meanings ascribed to such terms in the Implementation Agreement (as defined in paragraph 1.1 below).

1. CONSTITUTION

- 1.1 The Committee is constituted as a special sub-committee of the Board in accordance with section 72 of the Companies Act, 71 of 2008 (the “**Act**”), article 43 of the memorandum of incorporation of Hulisani (“**MOI**”) and clause 4 of the Implementation Agreement entered into between, amongst others, Hulisani and Reatile in connection with the Scheme proposed by the Board between Hulisani and Hulisani Shareholders, and involving Reatile as a party, being the offeror (“**Implementation Agreement**”).
- 1.2 The Committee shall have the powers and responsibilities set out in this Charter and shall report to the Board on the performance of its duties.
- 1.3 The deliberations of the Committee do not reduce or otherwise negate the individual or collective responsibilities of the Board members with regard to their fiduciary duties and responsibilities.
- 1.4 In the execution of their duties, Committee members must apply the “*Standards of conduct of directors*” as set out in section 76 of the Act and “*Directors’ personal financial interests*” as set out in section 75 of the Companies Act.
- 1.5 This Charter is subject to the provisions of the Act, the MOI and any other applicable laws, in each case, as amended or substituted from time to time.
- 1.6 To the extent that there is any inconsistency between this Charter and the terms of the Implementation Agreement, the Implementation Agreement shall prevail to the extent of such inconsistency and the Board, and each Committee Member, shall take all steps as may be required to update and amend this Charter with a view to removing such inconsistency.

2. TERM

The Committee is established with effect from the Scheme Operative Date and shall remain in place for the duration envisaged in clause 4.4.9 of the Implementation Agreement, whereafter the Committee’s delegated authority will be withdrawn and the Committee will be dissolved.

3. COMPOSITION

- 3.1 The Committee shall comprise three Committee Members.
- 3.2 In accordance with clause 4.4 of the Implementation Agreement and subject to the provisions of paragraph 3.3 below, the Committee Members shall be appointed by the Board following their nomination as follows:
- 3.2.1 in respect of the initial Committee Members, two members (as well as an alternate for each of them) nominated by the Board and one member (as well as an alternate for him/her) nominated by Reatile, in each case by no later than the Scheme Consideration Record Date; and
- 3.2.2 in respect of any vacancy occurring pursuant to a resignation of any Committee Member or the Committee Member no longer being available to serve on the Agterskot Committee, and if the applicable alternate Committee Member is not available to take up the relevant position on the Agterskot Committee, the remaining Committee Members shall be entitled to nominate a Committee Member in his/her place and stead, which nomination will be appointed to the Committee by the Board.

- 3.3 At all times during the subsistence of the Committee, the Board shall procure that: (i) at least one of the Committee Members nominated by the Board in terms of paragraph 3.2 (and any alternate or replacement Committee Member contemplated in that paragraph) shall also be appointed as an alternate director (as contemplated in section 1 of the Companies Act) to a member of the Board (such director of Hulisani being the “**Appointing Director**”); and (ii) the Appointing Director takes all steps as may be necessary or desirable to ensure that all matters to be considered, decided and/or actioned by the Committee in terms of clause 4 of the Implementation Agreement and this Charter shall be referred and delegated to such Committee Member in substitution for, and to the exclusion of, the Appointing Director.
- 3.4 It is recorded that the initial Committee Members are [name], [name], with [name] and [name] as their alternates (as nominated by the Board) and [name], with [name] as his/her alternate (as nominated by Reatile).
- 3.5 Committee Members must collectively have sufficient qualifications, skills and experience to fulfil their duties, and must not be ineligible or otherwise disqualified from being a director in terms of section 69 of the Companies Act.
- 3.6 Individuals in attendance at Committee meetings by invitation may participate in discussions but do not vote on resolutions or form part of the quorum for Committee meetings. A quorum of the Committee meetings shall be a majority of members, one which must be the Committee Member contemplated in paragraph 3.3 above.
- 3.7 The Chairman of the Committee shall be appointed by the Board from the ranks of the Committee Members, provided that such appointment shall be made amongst the Board nominated Committee Member(s), or alternate or replacement Committee Members, as the case may be.
- 3.8 In the absence of the Chairman, the Committee Members present may nominate and elect any one of their Committee Members to chair a meeting of the Committee.

4. **MANDATE OF THE COMMITTEE**

- 4.1 The role and purpose of the Committee is to ensure that Hulisani takes all necessary actions to give effect to its obligations under clause 4.3 of the Implementation Agreement, and to facilitate the achievement of the objectives in clauses 4.3.1 to 4.3.4 of the Implementation Agreement, namely ensuring that:
 - 4.1.1 Pele 13 exercises the GRI Put Option and receives the GRI Put Option Consideration to the maximum extent reasonably possible, and for the avoidance of doubt by no later than the expiration of the GRI Option Period (or such further period as may be agreed under the GRI Shareholders Agreement);
 - 4.1.2 without limiting the generality of paragraph 4.1.1, to the extent required, Hulisani, Pele 13 and/or Pele 198 enforce its direct and indirect contractual rights and available legal remedies (to the extent that such enforcement and/or remedies have reasonable prospects of success) to procure the receipt by Pele 13 of the GRI Put Option Consideration;
 - 4.1.3 Pele 13 distributes the net after tax proceeds of any realisation of the GRI Shares to its shareholders, being Hulisani and Pele 198; and
 - 4.1.4 Pele 198 applies any distribution received by it as contemplated in paragraph 4.1.3 in order to make distributions and/or redemption payments in respect of the Pele 198 Preference Shares, in accordance with the terms of the Pele 198 Preference Shares and all agreements relating to the Pele 198 Preference Shares (including the Preference Share Agreement and the Preference Share Security Documents),

in each case as soon as reasonably practicable after the GRI Option Date but, for the avoidance of doubt in respect of paragraph 4.1.1, during (and no later than the expiration of) the GRI Option Period (or such further period as may be agreed under the GRI Shareholders Agreement) and, to the extent required, take such steps and actions, and institute such legal proceedings and incur such legal costs as may be necessary for the achievement of the objectives in paragraphs 4.1.1 to 4.1.4 to the extent that doing so is associated with a reasonable prospect of success.

5. **POWERS OF THE COMMITTEE**

- 5.1 The Committee shall operate within the Board's delegation of authority as set out in this Charter.
- 5.2 For purposes of fulfilling the Committee's mandate as set out in paragraph 4 ("**Mandate**"), the Committee is authorised to:
 - 5.2.1 exercise and take all necessary action for and on behalf of Hulisani in order to enforce Hulisani's direct and indirect contractual rights and available legal remedies (to the extent that doing so is associated with a reasonable prospect of success), including in its capacity as holder of the Pele 13 Ordinary Shares and/or Pele 198 Preference Shares (and which may include any of the Remaining Pele 13 Ordinary Shares and/or Pele 198 Ordinary Shares which it may hold and/or control pursuant to the Preference Share Agreement, the Preference Share Security Documents or otherwise);
 - 5.2.2 without limiting the generality of paragraph 5.2.1, in good faith exercise such voting rights for and on behalf of Hulisani as it may have in its capacity as holder of the Pele 13 Ordinary Shares and/or Pele 198 Preference Shares (and which may include any of the Remaining Pele 13 Ordinary Shares and/or Pele 198 Ordinary Shares which it may hold and/or control pursuant to the Preference Share Agreement, the Preference Share Security Documents or otherwise);
 - 5.2.3 use its reasonable commercial endeavours to procure that, to the maximum extent reasonably possible, any persons that it had nominated, or may nominate on behalf of Hulisani (whether pursuant to the Preference Share Agreement, the Preference Share Security Documents or otherwise), and which have been, or may be, elected or appointed as directors to the board of directors of Pele 13 and/or Pele 198, exercise such voting rights as he/she/they may have in his/her/their capacity as directors with a view to achieve the fulfilment of the Mandate;
 - 5.2.4 access and source external legal or other independent professional advice, including, for the avoidance of doubt the services, of a senior counsel, as may be required in order to fulfil its Mandate and, to the extent required, institute such legal proceedings (to the extent that doing so is associated with a reasonable prospect of success) and incur such legal costs as may be necessary for this purpose (being Enforcement Costs contemplated in the Implementation Agreement);
 - 5.2.5 secure, to the extent required in connection with the Mandate, the attendance of non-Committee members, including any member(s) of the Board or representatives of Reatile, at Committee meetings; and
 - 5.2.6 seek any information it requires, in connection with the Mandate, from any person in the employment of Hulisani, including but without limitation, any member(s) of the Board or the executive management team of Hulisani.
- 5.3 The Committee is authorised for and on behalf of Hulisani, under delegated authority from the Board, to make any decision and/or adopt any resolution within the scope of its Mandate, which decision and/or resolution may be implemented and/or enforced by the Committee as if it were the decision of the Board. To this end, the Board shall take all such actions and sign all such documents as may be necessary to approve, authorise and/or ratify any action as may be necessary for the establishment and effective functioning of the Committee, or as may be requested by the Committee in the course of its Mandate, in terms of this Charter.

6. **MEETINGS OF THE COMMITTEE**

- 6.1 The Committee shall meet frequently as may be required in order to fulfil its duties and give effect to its Mandate and shall regulate its own meetings subject to paragraph 1.4 above.
- 6.2 The Chairman of the Committee shall report on the key matters addressed by the Committee including all actions taken by the Committee in each Board meeting.
- 6.3 All directors of the Board are entitled to attend and participate at the Committee meetings. Only Committee Members shall be entitled to vote at Committee meetings.

- 6.4 Each Committee Member shall have one vote on any matter to be decided by the Committee, provided that if only one of the two members (or their alternates) nominated by the Board is appointed as an alternate director to a member of the Board (as contemplated in paragraph 3.3 above), such a Committee Member will have an additional, casting voting, in the event of a deadlock on any matter to be decided by the Committee.
- 6.5 Unless otherwise required under the Implementation Agreement or this Charter, all resolutions of the Committee require a simple majority of the votes cast on the resolution to be adopted.
- 6.6 The company secretary of Hulisani shall be the secretary to the Committee. Minutes of Committee meetings shall be distributed timeously and shall be kept in the minute book of Hulisani.
- 6.7 Notice of Committee meetings, including all material to be considered in the meeting shall, other than under exceptional circumstances, be forwarded to each Committee Member at least 24 hours prior to the date of the meeting.
- 6.8 Committee Members shall declare any conflict of interest in respect of matters on the agenda and such declarations will be managed as deemed necessary.

7. COMMITTEE EXPENSES AND REMUNERATION OF MEMBERS

- 7.1 Any and all costs and expenses incurred by the Committee in the performance of its duties (including any such remuneration or fees payable to the Committee members, other than Reatile's nominated Committee member (or alternate or replacement Committee Member, as the case may be)) shall be considered Enforcement Costs.
- 7.2 Any and all costs and expenses incurred by Hulisani or Reatile in connection with the establishment, functioning and proceedings of the Committee, including any company secretarial costs, shall be considered Enforcement Costs.
- 7.3 The Committee shall be authorised to incur and settle any Enforcement Costs (in aggregate, up to and not exceeding the Completion Consideration Withholding Amount) from funds standing to the credit of the Agterskot Funding Account from time to time. If the Completion Consideration Withholding Amount has been depleted, the Agterskot Committee may not incur any further costs or liabilities unless prior arrangements have been made to the satisfaction of Reatile to ensure that no further costs or liabilities will be incurred on an uncovered basis.
- 7.4 Any decision of the Agterskot Committee which could reasonably give rise to risk or liability on the part of either Reatile and/or Hulisani, will require unanimous approval of the Committee Members, provided that the incurrence and/or settlement of any Enforcement Costs, or associated expenditure, from funds standing to the credit of the Agterskot Funding Account (including, for the avoidance of doubt, the provision of loans or security for costs to or for the benefit of Pele 13 for the purposes or in the course of any enforcement action) will not be considered matters which could reasonably give rise to risk or liability on the part of either Reatile and/or Hulisani.
- 7.5 Reatile's nominated Committee Member shall have joint signing and/or authorisation powers on any payments out of the Agterskot Funding Account (that is, jointly with one of the remaining Committee Members), provided that his/her signing and/or authorisation of payments shall not be unreasonably withheld or delayed.

8. EVALUATION OF THE COMMITTEE'S PERFORMANCE

The Board shall evaluate the conduct and performance of the Committee on a regular basis in order to ensure that all actions taken by the Committee are within the scope of the Mandate and otherwise consistent with the requirements and import of the Implementation Agreement and this Charter.



Hulisani Limited

(Incorporated in the Republic of South Africa)

(Registration number 2015/363903/06)

JSE share code HUL ISIN ZAE000212072

("Hulisani" or "the Company")

NOTICE OF GENERAL MEETING

THE ATTENTION OF SHAREHOLDERS IS DRAWN TO THE CIRCULAR TO WHICH THIS NOTICE OF GENERAL MEETING IS ATTACHED ("**NOTICE**") WHICH SETS OUT, *INTER ALIA*, THE PROVISIONS OF SECTIONS 115 AND 164 OF THE COMPANIES ACT AND THE APPLICABLE EXCHANGE CONTROL REGULATIONS.

Notice is hereby given that the General Meeting of Shareholders will be held at 10:00 on **Friday, 7 January 2022** completely by electronic means (as authorised by the Board in accordance with article 29.1 of the MOI), to consider and, if deemed fit, to pass, with or without modification, the Resolutions.

The definitions and interpretation commencing on page 12 of the Circular apply, *mutatis mutandis*, to this Notice.

Important dates to note

2021/2022

Voting LDT in order to be eligible to vote at the General Meeting

Tuesday, 28 December

Voting Record Date to be able to vote at the General Meeting

Friday, 31 December

Forms of Proxy (*blue*) to be received by 10:00 on

Wednesday, 5 January

General Meeting to be held at 10:00 on

Friday, 7 January

In terms of section 62(3)(e) of the Companies Act:

- a Shareholder who is entitled to attend and vote at the General Meeting is entitled to appoint a proxy, or two or more proxies, to attend and participate in and vote at the General Meeting in the place of the Shareholder, by completing the Form of Proxy (*blue*) in accordance with the instructions set out therein;
- a proxy need not be a Shareholder; and
- Shareholders recorded in the Register on the Voting Record Date (including Shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the General Meeting. Forms of identification include valid identity documents, driver's licences and passports.

Electronic Participation

In terms of section 61(10) of the Companies Act and article 29.1 of the MOI:

- Shareholders or their proxies may participate in and vote at the General Meeting by way of electronic participation. If a Shareholder or its proxy wishes to do so, such Shareholder or its proxy, as the case may be:
 - must complete and return an Electronic Participation Form at the General Meeting;
 - must contact The Meeting Specialist by no later than 10:00 on Wednesday, 5 January 2022; and
 - will be required to provide reasonably satisfactory identification.
- Hulisani Shareholders, or their proxies, have the right, as authorised by the Board in accordance with article 29.1 of the MOI, and provided for in the Companies Act, to participate in the General Meeting by way of electronic communication.

Hulisani Shareholders or their duly appointed proxies who wish to participate by way of electronic communication must complete the Electronic Participation Form and email it (together with the relevant supporting documents referred to below) to The Meeting Specialist at proxy@tmsmeetings.co.za and to the Company at Lilian.Gomes@williamradcliffe.co.za as soon as possible, but by no later than 10:00 on Wednesday, 5 January 2022.

Upon receiving a completed Electronic Participation Form, The Meeting Specialist will follow a verification process to verify each applicant's entitlement to participate in and/or vote at the General Meeting. The Meeting Specialist will provide each verified shareholder or their duly appointed proxy (each, "**a Participant**") with a meeting invitation required to access the General Meeting.

The Meeting Specialist will send each Participant a meeting invitation with a link to join the meeting between the 5th and 7th of January 2022 to enable Participants to link up and participate electronically in the General Meeting, and whose admission to the meeting will be controlled by the Company Secretary/secretarial office. This link will be sent to the email address nominated by the Participant in the table on the last page of this Circular.

Participants will be liable for their own network charges in relation to electronic participation in and/or voting at the General Meeting. Any such charges will not be for the account of The Meeting Specialist or Hulisani who will also not be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Shareholder or their proxy from participating in and/or voting at the General Meeting.

Voting and proxies

For a Special Resolution to be approved by the Shareholders, it must be supported by at least 75% of the voting rights exercised on the Resolution.

Voting will be conducted via a poll, every Shareholder of the Company shall have one vote for every Share held in the Company by such Shareholder.

A Shareholder entitled to participate and vote at the General Meeting is entitled to appoint a proxy or proxies to electronically participate, speak and vote in his/her stead. A proxy need not be a Shareholder of the Company. While the electronic platform to be utilised to host the General Meeting does provide for electronic voting during the meeting, Shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting, by completing the Form of Proxy (*blue*) and lodging it with The Meeting Specialist by no later than 10:00 on Wednesday, 5 January 2022 by:

- delivery to The Meeting Specialist Proprietary Limited at 1st Floor, JSE Building, One Exchange Square, 2 Gwen Ln, Sandown, 2196; or
- email to proxy@tmsmeetings.co.za.

Shareholders are reminded that they are still able to vote normally through proxy submission, despite deciding to participate either electronically or not at all in the General Meeting.

Shareholders who indicate in the Electronic Participation Form that they wish to vote during the electronic meeting, will be contacted by The Meeting Specialist to make the necessary arrangements.

SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF THE SCHEME RESOLUTION IN ACCORDANCE WITH SECTION 115(2)(A) OF THE COMPANIES ACT

"Resolved that, subject to the approval of Special Resolution Number 2, the Scheme in terms of section 114(1)(c) of the Companies Act (as more fully described in the Circular and as same may be amended as contemplated in the Circular), proposed by the Hulisani Board between Hulisani and the Hulisani Shareholders, in terms of which the Offeror will, subject to the fulfilment or waiver of the Conditions Precedent and on and with effect from the Operative Date, be deemed to acquire all of the Scheme Shares from the Scheme Participants, in exchange for the Scheme Consideration (for each Scheme Share being a cash consideration of R4.30) and the Agterskot Payment (if the Agterskot Payment becomes due), be and is hereby approved as a Special Resolution in terms of section 115(2)(a) of the Companies Act."

Explanatory note

The reason for Special Resolution Number 1 is for Hulisani Shareholders to approve the Scheme in terms of section 115(2)(a) of the Companies Act.

In terms of section 115(2)(a) of the Companies Act, Special Resolution Number 1 must be adopted by Hulisani Shareholders:

- at a meeting at which sufficient persons are present to exercise at least 25% of the voting rights that are entitled to be exercised thereon; and
- with the support of at least 75% of all of the voting rights exercised on the Resolution.

All Hulisani Shareholders are eligible to vote on the special resolution excluding: (i) the Offeror, as the acquiring party in terms of section 115(4) as read with the definition of “*acquiring party*” in the Companies Act; and (ii) the concert parties, as persons acting in concert with the Offeror as contemplated in section 115(4) as read with the definition of “*act in concert*” in the Companies Act, as the case may be.

SPECIAL RESOLUTION NUMBER 2 – REVOCATION OF SCHEME RESOLUTION IN ACCORDANCE WITH SECTION 164(9)(C) OF THE COMPANIES ACT

“Resolved that, in terms of section 164(9)(c) of the Companies Act, if Special Resolution Number 1 is adopted but, thereafter: (i) any Condition Precedent is not fulfilled or waived, as applicable; or (ii) the Scheme otherwise lapses or fails, and accordingly terminates, then: (a) Special Resolution Number 1 will be deemed to have been revoked; and (b) each Dissenting Shareholder which has, pursuant to the adoption of the revoked Special Resolution Number 1, sent a demand in terms of sections 164(5) to 164(8) of the Companies Act for payment of the fair market value of its Shares shall cease to have, and be deemed not to have had, any right, pursuant to the adoption of the relevant revoked Special Resolution Number 1, to be paid such fair value of their Shares under section 164 of the Companies Act.”

Explanatory note

The reason for Special Resolution Number 2 is to ensure that Dissenting Shareholders have no right to payment of the fair value of their Hulisani Shares under section 164 of the Companies Act if: (i) the Conditions Precedent are not all fulfilled or waived, as applicable; or (ii) the Scheme otherwise lapses or fails, and accordingly terminates.

Special Resolution Number 2 must be adopted by Hulisani Shareholders:

- at a meeting at which sufficient persons are present to exercise at least 25% of the voting rights that are entitled to be exercised thereon as contemplated in section 64(1) of the Companies Act. In addition, section 64(3) of the Companies Act requires that at least three Hulisani Shareholders be present at that meeting; and
- with the support of at least 75% of all of the voting rights exercised on the Resolution.

All Hulisani Shareholders are eligible to vote on the Special Resolution excluding: (i) the Offeror, as the acquiring party in terms of section 115(4) as read with the definition of “*acquiring party*” in the Companies Act; and (ii) any persons acting in concert with the Offeror as contemplated in section 115(4) as read with the definition of “*act in concert*” in the Companies Act, as the case may be.

QUORUM

The General Meeting may not begin until sufficient persons are present (in person or represented by proxy) at the General Meeting to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the General Meeting. A matter to be decided at the General Meeting may not begin to be considered unless sufficient persons are present (in person or represented by proxy) to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda.

FORM OF PROXY

A Form of Proxy (*blue*) is attached for the convenience of any Certificated Shareholders and Own-Name Dematerialised Shareholders who wish to be represented at the General Meeting. Forms of Proxy (*blue*) may also be obtained on request from Hulisani’s registered offices. The duly completed Forms of Proxy (*blue*) must be deposited at or posted to the offices of The Meeting Specialist, to be received by not later than 48 hours prior to the General Meeting (for administration purposes), i.e. by 10:00 on Wednesday, 5 January 2022. The Forms of Proxy (*blue*) may also be emailed to The Meeting Specialist at proxy@tmsmeetings.co.za who will provide it to the Chairman of the General Meeting or adjourned General Meeting before the General Meeting is due to commence or recommence. Any Shareholder who completes and lodges a Form of Proxy (*blue*) will nevertheless be entitled to attend the General Meeting should the Shareholder subsequently decide to do so.

Attached to the Form of Proxy (*blue*) is an extract of section 58 of the Companies Act, to which Shareholders are referred.

Own-Name Dematerialised Shareholders who are unable to attend but who wish to vote at the General Meeting must complete and return the attached Form of Proxy (*blue*) and lodge it with the Transfer Secretaries to be received by no later than 10:00 on Wednesday, 5 January 2022.

Dematerialised Shareholders, other than Own-Name Dematerialised Shareholders, must inform their CSDP or Broker of their intention to attend the General Meeting by electronic means and obtain the necessary authorisation (letter of representation) from their CSDP or Broker to so attend the General Meeting. This must be done in terms of the Custody Agreement entered into between the Shareholder and the CSDP or Broker concerned. To do so they must validly execute a Form of Proxy (*blue*) form and deliver it in the manner and within the time set out in paragraph 5.1 of the "*Action required by Shareholders in respect of the Scheme*" section of this Circular.

APPRAISAL RIGHTS FOR DISSENTING SHAREHOLDERS

In terms of section 164 of the Companies Act, at any time before the Scheme Resolution is voted on, a Shareholder may deliver to Hulisani a Notice of Objection.

A Shareholder may demand that Hulisani pay the Shareholder the fair value for all the Hulisani Shares held by that person if:

- the Shareholder has sent Hulisani a Notice of Objection;
- Hulisani has adopted the Scheme Resolution; and
- the Shareholder voted against the Scheme Resolution and has complied with all of the procedural requirements of section 164 of the Companies Act.

Shareholders are referred to paragraph 10 of the "*Action required by Shareholders in respect of the Scheme*" section and paragraph 7.5 of the Circular for more information regarding Appraisal Rights. A copy of section 164 of the Companies Act is set out in **Annexure 5** to the Circular.

By order of the Board
7 December 2021



Hulisani Limited

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

FORM OF PROXY (BLUE)

Where appropriate and applicable, the terms defined in the Circular to which this Form of Proxy (*blue*) ("**Form**") is attached and forms part of shall bear the same meanings in this Form.

For use by the holders of Certificated Shares and/or Own-Name Dematerialised Shares held through a CSDP or Broker who have selected "*own-name*" registration, registered as such at the close of business on the Voting Record Date, at the General Meeting to be held at 10:00 on **Friday, 7 January 2022** or any postponement or adjournment thereof. The Form may also be emailed to the Transfer Secretaries who will provide it to the Chairman of the General Meeting or adjourned General Meeting before the General Meeting is due to commence or recommence.

Dematerialised Shareholders who have not selected "*own-name*" registration must: (i) inform their CSDP or Broker timeously of their intention to attend the General Meeting or be represented by proxy thereat in order for the CSDP or Broker to issue them with the necessary letter of representation to do so or; (ii) provide the CSDP or Broker with their voting instructions timeously should they not wish to attend the General Meeting, in order for the CSDP or Broker to vote in accordance with their instructions at the General Meeting.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

of (ADDRESS)

Telephone work ()

Telephone home ()

Cellphone number

Email address

being the holder/s of Shares in Hulisani, hereby appoint (*see note 1*)

1. _____ or failing him/her,

2. _____ or failing him/her,

the Chairman of the General Meeting, as my/our proxy to act for me/us on my/our behalf at the General Meeting in accordance with the following instructions (*see note 2*):

	Number of votes		
	*For	*Against	*Abstain
Special Resolution Number 1 – Approval of the Scheme Resolution in accordance with section 115(2)(a) of the Companies Act			
Special Resolution Number 2 – Revocation of Scheme Resolution in accordance with section 164(9)(c) of the Companies Act			

* One vote per Share held by Shareholders recorded in the Register on the Voting Record Date.

Signed at

on

2022

Signature

Assisted by me (where applicable)

Notes:

1. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space/s provided. The person whose name appears first on this Form and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A proxy appointed by a Shareholder in terms hereof may not delegate his/her authority to act on behalf of the Shareholder to any other person.
3. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the General Meeting as he/she deems fit in respect of all the Shareholder's votes exercisable thereat.
4. Forms must be lodged at or posted to **The Meeting Specialist, 1st Floor, JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196** or **PO Box 62043, Marshalltown, 2107 South Africa** or **emailed to: proxy@tmsmeetings.co.za** to be received by not later than 10:00 on **Wednesday, 5 January 2022** or not less than 48 hours before the recommencement of any adjourned or postponed meeting, or 10 minutes before the General Meeting is due to commence or recommence.
5. The completion and lodging of this Form will not preclude the relevant Shareholder from attending the General Meeting and speaking (but not voting) in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so. In addition to the foregoing, a Shareholder may revoke the proxy appointment by: (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, to The Meeting Specialist at proxy@tmsmeetings.co.za. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as at the later of the date stated in the revocation instrument, if any and the date on which the revocation instrument was delivered in the required manner.
6. The Chairman of the General Meeting may reject or accept any Form which is completed and/or received otherwise than in accordance with these notes, provided that, in respect of acceptances, he/she is satisfied as to the manner in which the Shareholder/s concerned wish/es to vote.
7. Each Shareholder is entitled to appoint one or more proxies (none of whom need be a member of Hulisani) to attend, speak and vote in place of that Shareholder at the General Meeting.
8. Documentary evidence establishing the authority of a person signing this Form in a representative capacity must be attached to this Form unless previously recorded by Hulisani or the Transfer Secretaries or waived by the Chairman of the General Meeting.
9. Any alteration or correction made to this Form must be initialled by the signator/ies.
10. Where there are joint holders of Shares:
 - 10.1 any one holder may sign the Form; and
 - 10.2 the vote of the senior (for that purpose seniority will be determined by the order in which the names of Shareholders appear in the Register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote/s of the other joint holder/s of Hulisani Shares.
11. This Form may be used at any adjournment or postponement of the General Meeting, including any postponement due to a lack of quorum, unless withdrawn by the Shareholder.



Hulisani Limited

(Incorporated in the Republic of South Africa)

(Registration number 2015/363903/06)

JSE share code HUL ISIN ZAE000212072

("Hulisani" or "the Company")

FORM OF SURRENDER (*PINK*)

This Form of Surrender (*pink*) ("**Form**") is only for use in respect of the Scheme.

The definitions and interpretations commencing on page 12 of the Circular apply, *mutatis mutandis* throughout this Form, unless the context clearly indicates otherwise.

FOR USE BY CERTIFICATED SHAREHOLDERS

This Form is for use only by Certificated Shareholders. A separate Form is required for each Certificated Shareholder. This Form is not to be used by Dematerialised Shareholders, who are required to instruct their CSDP or Broker in accordance with the terms of their Custody Agreement with the CSDP or Broker.

Notes and instructions:

Persons who have acquired Hulisani Shares after the date of posting the Circular can obtain copies of the Circular and this Form from the Transfer Secretaries at the address given below.

Part A must be completed by all Certificated Shareholders.

Part B must be completed by all Certificated Shareholders who are emigrants from the Common Monetary Area and whose Shares have not been released.

Part C must be completed by all Certificated Shareholders who are non-residents of the Common Monetary Area or who are emigrants from the Common Monetary Area whose Shares have been released and wish for the Scheme Consideration and Agterskot Payment (if any) to be paid to an Authorised Dealer.

No receipts will be issued for Documents of Title lodged unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts, if required.

If you are in any doubt as to how to complete this Form, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.

This Form must be returned to the Transfer Secretaries, together with the relevant Documents of Title, so as to be received prior to 12:00 on the Scheme Record Date. If your Documents of Title have been lost or destroyed, you should nevertheless return this Form, together with a duly executed indemnity provided by the Transfer Secretaries. Hulisani may, in its sole discretion, dispense with the surrender of Documents of Title upon production of satisfactory evidence that the Documents of Title have been lost or destroyed and upon provision of a suitable indemnity. Unless otherwise agreed by Hulisani, only indemnity forms obtained from the Transfer Secretaries (available on request) will be regarded as suitable.

Signatories may be called upon for evidence of their authority to sign this Form.

Any alteration to this Form must be signed in full and not only initialled. Any alteration may be rejected by Hulisani.

If this Form is signed under a power of attorney, then such power of attorney or a notarially certified copy thereof must be sent with this Form for noting, unless it has already been noted by the Transfer Secretaries.

Where the Certificated Shareholder is a company or a close corporation or other juristic person, a certified copy of the directors' or members' or other resolution authorising the signing of this Form must be submitted together with this Form, unless it has already been registered with the Transfer Secretaries or this form bears the Broker's stamp.

Where Hulisani Shares are jointly held, this Form must be signed by all joint holders; however, Hulisani shall be entitled, in its absolute discretion, to accept signature only of that holder whose name stands first in the Register in respect of such Hulisani Shares.

In the case of Hulisani Shareholders who are emigrants from the Common Monetary Area, the Scheme Consideration and Agterskot Payment (if any) will, in the case of Certificated Shareholders whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, be forwarded to the Authorised Dealer in foreign exchange in South Africa controlling such Certificated Shareholders' remaining assets in terms of the Exchange Control Regulations. This Form makes provision for details of the Authorised Dealer concerned to be given.

The Scheme Consideration and Agterskot Payment (if any) due to non-resident Hulisani Shareholders whose registered addresses are outside the Common Monetary Area and who are not emigrants from the Common Monetary Area will in the case of Certificated Shareholders whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, be posted to the registered addresses of the non-resident Hulisani Shareholders concerned, unless written instructions to the contrary are received and an address is provided.

I/We hereby certify that:

- I/We own the Shares as detailed in the table set out above at the end of **Part A** (defined for purposes of **Part B** as the "Shares");
- the Shares are fully paid-up;
- the Shares are in registered form;
- I/We am/are the legal owner solely entitled to the Shares and have the power to dispose of the Shares;
- there is no pre-emption right nor any other right by virtue of which any person or entity may be entitled to demand that one or more of the Shares be transferred to me/us;
- none of the Shares are Encumbered with any pledge or usufruct, there is no right to acquire any pledge or usufruct of the Shares and none of the Shares are subject of any attachment; and
- the Shares are freely transferable.

PART B – TO BE COMPLETED IN BLOCK CAPITALS BY ALL CERTIFICATED SHAREHOLDERS WHO ARE EMIGRANTS FROM THE COMMON MONETARY AREA AND WHOSE SHARES HAVE NOT BEEN RELEASED

The Scheme Consideration and Agterskot Payment (if any) due to **Certificated Shareholders who are emigrants from the Common Monetary Area** and whose Shares have not been released will be forwarded to the Authorised Dealer controlling his/her remaining assets and credited to the emigrant's capital account. Accordingly, a non-resident who is an emigrant from the Common Monetary Area must provide the following information:

Name of Authorised Dealer in South Africa:

Address:

Account number:

If no nomination is made above, the Scheme Consideration and Agterskot Payment (if any) will be held in trust by Hulisani until a written instruction is received as to the disposal of such amount.

PART C – TO BE COMPLETED IN BLOCK CAPITALS BY CERTIFICATED SHAREHOLDERS WHO ARE NON-RESIDENTS OF THE COMMON MONETARY AREA OR ARE EMIGRANTS FROM THE COMMON MONETARY AREA WHOSE SHARES HAVE BEEN RELEASED AND WHO WISH TO HAVE THE SCHEME CONSIDERATION AND AGTERSKOT PAYMENT (IF ANY) PAID TO AN AUTHORISED DEALER

The Scheme Consideration and Agterskot Payment (if any) due to Certificated Shareholders who have registered addresses outside South Africa (other than Certificated Shareholders who are emigrants from the Common Monetary Area and whose Shares have not been released) and whose share certificates are endorsed "*non-resident*" will be posted to the relevant Certificated Shareholder, unless that Certificated Shareholder nominates an Authorised Dealer to which such Scheme Consideration and Agterskot Payment (if any) should be paid.

Name of Authorised Dealer in South Africa or alternative instructions:

Address:

Account number:

Notes:

1. Any alteration to this Form must be signed in full and not merely initialled.
2. Emigrants from the Common Monetary Area must, in addition to **Part A**, also complete **Part B**. If **Part B** is not properly completed, the Scheme Consideration and Agterskot Amount (if any) will be held in trust by the Company or the Transfer Secretaries until claimed, but only for a maximum period of five years, after which period such funds shall be made over to the Guardians Fund of the High Court of South Africa. No interest will accrue or be paid on any Scheme Consideration and Agterskot Amount (if any) so held in trust.
3. All other non-residents of the Common Monetary Area must complete **Part C** if they wish the Scheme Consideration and Agterskot Amount (if any) to be paid to an Authorised Dealer in South Africa.
4. No receipt will be issued for documents lodged, unless specifically requested. Persons requiring receipts must prepare a receipt and forward it, together with their Documents of Title surrendered.
5. If this Form is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this Form (unless it has already been noted by the Company or its Transfer Secretaries).
6. Where the Certificated Shareholder is a company, close corporation or other juristic person, unless it has already been registered with the Company or its Transfer Secretaries, a certified copy of the directors' or members' or other resolution authorising the signing of this Form must be submitted with this Form, unless this requirement is waived by Hulisani.
7. Note 6 above does not apply in the case of a form bearing a Broker's stamp.
8. A minor must be assisted by his/her parent or guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company or the Transfer Secretaries.
9. Where there are joint holders of any Shares, only that holder whose name stands first in the Register in respect of those Shares need to sign this Form.
10. Persons who have acquired Shares after the date of issue of the Circular can obtain copies of the Circular (including this Form) from the Transfer Secretaries.
11. Notwithstanding transfer of ownership, the Scheme Consideration and Agterskot Amount (if any) will not be sent to Certificated Shareholders unless and until Document/s of Title in respect of the relevant Shares have been surrendered to the Company or the Transfer Secretaries. The Company is however entitled, in its sole and absolute discretion, to waive this requirement if it receives a satisfactory indemnity from the Shareholder in the event of lost Documents of Title.
12. In the event of any conflict between this Form and the Circular, the Circular shall prevail.
13. Certificated Shareholders who have not previously provided the Transfer Secretaries with their banking details will need to do so by completing **FORM B: Direct Credit – Bank Account Details** attached hereto and returning same to the Transfer Secretaries.

FORM B: DIRECT CREDIT – BANK ACCOUNT DETAILS FORM**FOR COMPLETION ONLY BY CERTIFICATED SHAREHOLDERS WHO HAVE NOT PREVIOUSLY PROVIDED THE TRANSFER SECRETARIES WITH THEIR LATEST BANKING DETAILS**

Full name of registered Shareholder

Identity number of person signing this form

Your shareholder number (if known)

Email address

Cell phone number

Office phone number

Home phone number

Fax number

**REQUEST FOR DIRECT CREDITING OF PAYMENTS – BANK ACCOUNT DETAILS
PLEASE NOTE: We cannot accept banking details in the name of a third party**

Name of bank account holder

Name of South African Bank

Name of bank branch

Bank account number

Bank branch code

Account type

Cheque

Transmission

Savings

I/We hereby authorise **Computershare** and/or **Hulisani** to act in accordance with my/our instructions set out above. I/We acknowledge that these instructions supersede and have priority over all previous instructions relating to payments to which I/we am/are entitled to be paid in cash, but do not override any previous reinvestment instructions.

Signature of Shareholder

Day

Month

Year

If you are signing this form in a representative capacity, please indicate which capacity (see over page)

BANK VERIFICATION

I/We confirm that the above information about the abovementioned Shareholders' account at this Bank is correct

Signed on behalf of Bank

THIS MUST BE COMPLETED BY YOUR BANK

BANK STAMP HERE

THIS FORM MUST BE SIGNED AND ACCOMPANIED BY AN ORIGINAL CERTIFIED COPY OF YOUR IDENTITY DOCUMENT. (COPIES OF CERTIFIED COPIES WILL ALSO NOT BE ACCEPTED).**PLEASE BE ADVISED THAT FACSIMILE/ELECTRONIC COPIES WILL NOT BE ACCEPTED.****HOW TO COMPLETE THIS FORM B DIRECT CREDIT****Request for Direct Crediting of payments**

This form must be completed in full. Until cancelled in writing by you, all future cash payments will be paid into the nominated account.

IMPORTANT: Do not use the number quoted on your credit or debit card.

By signing this form, you:

- Confirm that the details are true and correct.
- Understand and agree that neither Hulisani nor Computershare shall be responsible in any way for any loss you may suffer as a result of transfer/deposits being made in accordance with the information provided on this form.
- Understand and agree that any such deposit shall constitute a full and sufficient discharge of the obligation of Hulisani and/or Computershare to make such payments to me/us.
- Understand and agree that this payment instruction will be applied to all future cash payments.

This instruction only applies to the specific holding identified by the holder number and the name appearing on the front of this form.

NOTE: We cannot accept banking details in the name of a third party.

IF YOU ARE SIGNING THIS FORM IN A REPRESENTATIVE CAPACITY, COMPUTERSHARE REQUIRES THE FOLLOWING DOCUMENTATION IN ADDITION TO AN ORIGINAL CERTIFIED COPY OF YOUR IDENTITY DOCUMENT.	
Joint holding:	Where the holding is in more than one name, the signature of the first mentioned Shareholder is required.
Power of attorney:	To sign under a Power of Attorney, you must have already lodged the Power of Attorney with Computershare. Alternatively, please attach an original certified copy of the Power of Attorney to this form when you return it, together with an original certified copy of the registered holder's identity document.
Trusts:	The form must be signed by the authorised trustee. If you have not already done so, please attach an original certified copy of the Trustee Resolution/Power of Attorney authorising you to act on behalf of the trust, together with original certified copies of the Letters of Authority issued by the Master of the High Court and the Trust Deed.
Companies/Closed Corporations/Funds:	Any authorised company official/member may sign on behalf of the company/closed corporation/fund. Please indicate the office held when signing the form. If you have not already done so, please provide Computershare with an original certified copy of your authorisation to act on behalf of the company/closed corporation/fund in the form of an original certified copy of the board minute/resolution detailing the authorised signatories including specimen signatures and a company letterhead for noting in our records. In addition, Computershare requires an original certified copy of the Certificate of Incorporation/CK1 Founding Statement/Constitution.
Minors:	If the Shares are registered in the name of a minor, the form must be completed by the natural guardian, stating the capacity in which he/she is signing or, in the case of a legal guardian, attach an original certified copy of the Letters of Guardianship (if not previously provided). The guardian must attach an original certified copy of his/her identity document together with an original certified copy of the birth certificate of the minor.
Deceased Shareholders:	This form must be signed by the Executor/s of the Deceased Estate. If you have not already done so, please provide Computershare with an original certified copy of the Letters of Executorship together with an original certified copy of the Executor's identity document.
Shareholder under Curatorship:	The form must be signed by the <i>Curator Bonis</i> appointed by the Master of the High Court. If you have not already done so, please provide Computershare with an original certified copy of the Letters of Curatorship together with an original certified copy of the Curator's identity document.
Shareholder under Liquidation:	The form must be signed by the liquidator appointed by the Master of the High Court. If you have not already done so, please provide Computershare with an original certified copy of your Letter of Appointment together with an original certified copy of the shareholder's identity document.



Hulisani Limited

(Incorporated in the Republic of South Africa)

(Registration number 2015/363903/06)

JSE share code HUL ISIN ZAE000212072

("Hulisani" or "the Company")

APPLICATION FOR ELECTRONIC PARTICIPATION AT THE GENERAL MEETING

Where appropriate and applicable, the terms defined in the Circular to which this application for electronic participation form ("**Form**") is attached and forms part of shall bear the same meanings in this Form.

Instructions

Hulisani Shareholders, or their proxies, have the right, as authorised by the Board in accordance with article 29.1 of the MOI, and provided for in the Companies Act, to participate in the General Meeting by way of electronic communication.

Hulisani Shareholders or their duly appointed proxies who wish to participate by way of electronic communication must complete this Form and email it (together with the relevant supporting documents referred to below) to The Meeting Specialist at proxy@tmsmeetings.co.za and to the Company at Lilian.Gomes@williamradcliffe.co.za as soon as possible, but by no later than **10:00 on Wednesday, 5 January 2022**.

Upon receiving a completed Form, The Meeting Specialist will follow a verification process to verify each applicant's entitlement to participate in and/or vote at the General Meeting. The Meeting Specialist will provide each verified shareholder or their duly appointed proxy (each, "**a Participant**") with a meeting invitation required to access the General Meeting.

The Meeting Specialist will send each Participant a meeting invitation with a link to join the meeting by no later than Wednesday, 5 January 2022 to enable Participants to link up and participate electronically in the General Meeting. This link will be sent to the email address nominated by the Participant in the table below.

Please note

The electronic platform to be utilised for the General Meeting does provide for electronic voting during the meeting. However, Shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting, by completing the Form of Proxy (*blue*) and lodging the completed proxy form together with this Form with The Meeting Specialist.

Participants who indicate in this Form that they wish to vote during the electronic meeting, will be contacted by The Meeting Specialist to make the necessary arrangements.

The cost of electronic participation in the General Meeting is for the expense of the Shareholder and will be billed separately by the Shareholder's own service provider.

The Shareholder acknowledges that the electronic communication services are provided by third parties and indemnifies Hulisani and The Meeting Specialist against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the Shareholder or anyone else. In particular, but not exclusively, the Shareholder acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the Shareholder via the electronic services to the General Meeting.

The application to participate in the General Meeting electronically will only be deemed successful if this Form has been completed fully and signed by the Shareholder to the satisfaction of Hulisani.

Hulisani and The Meeting Specialist cannot guarantee there will not be a break in electronic communication that is beyond the control of Hulisani.

Information required for participation by electronic communication at the General Meeting

Full names of Shareholder or authorised representative (for company or other legal entity):

Identity number or registration number of individual/entity:

Email address:

Cell phone number:

Telephone number including dialling codes:

Name of CSDP or Broker (if Shares are held in Dematerialised format):

Contact number of CSDP or Broker:

Contact person of CSDP or Broker:

Number of share certificate (if applicable):

I wish to electronically participate

I wish to electronically participate and vote

Documents required to be attached to this Form

1. Documentary evidence establishing the authority of the named person, including any person acting in a representative capacity, who is to participate in the General Meeting, must be attached to this Form.
2. A certified copy of the valid identity document/passport/driver's licence of the person attending the General Meeting by electronic participation, including any person acting in a representative capacity, must be attached to this Form.

Signed at _____ on _____ 2022

Signature: _____

Assisted by (where applicable): _____

Applications to participate by electronic communication will only be considered if this Form is completed in full, signed by the Shareholder, its proxy or representative, and delivered as detailed above. Hulisani may in its sole discretion accept any incomplete Forms.