

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The "Definitions and Interpretations" section commencing on page 8 of this Circular, and the "Additional Definitions and Interpretations" section in **Annexure 1** of this Circular, commencing on page 38 of this Circular, apply to this whole Circular, including this cover page, but not to **Annexures 2, 3, 4, 5 and 6** of this Circular.

### Action required by WBHO Shareholders:

- This Circular is important and should be read in its entirety, with particular attention to be given to the section entitled: "Action required by WBHO Shareholders" commencing on page 4 of this Circular, and the Notice of General Meeting commencing on page 89 of this Circular, which set out the detailed actions required of WBHO Shareholders in respect of the matters dealt with in this Circular.
- If you are in any doubt as to what action you should take in relation to this Circular, please consult your CSDP, broker, banker, accountant, attorney or other professional adviser immediately.
- If you have Disposed of all of your WBHO Shares, this Circular should be handed to the purchaser of such WBHO Shares or to the CSDP or broker, or other agent through whom such Disposal was effected.

**WBHO does not accept responsibility, and will not be held liable, under any applicable Law or otherwise, for any action of, or omission by, any CSDP or broker of, other service provider to, or agent of, any Beneficial Owner of WBHO Shares including, without limitation, any failure on the part of the CSDP or broker of other service provider to, or agent of, any Beneficial Owner of WBHO Shares, to notify such Beneficial Owner of the General Meeting or of the matters set out in this Circular.**



### WILSON BAYLY HOLMES-OVCON LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1982/011014/06)

ISIN: ZAE000009932

JSE share code: WBO

(WBHO or the Company)

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## CIRCULAR TO WBHO SHAREHOLDERS

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seeking the approvals which the Company requires from WBHO Shareholders to enable it to proceed with the **WBHO B-BBEE Ownership Transaction**, a broad-based black economic empowerment ownership transaction involving Eligible Persons and ADB Participants; and

incorporating, *inter alia*:

- an issue of 14,511,669 WBHO Shares to Akani 2, with an option in favour of WBHO to require Akani 2 to subscribe for further WBHO Shares from time to time in the future, subject to a maximum limit;
- the provision of financial assistance to Akani 2, for the purposes of, or in connection with, the **WBHO B-BBEE Ownership Transaction**, via, *inter alia*, an issue of an Akani 2 Class B Share to WBHO, and the potential future issues of further Akani 2 Class B Shares to WBHO Construction;
- the issue of an additional 800 Akani 2 Ordinary Shares to the BBESI Trust (increasing its holding to 900 Akani 2 Ordinary Shares), the issue of 80 Akani 2 Ordinary Shares to the ASI Trust and the issue of 20 Akani 2 Ordinary Shares to the ADB Trust;
- the future subscriptions by the Akani 2 Ordinary Shareholders for Additional Akani 2 Ordinary Shares;
- the future repurchases by Akani 2 of Akani 2 Ordinary Shares from the Akani 2 Ordinary Shareholders; and
- the future repurchases by the Company of WBHO Shares from Akani 2,

and incorporating:

- a notice convening a general meeting of WBHO Shareholders;
  - a Form of Proxy;
  - a report prepared by the Independent Expert in terms of sections 48(8)(b), 114(2) and 114(3) of the Companies Act in respect of the future repurchases by the Company of WBHO Shares; and
  - a statement of Appraisal Rights in terms of section 164(2) of the Companies Act.
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**B-BBEE adviser to WBHO**



**Legal adviser to WBHO**



**JSE Equity Sponsor to WBHO**



**Independent Reporting Accountant to WBHO**



**Independent Expert**



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**Date of issue:** Friday, 5 May 2023

*This Circular is available in English only and copies thereof may be obtained from the registered office of WBHO and the offices of the Sponsor, at the physical addresses set out in the "Corporate Information and Advisers" section of this Circular, during normal business hours from the date of issue hereof until the date of the General Meeting, or by emailing [donna.msiska@wbho.co.za](mailto:donna.msiska@wbho.co.za) during the period from the date of issue hereof until the date of the General Meeting. This Circular will also be available on the WBHO website <https://www.wbho.co.za> during the same period.*

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## IMPORTANT INFORMATION, DISCLAIMERS AND FORWARD-LOOKING STATEMENTS

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The “Definitions and Interpretations” section commencing on page 8 of this Circular, and the “Additional Definitions and Interpretations” section in **Annexure 1** of this Circular, commencing on page 38 of this Circular, apply to this section.

### 1. RESTRICTIONS ON DISTRIBUTION OF THIS CIRCULAR

- 1.1 The release, publication or distribution of this Circular in certain jurisdictions outside South Africa may be restricted or prohibited by Law and therefore Persons in any such jurisdictions into which this Circular is released, published or distributed should inform themselves about and observe such restrictions.
- 1.2 Any failure to comply with the applicable restrictions may constitute a violation of the securities Laws or other Laws of any such jurisdiction. The Company disclaims any responsibility or liability for the failure by any Person to become informed of, or to observe, or for any violation by any Person of, such requirements.
- 1.3 To the extent that the release, publication or distribution of this Circular in certain jurisdictions outside South Africa may be restricted or prohibited by the Laws of such foreign jurisdiction, then this Circular is deemed to have been provided for information purposes only and neither the Company nor the WBHO Board accepts any responsibility for any failure by WBHO Shareholders to inform themselves about, and to observe, any applicable legal requirements in any relevant jurisdiction.

### 2. FORWARD-LOOKING STATEMENTS

- 2.1 This Circular contains certain statements about the WBHO Group that are or may be “forward-looking statements” which reflect the current views and expectation of WBHO with respect to future events and future financial and operational performance. All statements, other than statements of historical fact, are, or should be deemed to be, forward-looking statements, including, without limitation, those concerning strategy, the economic outlook for the construction industry in which the WBHO Group operates, cash costs and other operating results, growth prospects and outlook for operations, individually or in the aggregate, liquidity and capital resources, expenditure and the outcome and consequences of any pending litigation proceedings.
- 2.2 These forward-looking statements are not based on historical facts, but rather reflect WBHO’s current plans, estimates, projections and 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”, “plan”, “intend”, “seek”, “estimate”, “predict”, “potential”, “assume”, “may”, “risk”, “anticipate”, “foresee”, “forecast”, “likely”, “should”, or the negative of these terms or similar expressions which are predictions of or indicate future events and future trends. Similarly, statements that describe WBHO’s objectives, plans or goals are, or should be deemed to be, forward-looking statements.
- 2.3 By their nature, these forward-looking statements involve known and unknown risks and uncertainties because they relate to events, and depend on circumstances, that may or may not occur in the future. WBHO 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 WBHO operates may differ materially from those contained in, or suggested by, the forward-looking statements contained in this Circular.
- 2.4 All these forward-looking statements are based on estimates, assumptions and statements, all of which, although WBHO may believe them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not materialise. Many factors (including factors not yet known to WBHO, or not currently considered material) could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, assumptions and statements.
- 2.5 WBHO 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 the WBHO Group, or other matters to which such forward-looking statements relate, not to develop as expected may emerge from time to time and it is not possible to predict them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement is not known.

- 2.6 WBHO has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular, except as may be required by Law. Any forward-looking statements have not been reviewed or reported on by the external auditors.

3. **DATE OF INFORMATION PROVIDED**

Unless the context clearly indicates otherwise, all information in this Circular is provided as at the Last Practicable Date.

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## CORPORATE INFORMATION AND ADVISERS

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### Registered office

Wilson Bayly Holmes-Ovcon Limited  
(Registration number: 1982/011014/06)  
53 Andries Street, Wynberg, Sandton, 2090  
(PO Box 531, Bergvlei, 2012)

**Place of incorporation:** South Africa

**Date of incorporation:** 30/11/1982

**Website:** <https://www.wbho.co.za>

### Head of Group Communications

Donnafeg Msiska  
Email: [donna.msiska@wbho.co.za](mailto:donna.msiska@wbho.co.za)

### Investor enquiries

Donnafeg Msiska  
Email: [donna.msiska@wbho.co.za](mailto:donna.msiska@wbho.co.za)

### Transfer Secretaries

Computershare Investor Services Proprietary Limited  
(Registration number: 2004/003647/07)  
Rosebank Towers, 15 Biermann Avenue, Rosebank,  
Johannesburg, 2196, South Africa  
(Private Bag X9000, Saxonwold, 2132)

### B-BBEE adviser to WBHO

Transcend Capital Proprietary Limited  
(Registration number: 2008/023572/07)  
21 Scott Street, Waverley, Johannesburg, 2090,  
South Africa  
(Postnet Suite #218, Private Bag X31, Saxonwold, 2132)

### Company Secretary

Donnafeg Msiska  
CA(SA)

### Independent Reporting Accountant to WBHO

BDO South Africa Incorporated  
(Registration number: 1995/002310/21)  
Wanderers Office Park, 52 Corlett Drive, Illovo,  
2196, South Africa  
(Private Bag X60500, Houghton, 2041, South Africa)

### Independent Expert

Merchantec Capital Proprietary Limited  
(Registration number: 2008/027362/07)  
13th Floor, Illovo Point, 68 Melville Road, Illovo, Sandton,  
2196, South Africa  
(PO Box 41480, Craighall, 2024, South Africa)

### Legal Adviser to WBHO

Bowman Gilfillan Inc.  
(Registration number: 1998/021409/21)  
11 Alice Lane, Sandton, 2146, South Africa  
(PO Box 785812, Sandton, Gauteng, 2146, South Africa)

### JSE Equity Sponsor to WBHO

Investec Bank Limited  
(Registration number: 1969/004763/06)  
100 Grayston Drive, Sandton, 2196, South Africa  
(PO Box 785700, Sandton, 2146, South Africa)

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## ACTIONS REQUIRED BY WBHO SHAREHOLDERS

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The “Definitions and Interpretations” section commencing on page 8 of this Circular, and the “Definitions and Interpretations” section in **Annexure 1** of this Circular, commencing on page 38 of this Circular, apply to this section.

### **This Circular is important and requires your immediate attention.**

If you are in any doubt as to what action to take arising from this Circular, please consult your CSDP, broker, banker, agent, legal adviser, accountant or other professional adviser immediately.

If you have Disposed of all of your WBHO Shares, this Circular should be handed to the purchaser of such WBHO Shares or to the CSDP, broker, banker or other agent through whom such Disposal was effected.

### **WBHO Shareholders are requested to take careful note of the following information regarding the actions required to be taken by them in connection with this Circular.**

#### **1. GENERAL MEETING**

- I.1 A general meeting of WBHO Shareholders has been convened in terms of the Notice of General Meeting (which is attached to, and forms part of this Circular, and commences on page 89 of this Circular) for purposes of WBHO Shareholders considering and, if deemed fit, adopting, with or without modification, the WBHO B-BBEE Ownership Transaction Resolutions.
- I.2 The General Meeting will be held at 10:00 (South African Standard Time) on Tuesday, 6 June 2023, and will be conducted entirely by electronic communication (to be administered by Lumi Technologies Proprietary Limited), as contemplated in the WBHO MOI and in section 63(2)(a) of the Companies Act. WBHO Shareholders (or proxies or representatives) will accordingly only be able to attend, participate in, and vote at, the General Meeting electronically via an electronic facility. WBHO has retained the services of Lumi Technologies Proprietary Limited to remotely host the General Meeting on an interactive electronic platform, in order to facilitate remote participation and voting by WBHO Shareholders. A WBHO Shareholder (or proxy or representative) will need to either register online prior to the commencement of the General Meeting using the online registration portal at [www.smartagm.co.za](http://www.smartagm.co.za) or to contact the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) as soon as possible, but in any event no later than 10:00 (South African Standard Time) on Friday, 2 June 2023. The Transfer Secretaries will assist WBHO Shareholders with the necessary means to access, and accordingly the requirements for electronic attendance at, electronic participation in, and/or electronic voting at, the General Meeting.
- I.3 The electronic meeting facility will enable all participants to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting.
- I.4 None of the JSE, the Company or Lumi Technologies Proprietary Limited accepts responsibility, or will be held liable, under any applicable Law or otherwise, 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 WBHO Shareholder or proxy or representative from attending, participating in, and/or voting at, the General Meeting.

#### **2. VOTING**

The Chairman of the WBHO Board is of the view that all resolutions to be voted on at the General Meeting should be put to a vote on a poll, rather than being determined on a show of hands, so as to accord with best practice and to reflect more fairly the views of WBHO Shareholders. It follows that a WBHO Shareholder who is present at the General Meeting, whether in person or by proxy or representative, will have a total number of votes equal to the total number of WBHO Shares held by that WBHO Shareholder on the Record Date. If voting were by a show of hands, each WBHO Shareholder who was present at the General Meeting, whether in person or by proxy or representative, would be entitled to one vote in total irrespective of the number of WBHO Shares it held on the Record Date.

#### **3. PROCEDURAL GUIDANCE NOTES**

The Notice of General Meeting commencing on page 89 of this Circular contains additional procedural guidance notes relating to attendance, participation and voting at the General Meeting. **WBHO Shareholders are requested to take careful note of the information contained in the Notice of General Meeting regarding the actions required to be taken by them in connection with this Circular.**

4. **DISCLAIMER**

WBHO does not accept responsibility, and will not be held liable, under any applicable Law or otherwise, for any action of, or omission by, any CSDP or broker of, other service provider to, or agent of, any Beneficial Owner of WBHO Shares including, without limitation, any failure on the part of the CSDP or broker of, service provider to, or agent of, any Beneficial Owner of WBHO Shares, to notify such Beneficial Owner of the General Meeting or of the matters set out in this Circular.

5. **IDENTIFICATION OF WBHO SHAREHOLDERS, PROXIES AND REPRESENTATIVES**

- 5.1 **WBHO Shareholders are advised that, in terms of section 63(1) of the Companies Act, any Person (including proxies and representatives) attending or participating in the General Meeting must present reasonably satisfactory identification before being entitled to attend, participate in, and vote at, the General Meeting. The Chairman is obliged to validate (which he will do in consultation with the Transfer Secretaries) each WBHO Shareholder's (or proxy's or representative's) entitlement to attend, participate in, and/or vote at, the General Meeting, before providing it with the necessary means to access the General Meeting and the associated voting platform. Acceptable forms of identification include a valid identity document or smart card identification document, a valid driver's licence or a valid passport. Acceptable forms of identification should be sent to the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za).**
- 5.2 **WBHO and the Transfer Secretaries accept no responsibility, and will not be held liable, under any applicable Law or otherwise, for any failure by any WBHO Shareholder or its proxy or representative, as the case may be, to timeously deliver the requisite identification as aforesaid.**

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## IMPORTANT DATES AND TIMES

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The “Definitions and Interpretations” section commencing on page 8 of this Circular; and the “Additional Definitions and Interpretations” section in **Annexure 1** of this Circular; commencing on page 38 of this Circular; apply to this section.

**2023**

Announcement of the WBHO B-BBEE Ownership Transaction released on SENS on	Thursday, 6 April
Last Practicable Date	Tuesday, 25 April
Record date to be entitled to receive this Circular containing the Notice of General Meeting on	Friday, 28 April
Circular distributed to WBHO Shareholders on	Friday, 5 May
Last Day to trade in WBHO Shares for a WBHO Shareholder to be entitled to attend, and speak and vote at, the General Meeting on	Tuesday, 23 May
Record Date for a WBHO Shareholder to be entitled to attend, and speak and vote at, the General Meeting on	Friday, 26 May
For administrative purposes, WBHO Shareholders requested (but not required) to lodge Forms of Proxy by 10:00 by	Friday, 2 June
Last date to lodge Forms of Proxy at any time before the resolutions are first put to a vote at the General Meeting	Tuesday, 6 June
General Meeting to be conducted at 10:00 on	Tuesday, 6 June
Results of the General Meeting released on SENS on	Tuesday, 6 June
Implementation by	Friday, 30 June

### Notes:

1. All dates and times are South African dates and South African Standard Time.
2. The dates and times are subject to change and may be changed by WBHO. Any material change will be released on SENS and published in the South African press.
3. If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any resumption of an adjourned meeting or recommencement of a postponed meeting.
4. WBHO Shareholders should note that, insofar as transactions in the WBHO Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three JSE trading days after such trade. Accordingly, WBHO Shareholders who purchase WBHO Shares after Tuesday, 23 May 2023, will not be eligible to vote at the General Meeting as they will not have been recorded on the WBHO Securities Register on the Record Date.

## DEFINITIONS AND INTERPRETATIONS

In this Circular (including the Notice of General Meeting and **Annexure 1** but excluding the remaining Annexures to this Circular), unless the context indicates otherwise: (i) the words or expressions in the first column below will have the meanings assigned to them in the second column, (ii) the words or expressions in the first column of the "Additional Definitions and Interpretations" section in **Annexure 1** of this Circular will have the meanings assigned to them in the second column of that section, (iii) a reference to the singular will include the plural and vice versa; (iv) a word or an expression which denotes one gender includes all other genders, (v) a natural person includes a juristic person and vice versa, (vi) cognate words and expressions will bear corresponding meanings, and (vii) all times referred to are South African Standard Time:

No.	Capitalised term	Ascribed meaning
1.	<b>2006 B-BBEE Ownership Transaction</b>	the B-BBEE Ownership Transaction entered into by WBHO with, <i>inter alia</i> , Akani 1 summarised in a circular to WBHO Shareholders dated 14 September 2006;
2.	<b>ADB Participants</b>	natural persons that are:  (c) Black Women;  (d) Youth; and/or  (e) Black People (including Black Women and Youth) living in rural and under-developed areas,  but not WBHO Connected Persons;
3.	<b>ADB Trust</b>	the trustees for the time being of The Akani Defined Beneficiary Trust (Master's Reference Number: IT000500/2023), which will operate for the benefit of ADB Participants;
4.	<b>ADB Trust Subscription Shares</b>	20 Akani 2 Ordinary Shares;
5.	<b>ADB Trust Deed</b>	the trust deed of the ADB Trust dated in or about February 2023, as amended pursuant to an addendum dated on or about 6 April 2023;
6.	<b>Additional Akani 2 Ordinary Share</b>	a BBESI Additional Subscription Share, an ASI Additional Subscription Share or an ADB Additional Subscription Share, as the case may be;
7.	<b>Additional Subscription Option Shares</b>	WBHO Shares which WBHO issues pursuant to an exercise of the Subscription Option, other than the Initial Subscription Option Shares;
8.	<b>Akani 1</b>	Akani Investment Holdings Proprietary Limited (formerly Clidet No 654 Proprietary Limited), a private company incorporated in accordance with the Laws of South Africa under registration number 2006/011442/07. As at the Last Practicable Date, Akani 1 is 100% owned by the beneficiaries of the 2006 B-BBEE Ownership Transaction, including the BBESI Trust;
9.	<b>Akani 2</b>	K2021474434 (South Africa) Proprietary Limited, a private company incorporated in accordance with the Laws of South Africa under registration number 2021/474434/07. As at the Last Practicable Date, Akani 2 is a wholly-owned Subsidiary of the BBESI Trust (which acquired its shares in Akani 2 from the initial "shelf company" shareholder, Daniel Petrus Strachan). Following the Initial Phase, the shares in Akani 2 will be Held and Beneficially Owned as follows:  (a) 90% of the Akani 2 Ordinary Shares by the BBESI Trust;  (b) 8% of the Akani 2 Ordinary Shares by the ASI Trust;  (c) 2% of the Akani 2 Ordinary Shares by the ADB Trust; and  (d) 100% of the Akani 2 Class B Shares by WBHO;
10.	<b>Akani 2 Board</b>	the board of directors from time to time of Akani 2. The sole director as at the Last Practicable Date is Inga Thayisa;
11.	<b>Akani 2 Class B Share</b>	a class B share in the capital of Akani 2;

<b>No.</b>	<b>Capitalised term</b>	<b>Ascribed meaning</b>
<b>12.</b>	<b>Akani 2 Class B Shareholder</b>	a Holder of an Akani 2 Class B Share;
<b>13.</b>	<b>Akani 2 Director</b>	a director of Akani 2 from time to time;
<b>14.</b>	<b>Akani 2 MOI</b>	the memorandum of incorporation from time to time of Akani 2;
<b>15.</b>	<b>Akani 2 Ordinary Share</b>	an ordinary share in the capital of Akani 2;
<b>16.</b>	<b>Akani 2 Ordinary Shareholder</b>	a Holder of an Akani 2 Ordinary Share;
<b>17.</b>	<b>Anniversary</b>	of a date in a calendar year, means the same date in a subsequent calendar year; provided that if the date is 29 February, each Anniversary in a subsequent calendar year will be deemed to be 28 February;
<b>18.</b>	<b>Appraisal Rights</b>	the rights afforded to WBHO Shareholders in terms of section 164 of the Companies Act, as referred to in paragraph 5 in Section A below;
<b>19.</b>	<b>ASI Trust</b>	the trustees for the time being of The Akani Share Incentive Trust (Master's reference number: IT000502/2023), which will operate for the benefit of Eligible Persons;
<b>20.</b>	<b>ASI Trust Deed</b>	the trust deed of the ASI Trust dated 24 February 2023, as amended pursuant to an addendum dated on or about 6 April 2023;
<b>21.</b>	<b>ASI Trust Subscription Shares</b>	80 Akani 2 Ordinary Shares;
<b>22.</b>	<b>Associate</b>	the meaning ascribed to it in the JSE Listings Requirements;
<b>23.</b>	<b>B-BBEE</b>	broad-based black economic empowerment, as contemplated in the B-BBEE Act and the Construction Sector Code;
<b>24.</b>	<b>B-BBEE Act</b>	the Broad-Based Black Economic Empowerment Act No. 53 of 2003, as amended from time to time;
<b>25.</b>	<b>B-BBEE Ownership</b>	economic interest or voting rights in, or net value in relation to, a Person held directly or indirectly by Black People;
<b>26.</b>	<b>B-BBEE Regulations</b>	(a) the B-BBEE Act; (b) the PPPF Act; (c) the Construction Sector Code; and (d) other Laws, licences or mandatory or voluntary directives, codes of practice, circulars, guidance notices or charters from time to time pursuant to which (i) B-BBEE Ownership in WBHO or any of its Subsidiaries from time to time is measured or recognised, and/or (ii) any B-BBEE requirement(s) is/are imposed on WBHO or any of its Subsidiaries from time to time, or imposed in the course of WBHO or any of its Subsidiaries conducting its business;
<b>27.</b>	<b>BBESI Trust</b>	the trustees for the time being of The WBHO Broad-based Employee Share Incentive Trust (Master's reference number: IT 9799/06), which will operate for the benefit of Eligible Persons;
<b>28.</b>	<b>BBESI Trust Deed</b>	the amended and restated trust deed of the ASI Trust dated on or about 6 March 2023, as amended pursuant to an addendum dated on or about 5 April 2023;
<b>29.</b>	<b>BBESI Trust Subscription Shares</b>	800 Akani 2 Ordinary Shares;
<b>30.</b>	<b>Beneficial Owner</b>	of a share in a company, means the Person having a "beneficial interest" (as defined in section 1 of the Companies Act) therein;
<b>31.</b>	<b>Benefit Programmes</b>	programmes through which benefits are to be made available to ADB Participants pursuant to the ADB Trust Deed aimed at furthering, amongst other things, their education and skills development;

No.	Capitalised term	Ascribed meaning
32.	<b>Black People</b>	<p>"black people" (or an analogous or comparable term) as defined from time to time in the Construction Sector Code. Currently, the Construction Sector Code defines "black people" as Africans, Coloureds and Indians who:</p> <p>(a) are citizens of South Africa by birth or descent; or</p> <p>(b) became citizens of South Africa by naturalisation: (i) before 27 April 1994; or (ii) on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalisation prior to that date;</p>
33.	<b>Black Women</b>	Black People who are women;
34.	<b>Broad-based Ownership Scheme</b>	bears the meaning ascribed to it in the Construction Sector Code;
35.	<b>Business Day</b>	a Day other than a Saturday, a Sunday or a statutory public holiday in South Africa;
36.	<b>Certificated Share</b>	a WBHO Share that (i) has not been Dematerialised, and (ii) is evidenced by a Document of Title;
37.	<b>Certificated Shareholder</b>	a Holder of Certificated Shares;
38.	<b>Circular</b>	this circular dated Friday, 5 May 2023, including the Annexures hereto and the Notice of General Meeting;
39.	<b>Class B Shareholder Consent</b>	the prior written consent of WBHO on behalf of the Akani 2 Class B Shareholder/s;
40.	<b>Companies Act</b>	the Companies Act No. 71 of 2008;
41.	<b>Companies Regulations</b>	the Companies Regulations, 2011, promulgated in terms of section 223 of the Companies Act;
42.	<b>Company Secretary</b>	the company secretary of WBHO. The company secretary as at the Last Practicable Date is Donnafege Msiska;
43.	<b>Conditions Precedent</b>	the conditions precedent to which the WBHO B-BBEE Ownership Transaction is subject, as set out in paragraph 4 in Section A below;
44.	<b>Conditions Precedent Longstop Date</b>	31 December 2023 or a later date determined pursuant to the Relationship Agreement;
45.	<b>Construction Sector Code</b>	the Amended Construction Sector Code issued in terms of section 9(1) of the B-BBEE Act on 21 November 2017, as amended from time to time, or any substitute code from time to time;
46.	<b>CSDP</b>	a central securities depository participant, being a "participant" as defined in section 1 of the Financial Markets Act;
47.	<b>Day</b>	a calendar day;
48.	<b>Defined Beneficiary Leg</b>	<p>the proposed leg of the WBHO B-BBEE Ownership Transaction in terms of which, <i>inter alia</i>, subject to the fulfilment or waiver of the Conditions Precedent:</p> <p>(a) WBHO will contribute one or more cash amounts to the ADB Trust;</p> <p>(b) the ADB Trust will utilise those contribution/s to fund the nominal subscription price/s payable by it for one or more Defined Beneficiary Leg Specific Issue/s;</p> <p>(c) one or more Defined Beneficiary Leg Specific Issue/s will be implemented; and</p> <p>(d) the ADB Trust will grant the Defined Beneficiary Leg Repurchase Rights to WBHO,</p> <p>all pursuant to the Defined Beneficiary Leg Agreements;</p>
49.	<b>Dematerialise</b>	the process whereby physical share certificates are replaced with electronic records evidencing ownership of shares;
50.	<b>Dematerialised Share</b>	a WBHO Share that (i) has been Dematerialised in accordance with the rules of Strate, and (ii) is not evidenced by a Document of Title;

<b>No.</b>	<b>Capitalised term</b>	<b>Ascribed meaning</b>
<b>51.</b>	<b>Dematerialised Shareholder</b>	a Beneficial Owner of Dematerialised Shares;
<b>52.</b>	<b>Dispose</b>	to: (a) sell, transfer, cede, assign, lease, alienate, donate, renounce, grant an option, unbundle, distribute, surrender, waive, relinquish, exchange or dispose of; or (b) enter into any transaction(s) or arrangement(s) which has, or may have, the same or similar effect as any event constituting a “Disposal” in terms of (a) above;
<b>53.</b>	<b>Distribution</b>	a transfer by a company (or, in the case of (b) below, by a Subsidiary of the company) of cash or other assets (whether in the form of a distribution of distributable reserves, a reduction of capital or otherwise) to all or substantially all of its shareholders (in their capacity as such and <i>pro rata</i> to their Holdings of shares on the Participation Record Date). For the avoidance of doubt, and without limitation: (a) an issue of shares (including an issue of shares under a Rights Offer or Capitalisation Issue) does not constitute a “Distribution” for purposes of this Circular; and (b) a repurchase by a company or a Subsidiary of a company from all or substantially all of the company’s shareholders (in their capacity as such and <i>pro rata</i> to their Holdings of Shares on the Participation Record Date), does constitute a “Distribution” for purposes of this Circular;
<b>54.</b>	<b>Document of Title</b>	a valid share certificate, certified transfer deed, balance receipt or other physical proof of ownership of WBHO Shares reasonably acceptable to WBHO;
<b>55.</b>	<b>Eligible Person</b>	in relation to the: (a) BBESI Trust, permanent employees of the WBHO group up to junior management level who meet the Qualifying Criteria; or (b) ASI Trust, permanent employees of the WBHO group above junior management level who meet the Qualifying Criteria, but excluding WBHO Connected Persons;
<b>56.</b>	<b>Employee Leg</b>	the proposed leg of the WBHO B-BBEE Ownership Transaction in terms of which, <i>inter alia</i> , subject to the fulfilment or waiver of the Conditions Precedent: (a) WBHO will contribute one or more cash amounts to the Employee Trusts; (b) the Employee Trusts will utilise the contribution/s to fund the nominal subscription price/s payable by them for one or more Employee Leg Specific Issue/s; (c) one or more Employee Leg Specific Issue/s will be implemented; and (d) the Employee Trusts will grant the Employee Leg Repurchase Rights to WBHO, all pursuant to the Employee Leg Agreements;
<b>57.</b>	<b>Employee Share Ownership Plan</b>	bears the meaning ascribed to it in the Construction Sector Code;
<b>58.</b>	<b>Employee Trusts</b>	collectively, the BBESI Trust and the ASI Trust;
<b>59.</b>	<b>Encumber</b>	to: (a) enter into a mortgage, pledge, hypothecation, lien, option, restriction, right of first refusal, right of pre-emption, right of retention, 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 of any kind; or (b) enter into any other type of preferential arrangement having, or which might have, the effect of Encumbering as contemplated in (a) above;

<b>No.</b>	<b>Capitalised term</b>	<b>Ascribed meaning</b>
<b>60.</b>	<b>Family Cross Holdings Category</b>	in relation to an individual, the parents, siblings (including step and half siblings), and children who are at least 18 years old, of the individual, together with each such person's spouse, as referred to in the definition of " <i>family cross holdings test</i> " in the JSE Listings Requirements;
<b>61.</b>	<b>Fifteen Year Period</b>	means the period from the Initial Subscription Date until the 15 <sup>th</sup> Anniversary of the Initial Subscription Date (both inclusive);
<b>62.</b>	<b>Financial Markets Act</b>	the Financial Markets Act No. 19 of 2012, as amended from time to time;
<b>63.</b>	<b>Form of Proxy</b>	the form of proxy which accompanies this Circular;
<b>64.</b>	<b>General Meeting</b>	the general meeting of WBHO Shareholders to be conducted entirely by electronic communication at 10:00 (South African Standard Time) on Tuesday, 6 June 2023, in order for WBHO Shareholders to consider and, if deemed fit, adopt, the WBHO B-BBEE Ownership Transaction Resolutions, including any resumption of an adjourned meeting or recommencement of a postponed meeting;
<b>65.</b>	<b>IFRS</b>	International Financial Reporting Standards;
<b>66.</b>	<b>Independent Expert</b>	Merchantec Capital Proprietary Limited (registration number: 2008/027362/07), a private company duly registered and incorporated in accordance with the Laws of South Africa, which has prepared the Independent Expert Report;
<b>67.</b>	<b>Independent Expert Report</b>	the report from the Independent Expert pursuant to section 114 of the Companies Act read with section 48(8)(b) of the Companies Act, as set out in <b>Annexure 2</b> of this Circular, expressing a fair and reasonable opinion in conformity with the disclosure requirements in regulation 90 to the Companies Regulations;
<b>68.</b>	<b>Independent Reporting Accountant</b>	BDO South Africa Incorporated (Registration Number: 1995/002310/21), a company duly registered and incorporated in accordance with the Laws of South Africa;
<b>69.</b>	<b>Initial Phase</b>	the issues of: (a) the Subscription Shares; (b) the Initial Subscription Option Shares; (c) 1 Akani 2 Class B Share to WBHO; (d) the BBESI Trust Subscription Shares; (e) the ASI Trust Subscription Shares; and (f) the ADB Trust Subscription Shares;
<b>70.</b>	<b>Initial Subscription Date</b>	the Day on which the Initial Phase will be implemented, being the Business Day after the date of fulfilment or waiver of the Conditions Precedent, or such other date agreed to in writing by Akani 2 and WBHO;
<b>71.</b>	<b>Initial Subscription Option Shares</b>	10,011,669 WBHO Shares, constituting immediately after their issue c. 14.09% of the enlarged issued share capital of WBHO, which will be issued pursuant to an exercise by WBHO, on or prior to the Initial Subscription Date, of the Subscription Option. That percentage is based on the assumption that c. 3,372,000 WBHO Shares will be repurchased pursuant to the repurchase referred to in paragraph 2.1.4(b) in Section A below;

<b>No.</b>	<b>Capitalised term</b>	<b>Ascribed meaning</b>
<b>72.</b>	<b>Insolvency Event</b>	<p>in respect of any Person, means:</p> <ul style="list-style-type: none"> <li>(a) the Person is dissolved, terminated or deregistered;</li> <li>(b) a: <ul style="list-style-type: none"> <li>(i) notice convening a meeting of the Person is sent, or a meeting of the Person is convened, to consider or pass a resolution; or</li> <li>(ii) declaration is made in respect of the Person, a petition is presented to a court in respect of the Person, legal proceedings are finalised by or in respect of the Person, or any other step is taken,</li> </ul> </li> </ul> <p>for the winding up, judicial management, curatorship, business rescue, dissolution or any similar process of all or a portion of the Person's assets or business, or with a view to a composition, assignment or arrangement with all or substantially all of the Person's creditors, whether provisional or final;</p> <ul style="list-style-type: none"> <li>(c) the Person commits an act which would be any act of insolvency as envisaged in section 8 of the Insolvency Act No. 24 of 1936, if the Person were a natural person;</li> <li>(d) the Person is or becomes capable of being wound up, whether pursuant to any of the events referred to in section 344 of the Companies Act No. 61 of 1973 or otherwise;</li> <li>(e) any liquidator, curator, judicial manager, business rescue practitioner or similar officer is appointed (whether provisionally or finally) in respect of the Person or all or a portion of its assets or business, or the Person requests such appointment;</li> <li>(f) the Person ceases to be in a position to pay its debts (or is deemed to be unable to pay its debts in terms of section 344 of the Companies Act No. 61 of 1973) or to meet its other obligations as and when they fall due in the normal course of business;</li> <li>(g) the Person is placed in liquidation or judicial management, or is subjected to business rescue proceedings, whether provisionally or finally, at the instance of any creditor or otherwise, compulsorily or voluntarily; or</li> <li>(h) the Person makes or attempts to make, or recommends, a general offer of compromise with all or substantially all of its creditors, or all or substantially all of any class of creditors;</li> </ul>
<b>73.</b>	<b>JSE</b>	as the context requires, either (i) JSE Limited (registration number: 2005/022939/06), a public company duly registered and incorporated in accordance with the Laws of South Africa and licensed as an exchange under the Financial Markets Act, or (ii) the securities exchange operated by the aforementioned company;
<b>74.</b>	<b>JSE Listings Requirements</b>	the listings requirements of the JSE, as amended from time to time;
<b>75.</b>	<b>Last Practicable Date</b>	Tuesday, 25 April 2023, being the last practicable date prior to the finalisation of this Circular;
<b>76.</b>	<b>Law</b>	<p>all and any of the following to the extent they have the force of law:</p> <ul style="list-style-type: none"> <li>(a) statutes, subordinated legislation and common law;</li> <li>(b) regulations;</li> <li>(c) ordinances and by-laws;</li> <li>(d) directives, codes of practice, circulars, guidance notices, judgments and decisions; and</li> <li>(e) other similar provisions, from time to time;</li> </ul>
<b>77.</b>	<b>Notice of General Meeting</b>	the notice of General Meeting attached to, and forming part of, this Circular, convening the General Meeting;



No.	Capitalised term	Ascribed meaning
78.	<b>Own-Name Dematerialised Shareholder</b>	a Dematerialised Shareholder who has instructed its CSDP to hold Dematerialised Shares in the Dematerialised Shareholder's name on the sub-registers maintained by the CSDP;
79.	<b>Participation Record Date</b>	in relation to a corporate action, the date and time at and on which a Person must be recorded as a shareholder in order to be entitled to participate in that corporate action;
80.	<b>Person</b>	a natural person, firm, company, body corporate, juristic person or unincorporated association, a Regulatory Authority or an association, trust, partnership, consortium, or other entity (whether or not having separate legal personality, and in each case in any jurisdiction);
81.	<b>PPPF Act</b>	the Preferential Procurement Policy Framework Act No. 5 of 2000, as amended from time to time;
82.	<b>Prescribed Officer</b>	a "prescribed officer" (as contemplated in the Companies Act and Companies Regulations) from time to time;
83.	<b>Prime Rate</b>	the percentage publicly quoted basic prime lending rate of interest charged from time to time by Nedbank Limited (or its successor-in-title) to its customers in respect of overdraft facilities as <i>prima facie</i> certified by any manager or director of that bank, whose authority, appointment and designation need not be proved;
84.	<b>Qualifying Criteria</b>	the criteria, as determined by the WBHO Board from time to time, which qualify a person to receive an offer of Units under the BBESI Trust Deed or under the ASI Trust Deed, as the case may be;
85.	<b>R, ZAR or Rand</b>	South African Rand, the lawful currency of South Africa;
86.	<b>Record Date</b>	the date set by WBHO as the date on which a Person must be a Holder of WBHO Shares in order to be eligible to vote at the General Meeting;
87.	<b>Registered Holder or Holder</b>	of a share in the capital of a company, means the Person reflected as the registered holder of that share in the securities register of that company;
88.	<b>Regulatory Authority</b>	the Government of South Africa or any ministry, department, agency, authority or body of the Government of South Africa, or any provincial or local agency, authority or body, established by Law;
89.	<b>Relationship Agreement</b>	the relationship agreement between WBHO, Akani 2 and the Akani 2 Ordinary Shareholders, dated on or about 6 April 2023, which regulates, <i>inter alia</i> , the issues of the BBESI Trust Subscription Shares, the ASI Trust Subscription Shares and the ADB Trust Subscription Shares, the grant of the Subscription Option, the potential issue of Additional Akani 2 Ordinary Shares and the shareholding relationship between the Akani 2 Ordinary Shareholders, the Akani 2 Class B Shareholders and Akani 2, as amended by an addendum thereto dated on or about 25 April 2023;
90.	<b>Repurchase Resolution</b>	special resolution number 3 contained in the Notice of Annual General Meeting, authorising the Specific Repurchases;
91.	<b>SENS</b>	the Stock Exchange News Service of the JSE;
92.	<b>South Africa</b>	the Republic of South Africa;
93.	<b>Sponsor</b>	Investec Bank Limited (registration number: 1969/004763/06), a public company duly registered and incorporated in accordance with the Laws of South Africa, which is JSE sponsor to the Company;
94.	<b>Strate</b>	Strate Proprietary Limited (Registration Number: 1998/022242/07), a private company duly registered and incorporated in accordance with the Laws of South Africa, and a registered central securities depository responsible for the electronic clearing and settlement of trades on the JSE, in terms of the Financial Markets Act;
95.	<b>Subscription Agreement</b>	the subscription agreement between WBHO and Akani 2 dated 6 April 2023 in which, <i>inter alia</i> , Akani 2 agrees to subscribe for the Subscription Shares, as amended by an addendum thereto dated on or about 25 April 2023;



<b>No.</b>	<b>Capitalised term</b>	<b>Ascribed meaning</b>
<b>96.</b>	<b>Subscription Option</b>	WBHO's option to require Akani 2 to subscribe from time to time for Subscription Option Shares;
<b>97.</b>	<b>Subscription Option Shares</b>	the Initial Subscription Option Shares and the Additional Subscription Option Shares;
<b>98.</b>	<b>Subscription Shares</b>	4,500,000 WBHO Shares, constituting immediately after their issue c. 6.3% of the enlarged issued share capital of WBHO. That percentage is based on the assumption that c. 3,372,000 WBHO Shares will be repurchased pursuant to the repurchase referred to in paragraph 2.1.4(b) in Section A below;
<b>99.</b>	<b>Subsequent Phase</b>	the: <ul style="list-style-type: none"> <li>(a) potential issues of Additional Subscription Option Shares to Akani 2;</li> <li>(b) potential issues of Additional Akani 2 Ordinary Shares to the Akani 2 Ordinary Shareholders;</li> <li>(c) potential repurchases of Akani 2 Ordinary Shares pursuant to the Defined Beneficiary Leg Repurchase Rights and the Employee Leg Repurchase Rights; and</li> <li>(d) Specific Repurchases;</li> </ul>
<b>100.</b>	<b>Subsidiary</b>	a Person which is a "subsidiary" as defined in section 1 of the Companies Act; provided that if and to the extent that such definition in section 1 of the Companies Act excludes Persons incorporated or registered outside South Africa, a Person that would have been a "subsidiary" as defined in section 1 of the Companies Act had it been a company incorporated or registered in South Africa will also constitute a "Subsidiary";
<b>101.</b>	<b>Transfer Secretaries</b>	Computershare Investor Services Proprietary Limited (registration number: 2004/003647/07), a private company duly registered and incorporated in accordance with the Laws of South Africa and the transfer secretaries to WBHO;
<b>102.</b>	<b>Trust Deeds</b>	the ADB Trust Deed, the ASI Trust Deed and the BBESI Trust Deed;
<b>103.</b>	<b>Unit</b>	a unit offered or issued pursuant to the BBESI Trust Deed or the ASI Trust Deed;
<b>104.</b>	<b>VWAP</b>	of a WBHO Share, with reference to a specified date, means the volume weighted average price of a WBHO Share on the JSE, being the total of the traded prices of the WBHO Shares traded over the period of 30 JSE trading days ending on the JSE trading day preceding that specified date, divided by the total number of WBHO Shares traded over that 30 JSE trading day period, all as published on Bloomberg;
<b>105.</b>	<b>WBHO or the Company</b>	Wilson Bayly Holmes-Ovcon Limited (registration number: 1982/011014/06), a public company duly registered and incorporated in accordance with the Laws of South Africa;
<b>106.</b>	<b>WBHO/Akani 2 Leg</b>	the proposed leg of the WBHO B-BBEE Ownership Transaction in terms of which, <i>inter alia</i> , subject to the fulfilment or waiver of the Conditions Precedent: <ul style="list-style-type: none"> <li>(a) WBHO will, and WBHO Construction may, subscribe for Akani 2 Class B Shares, in accordance with the Relationship Agreement;</li> <li>(b) Akani 2 will subscribe for the Subscription Shares and the Initial Subscription Option Shares, in accordance with the Subscription Agreement and the Relationship Agreement;</li> <li>(c) Akani 2 may potentially subscribe from time to time for Additional Subscription Option Shares, in accordance with the Relationship Agreement; and</li> <li>(d) Akani 2 will grant the right to WBHO to implement the Specific Repurchases in accordance with the Subscription Agreement and the Relationship Agreement;</li> </ul>

<b>No.</b>	<b>Capitalised term</b>	<b>Ascribed meaning</b>
<b>106.</b>	<b>WBHO B-BBEE Ownership Transaction</b>	WBHO's proposed B-BBEE Ownership transaction, as set out in the WBHO B-BBEE Ownership Transaction Agreements, comprising the: <ul style="list-style-type: none"> <li>(a) WBHO/Akani 2 Leg;</li> <li>(b) Employee Leg; and</li> <li>(c) Defined Beneficiary Leg;</li> </ul>
<b>107.</b>	<b>WBHO B-BBEE Ownership Transaction Agreements</b>	<ul style="list-style-type: none"> <li>(a) the Relationship Agreement;</li> <li>(b) the Akani 2 MOI;</li> <li>(c) the Subscription Agreement;</li> <li>(d) the Trust Deeds;</li> <li>(e) the Akani 2 Security Cession;</li> <li>(f) the ADB Trust Security Cession;</li> <li>(g) the Employee Leg Security Cessions; and</li> <li>(h) any other written agreement entered into by Akani 2 and/or an Akani 2 Ordinary Shareholder with WBHO or with Class B Shareholder Consent, which states that it is to be regarded as a "WBHO B-BBEE Ownership Transaction Agreement";</li> </ul>
<b>108.</b>	<b>WBHO B-BBEE Ownership Transaction Resolutions</b>	the resolutions set out in the Notice of General Meeting;
<b>109.</b>	<b>WBHO Board</b>	the board of directors from time to time of WBHO;
<b>110.</b>	<b>WBHO Connected Person</b>	<ul style="list-style-type: none"> <li>(a) a director on the WBHO Board or an Associate of such a person;</li> <li>(b) a Prescribed Officer of the WBHO Group or an Associate of such a person; or</li> <li>(c) a person that falls into the Family Cross Holdings Category relative to a director on the WBHO Board or relative to a Prescribed Officer of the WBHO Group;</li> </ul>
<b>111.</b>	<b>WBHO Construction</b>	WBHO Construction Proprietary Limited (registration number: 1983/011953/07), a private company duly registered and incorporated in accordance with the Laws of South Africa, and a wholly-owned Subsidiary of WBHO;
<b>112.</b>	<b>WBHO Director</b>	a director of WBHO from time to time. The names of the directors of WBHO as at the Last Practicable Date are set out on page 17 of this Circular. No changes to the WBHO Board are contemplated by reason of the WBHO B-BBEE Ownership Transaction;
<b>113.</b>	<b>WBHO Executive Director</b>	an executive director on the WBHO Board from time to time;
<b>114.</b>	<b>WBHO Group</b>	collectively, WBHO and its Subsidiaries from time to time;
<b>115.</b>	<b>WBHO MOI</b>	the memorandum of incorporation of the Company from time to time;
<b>116.</b>	<b>WBHO Securities Register</b>	the securities register of WBHO;
<b>117.</b>	<b>WBHO Share</b>	an ordinary share in WBHO;
<b>118.</b>	<b>WBHO Shareholder</b>	a Registered Holder of WBHO Shares from time to time; and
<b>119.</b>	<b>Youth</b>	people meeting either (i) the definition of "youth" in the National Youth Development Agency Act No. 54 of 2008, or (ii) a definition of "youth" (or an analogous or comparable term) contained in any of the B-BBEE Regulations.



## WILSON BAYLY HOLMES-OVCON LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1982/011014/06)

ISIN: ZAE000009932

JSE share code: WBO

(**WBHO** or the **Company**)

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## WBHO DIRECTORS

### Independent non-executive:

RW Gardiner  
AJ Bester  
KM Forbay  
H Ntene  
NN Sonqushu

### Executive:

EL Nel (*Chairman*)  
WP Neff (*Chief Executive Officer*)  
CV Henwood (*Chief Financial Officer*)

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## CIRCULAR TO WBHO SHAREHOLDERS

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### SECTION A

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## BACKGROUND TO, RATIONALE FOR, AND SUMMARY OF, THE WBHO B-BBEE OWNERSHIP TRANSACTION

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### 1. PURPOSE OF THIS CIRCULAR

The purpose of this Circular and the attached Notice of General Meeting is to:

- 1.1 convene the General Meeting; and
- 1.2 provide WBHO Shareholders with details on the WBHO B-BBEE Ownership Transaction to enable WBHO Shareholders to make an informed decision as to whether or not they should vote in favour of the WBHO B-BBEE Ownership Transaction Resolutions.

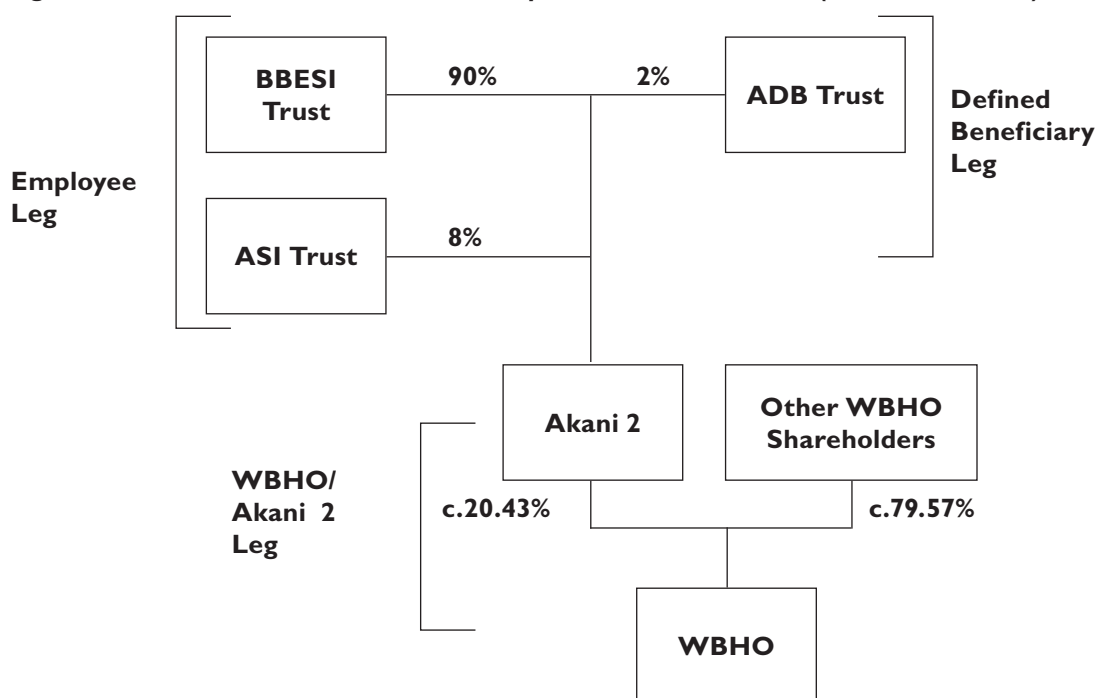
### 2. INTRODUCTION

#### 2.1 Background to the WBHO B-BBEE Ownership Transaction

- 2.1.1 WBHO Shareholders are referred to the announcement released on SENS on 6 April 2023 notifying them of the WBHO B-BBEE Ownership Transaction.
- 2.1.2 WBHO is committed to advancing B-BBEE under all elements in the Construction Sector Code.
- 2.1.3 The WBHO Group believes that black equity ownership in WBHO will advance economic transformation and enhance the economic participation of Black People in the South African economy.
- 2.1.4 In 2006, WBHO entered into the 2006 B-BBEE Ownership Transaction. The 2006 B-BBEE Ownership Transaction will expire prior to the implementation of the WBHO B-BBEE Ownership Transaction. Prior to expiry of the 2006 B-BBEE Ownership Transaction (i.e., prior to the Initial Subscription Date):
  - (a) WBHO Shares and/or cash which vests, on the terms set-out in the 2006 B-BBEE Ownership Transaction, in the remaining participants will be distributed to them, whereafter they will cease to be participants; and
  - (b) WBHO will repurchase the remaining WBHO Shares Held by Akani 1 after implementation of the distributions referred to in paragraph 2.1.4(a) above, in accordance with the authorisation previously granted by WBHO Shareholders.

- 2.1.5 As part of its ongoing and continued commitment to transformation and B-BBEE Ownership, and subject to the Conditions Precedent, WBHO has now entered into the WBHO B-BBEE Ownership Transaction Agreements with Akani 2, the BBESI Trust, the ASI Trust and the ADB Trust comprising a new transaction, the WBHO B-BBEE Ownership Transaction. Other than WBHO's agreements with the BBESI Trust forming part of the 2006 B-BBEE Ownership Transaction, no other agreements exist between WBHO, current WBHO Directors or persons who were WBHO Directors within the preceding 12 months (on the one hand) and Akani 2, the BBESI Trust, the ASI Trust, the ADB Trust or current or former directors or shareholders of, or holders of beneficial interests in, Akani 2 (on the other).
- 2.1.6 The WBHO B-BBEE Ownership Transaction is a transformative B-BBEE Ownership transaction which will introduce Akani 2 into the ownership structure of WBHO. WBHO believes that the WBHO B-BBEE Ownership Transaction is of critical importance to WBHO achieving and maintaining competitive B-BBEE Ownership levels.
- 2.1.7 The WBHO B-BBEE Ownership Transaction comprises the:
- (a) WBHO/Akani 2 Leg;
  - (b) Employee Leg for the benefit of Eligible Persons; and
  - (c) Defined Beneficiary Leg for the benefit of ADB Participants pursuant to Benefit Programmes.
- 2.1.8 Akani 2 is a special purpose vehicle to be utilised specifically for the WBHO B-BBEE Ownership Transaction. Akani 2 does not Hold or Beneficially Own, and has never dealt in, any WBHO Shares.
- 2.1.9 The BBESI Trust is an existing Broad-based Ownership Scheme utilised in the 2006 B-BBEE Ownership Transaction, the trust deed of which has been amended and restated to facilitate its participation in the WBHO B-BBEE Ownership Transaction.
- 2.1.10 The ASI Trust is a newly established Employee Share Ownership Plan.
- 2.1.11 The BBESI Trust and the ASI Trust will be utilised to facilitate the participation in the Employee Leg by Eligible Persons.
- 2.1.12 The ADB Trust is a newly established Broad-based Ownership Scheme which will be utilised to facilitate the participation in the Defined Beneficiary Leg by ADB Participants via Benefit Programmes.

**Figure 1: Overall WBHO B-BBEE Ownership Transaction Structure (see notes 1 and 2)**



**Notes:**

1. The percentage Beneficial Ownership levels specified in this Figure 1 are those immediately after implementation of the Initial Phase. These percentages may change from time to time during the Subsequent Phase on the basis set out in this Circular.
2. The percentage Beneficial Ownership levels of Akani 2 and other WBHO Shareholders in WBHO specified in this Figure 1 are based on the assumption that c. 3,372,000 WBHO Shares will be repurchased pursuant to the repurchase referred to in paragraph 2.1.4(b) above.

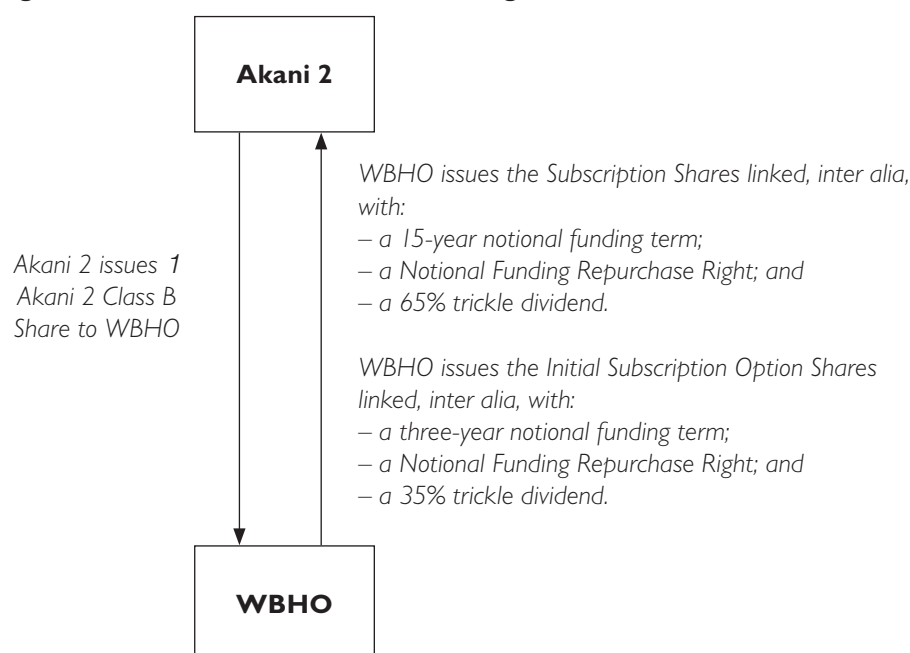
## 2.2 Rationale for the WBHO B-BBEE Ownership Transaction

- 2.2.1 As set out above, WBHO wishes to conclude the WBHO B-BBEE Ownership Transaction:
- (a) as part of its continuing commitment to advancing the objectives of B-BBEE, as contemplated in the B-BBEE Regulations;
  - (b) to support and improve transformation in South Africa;
  - (c) to increase its B-BBEE Ownership levels to the levels targeted by it; and
  - (d) to maintain its competitiveness in a tender-based market.
- 2.2.2 WBHO is entering into the Employee Leg with the following additional objectives:
- (a) attracting, retaining and rewarding Eligible Persons;
  - (b) providing Eligible Persons with an opportunity to share in the success of the WBHO Group; and
  - (c) providing Eligible Persons with an incentive to deliver the WBHO Group's business strategy over the short, medium and long term.
- 2.2.3 WBHO is entering into the Defined Beneficiary Leg with the additional objective of supporting broad-based development (specifically the development of ADB Participants selected by the WBHO Board) by undertaking Benefit Programmes.
- 2.2.4 WBHO is of the view that the structured and phased WBHO B-BBEE Ownership Transaction will benefit WBHO's stakeholders in relation to transformation, employee engagement, tender competitiveness and consequently long-term shareholder value.

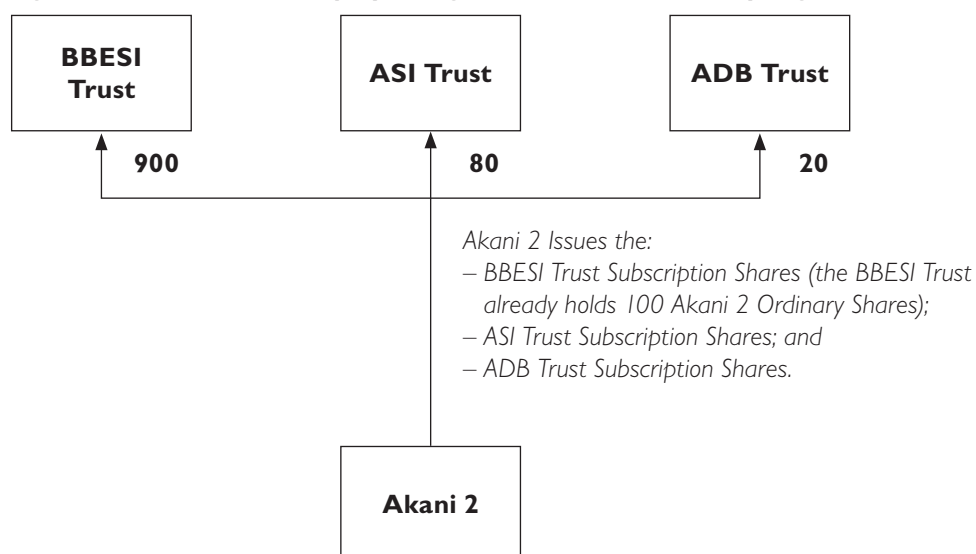
## 2.3 Structure of the WBHO B-BBEE Ownership Transaction

- 2.3.1 As a JSE listed entity with freely traded shares, WBHO envisages variability in the measured B-BBEE Ownership levels it achieves across the various ownership categories in the Construction Sector Code over the term of the WBHO B-BBEE Ownership Transaction. Further, there is a competitive need for WBHO, in a fluid operational tender-based market, to achieve and maintain targeted minimum levels of B-BBEE Ownership over the term of the WBHO B-BBEE Ownership Transaction.
- 2.3.2 The WBHO B-BBEE Ownership Transaction is accordingly structured into the Initial Phase and the Subsequent Phase so as to afford WBHO the flexibility to achieve and maintain competitive B-BBEE Ownership levels over the term of the WBHO B-BBEE Ownership Transaction, subject to a WBHO Shareholder-approved maximum limit on the number of WBHO Shares that can be issued.
- 2.3.3 The Initial Phase, which will take place on the Initial Subscription Date, entails the (i) issue by Akani 2 of an Akani 2 Class B Share to WBHO in terms of the WBHO/Akani 2 Leg, (ii) issue by WBHO of the Subscription Shares and the Initial Subscription Option Shares to Akani 2 in terms of the WBHO/Akani 2 Leg, and (iii) issue by Akani 2 of the BBESI Trust Subscription Shares, the ASI Trust Subscription Shares and the ADB Trust Subscription Shares to the Akani 2 Ordinary Shareholders in terms of the Employee Leg and the Defined Beneficiary Leg. The Initial Phase is set out diagrammatically in **Figures 2 and 3** below, with the salient terms thereof presented in **Tables 1 and 2** below. Greater detail is set out in **Annexure 1** of this Circular.

**Figure 2: Initial Phase – WBHO/Akani 2 Leg**



**Figure 3: Initial Phase – Employee Leg and Defined Beneficiary Leg**



**Table 1: Salient terms of the Initial Phase – WBHO/Akani 2 Leg**

<b>Item</b>	<b>WBHO/Akani 2 Leg</b>
Number of shares to be issued on the Initial Subscription Date	<p>1 Akani 2 Class B Share will be issued by Akani 2 to WBHO.</p> <p>14,511,669 WBHO Shares will be issued by WBHO to Akani 2, comprising:</p> <p>(a) 4,500,000 WBHO Shares, being the Subscription Shares;</p> <p>(b) 10,011,669 WBHO Shares, being the Initial Subscription Option Shares.</p>
Percentage of the issued shares Beneficially Owned immediately after the Initial Subscription Date	c. 20.43% of the total issued WBHO Shares will be Beneficially Owned by Akani 2 (assuming that c. 3,372,000 ordinary shares are repurchased as part of the expiry of the 2006 B-BBEE Ownership Transaction – see paragraph 2.1.4(b) above). 100% of the issued Akani 2 Class B Shares will be Held by WBHO.
Total indicative value of WBHO Shares to be issued to Akani 2 on the Initial Subscription Date	ZAR1,547,898,848 (See note 1 below).
Subscription prices	<p>A total amount of ZAR145,116.69 for the Subscription Shares and Initial Subscription Option Share, being ZAR0.01 per Subscription Share and per Initial Subscription Option Share.</p> <p>A total amount of ZAR145,116.69 for the Akani 2 Class B Share, being an amount calculated by multiplying the sum of the number of Subscription Shares and the number of Initial Subscription Option Shares by R0.01.</p>
WBHO cash funding	A total amount of ZAR145,116.69, being the cash funding to be provided by WBHO (via its subscription for the Akani 2 Class B Share).
WBHO notional funding	<p>Notional vendor funding will be provided by WBHO encompassing, <i>inter alia</i>, the following:</p> <p>(a) it will endure for the Notional Funding Period;</p> <p>(b) the starting notional funding amount per Subscription Share and per Initial Subscription Option Share will equal the VWAP with reference to the Initial Subscription Date less ZAR0.01;</p> <p>(c) an Escalation Factor will be applied at the Prime Rate as at the Initial Subscription Date plus 1% (or such lower rate as may be determined by WBHO from time to time);</p> <p>(d) the Distribution Suspension will apply;</p> <p>(e) the Capitalisation Issue Suspension will apply;</p> <p>(f) the Rights Offer Suspension will apply;</p> <p>(g) the Notional Funding Repurchase Right will be granted to WBHO;</p> <p>(h) the Accelerated NF Repurchase Right will be granted to WBHO; and</p> <p>(i) the Regulation Change NF Repurchase Right will be granted to WBHO.</p>

**Note:**

I. Based on the VWAP of a WBHO Share with reference to 25 April 2023.

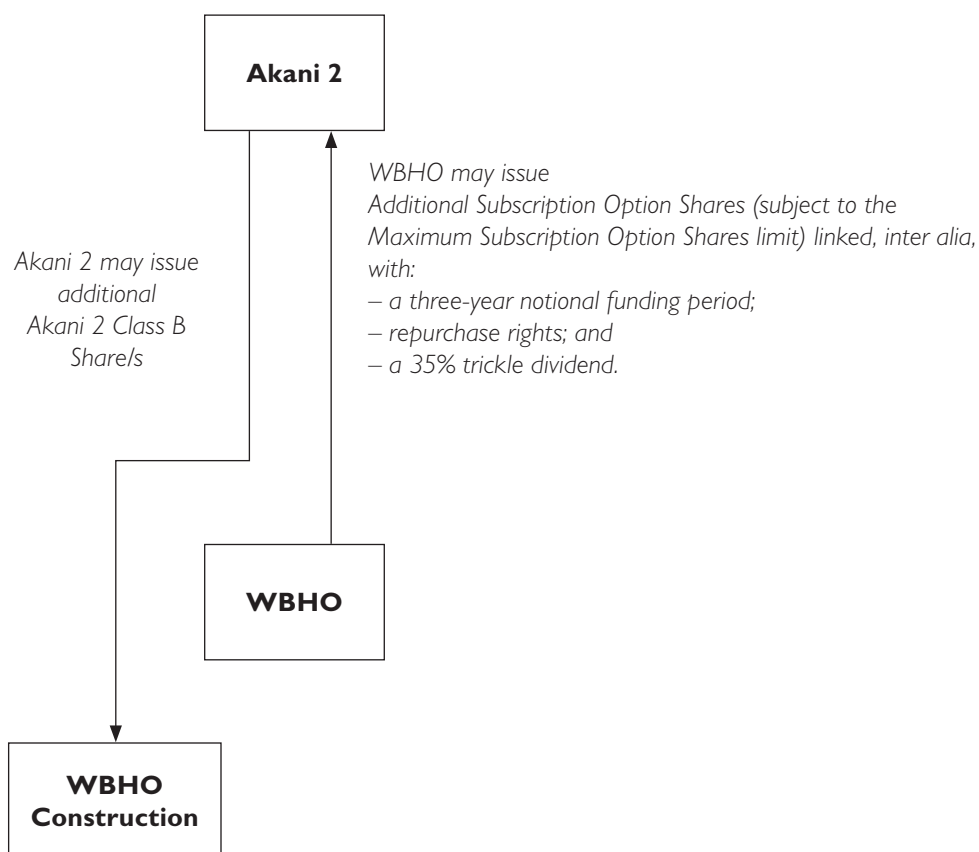
**Table 2: Salient terms of the Initial Phase – Employee Leg and Defined Beneficiary Leg**

Item	Employee Leg	Defined Beneficiary Leg
Number of Akani 2 Ordinary Shares to be issued on the Initial Subscription Date	800 Akani 2 Ordinary Shares will be issued by Akani 2 to the BBESI Trust. The BBESI Trust already Holds 100 Akani 2 Ordinary Shares.  80 Akani 2 Ordinary Shares will be issued by Akani 2 to the ASI Trust.	20 Akani 2 Ordinary Shares will be issued by Akani 2 to the ADB Trust.
Percentage of the issued Akani 2 Ordinary Shares Held immediately after the Initial Subscription Date	90% of the issued Akani 2 Ordinary Shares will be Held by the BBESI Trust.  8% of the issued Akani 2 Ordinary Shares will be Held by the ASI Trust.	2% of the issued Akani 2 Ordinary Shares will be Held by the ADB Trust.
Subscription price per Akani 2 Ordinary Share issued on the Initial Subscription Date	ZAR0.01	ZAR0.01
WBHO cash funding	A ZAR8.80 cash contribution will be made by WBHO (100% of the total required funding for the subscription by the BBESI Trust and the ASI Trust for the BBESI Trust Subscription Shares and the ASI Trust Subscription Shares).	A ZAR0.20 cash contribution will be made by WBHO (100% of the total required funding for the subscription by the ADB Trust for the ADB Trust Subscription Shares).
WBHO notional funding	None	None

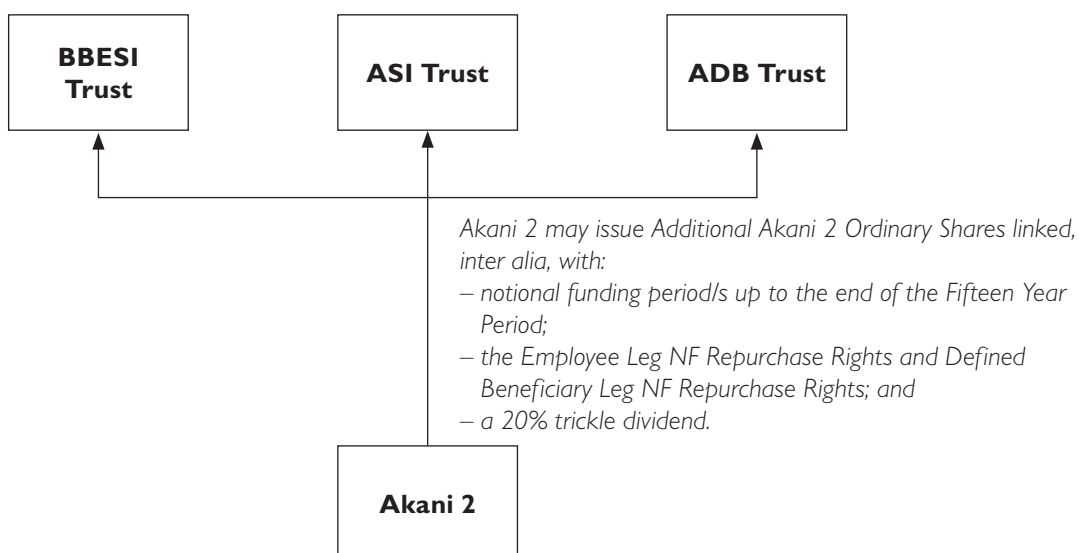
- 2.3.4 The Subsequent Phase entails, *inter alia*, (i) potential future issues of Additional Subscription Option Shares to Akani 2, (ii) potential future issues of Additional Akani 2 Ordinary Shares to the Akani 2 Ordinary Shareholders, (iii) potential share repurchases by Akani 2 and (iv) share repurchases by WBHO.
- 2.3.5 These subsequent share issues, which will occur on an *ad hoc* basis during the Fifteen Year Period, will be implemented to achieve and maintain WBHO's targeted B-BBEE Ownership levels. The Subsequent Phase is set out diagrammatically in **Figures 4 and 5** below, with the salient terms summarised in **Tables 3 and 4** below. Greater detail is set out in **Annexure 1** of this Circular.



**Figure 4: Subsequent Phase – WBHO/Akani 2 Leg**



**Figure 5: Subsequent Phase – Employee Leg and Defined Beneficiary Leg**



**Table 3: Salient terms of the Subsequent Phase – WBHO/Akani 2 Leg**

<b>Item</b>	<b>WBHO/Akani 2 Leg</b>
Number of shares to be issued	<p>Subject to the Maximum Subscription Option Shares, Additional Subscription Option Shares may be issued by WBHO to Akani 2 during the Fifteen Year Period in such numbers as are determined by the WBHO Board with the objective of meeting WBHO's targeted B-BBEE Ownership levels.</p> <p>On each occasion on which Additional Subscription Option Shares are issued, an additional Akani 2 Class B Share will be issued by Akani 2 to WBHO Construction to fund Akani 2's subscription for the Additional Subscription Option Shares.</p>
Percentage of the issued shares Held	<p>This will vary over time as WBHO exercises repurchases of Subscription Shares and/or Subscription Option Shares, and/or WBHO issues Additional Subscription Option Shares.</p> <p>100% of the issued Akani 2 Class B Shares will be Held by WBHO and WBHO Construction at all times.</p>
Total value of Additional Subscription Option Shares	This will depend on the price at which WBHO Shares are trading at the time the Additional Subscription Option Shares are issued.
Subscription prices for Additional Subscription Option Shares and per additional Akani 2 Class B Share	<p>A total amount calculated by multiplying the sum of the number of Additional Subscription Option Shares by ZAR0.01.</p> <p>A total amount per additional Akani 2 Class B Share calculated by multiplying the number of Additional Subscription Option Shares by ZAR0.01.</p>
WBHO Construction cash funding WBHO Notional funding	<p>A total amount equal to the cash funding to be provided by WBHO Construction (via its subscription for the Akani 2 Class B Share).</p> <p>Notional vendor funding will be provided by WBHO encompassing the following:</p> <ul style="list-style-type: none"> <li>(a) it will endure for the Notional Funding Period;</li> <li>(b) the starting notional funding amount per Additional Subscription Option Share will equal the VWAP of a WBHO Share with respect to the relevant issue date less ZAR0.01;</li> <li>(c) an Escalation Factor will be applied at the Prime Rate as at the relevant issue date plus 1% (or such lower rate as may be determined by WBHO from time to time on written notice to Akani 2);</li> <li>(d) the Distribution Suspension will apply;</li> <li>(e) the Capitalisation Suspension will apply;</li> <li>(f) the Rights Offer Suspension will apply;</li> <li>(g) the Notional Funding Repurchase Right will be granted to WBHO;</li> <li>(h) the Accelerated NF Repurchase Right will be granted to WBHO; and</li> <li>(i) the Regulation Change NF Repurchase Right will be granted to WBHO.</li> </ul>

**Table 4: Salient Terms of the Subsequent Phase – Employee Leg and Defined Beneficiary Leg**

<b>Item</b>	<b>Employee Leg</b>	<b>Defined Beneficiary Leg</b>
Number of shares to be issued	Additional Akani 2 Ordinary Shares may be issued by Akani 2 to the BBESI Trust and/or the ASI Trust from time to time during the Fifteen Year Period in such numbers as are determined by WBHO with the objective of meeting WBHO's targeted B-BBEE Ownership levels.	Additional Akani 2 Ordinary Shares may be issued by Akani 2 to the ADB Trust from time to time during the Fifteen Year Period in such numbers as are determined by WBHO with the objective of meeting WBHO's targeted B-BBEE Ownership levels.
Percentage of the issued Akani 2 Ordinary Shares Held	This will be determined by WBHO depending on WBHO's targeted B-BBEE Ownership levels from time to time.	This will be determined by WBHO depending on WBHO's targeted B-BBEE Ownership levels from time to time.
Subscription price per Additional Akani 2 Ordinary Share	ZAR0.01	ZAR0.01
Repurchase price per Additional Akani 2 Ordinary	ZAR0.01	ZAR0.01
WBHO Construction cash funding		
An issue of Akani 2 Ordinary Shares	An amount calculated by multiplying the subscription price per Additional Akani 2 Ordinary Share by the number of Additional Akani 2 Ordinary Shares.	An amount calculated by multiplying the subscription price per Additional Akani 2 Ordinary Share by the number of Additional Akani 2 Ordinary Shares.
A repurchase of Akani 2 Ordinary Shares	An amount calculated by multiplying the acquisition price per Akani 2 Ordinary Share repurchased by Akani 2 under the Employee Leg Repurchase Rights by the number of Akani 2 Ordinary Shares repurchased.	An amount calculated by multiplying the acquisition price per Akani 2 Ordinary Share repurchased by Akani 2 under the Defined Beneficiary Leg Repurchase Rights by the number of Akani 2 Ordinary Shares repurchased.

<b>Item</b>	<b>Employee Leg</b>	<b>Defined Beneficiary Leg</b>
Notional funding	<p>Notional vendor funding will be provided by Akani 2 encompassing, <i>inter alia</i>, the following:</p> <ul style="list-style-type: none"> <li>(a) it will endure for a notional funding period expiring at the end of the Fifteen Year Period;</li> <li>(b) the starting notional funding amount per Additional Akani 2 Ordinary Share will equal the Fair Market Value of an Additional Akani 2 Ordinary Share as at the future issue date less ZAR0.01;</li> <li>(c) an Escalation Factor will be applied at the Prime Rate as at the relevant issue date plus 1% (or such lower rate as may be determined by WBHO from time to time on written notice to Akani 2);</li> <li>(d) the Distribution Suspension will apply;</li> <li>(e) the Employee Leg NF Repurchase Right will be granted;</li> <li>(f) the Accelerated NF Repurchase Right will be granted; and</li> <li>(g) the Regulatory Change NF Repurchase Right will be granted.</li> </ul>	<p>Notional vendor funding will be provided by Akani 2 encompassing, <i>inter alia</i>, the following:</p> <ul style="list-style-type: none"> <li>(a) it will endure for a notional funding period expiring at the end of the Fifteen Year Period;</li> <li>(b) the starting notional funding amount per Additional Akani 2 Ordinary Share will equal the Fair Market Value of an Additional Akani 2 Ordinary Share as at the future issue date less ZAR0.01;</li> <li>(c) an Escalation Factor will be applied at the Prime Rate as at the relevant issue date plus 1% (or such lower rate as may be determined by WBHO from time to time on written notice to Akani 2);</li> <li>(d) the Distribution Suspension will apply;</li> <li>(e) the Defined Beneficiary Leg NF Repurchase Right will be granted;</li> <li>(f) the Accelerated NF Repurchase Right will be granted; and</li> <li>(g) the Regulatory Change NF Repurchase Right will be granted.</li> </ul>

2.3.6 In summation, the WBHO B-BBEE Ownership Transaction entails, *inter alia*:

- (a) an initial issue by Akani 2 of an Akani 2 Class B Share to WBHO;
- (b) an initial issue by WBHO of WBHO Shares to Akani 2, pursuant to which Akani 2 will Beneficially Own c. 20.43% of the total issued WBHO Shares (assuming that c. 3 372 000 ordinary shares are repurchased as part of the expiry of the 2006 B-BBEE Ownership Transaction – see paragraph 2.1.4(b) in Section A above);
- (c) potential future issues by Akani 2 of further Akani 2 Class B Shares to WBHO Construction;
- (d) potential future issues by WBHO of further WBHO Shares to Akani 2, but no more than the Maximum Subscription Option Shares;
- (e) an initial issue by Akani 2 of Akani 2 Ordinary Shares to the Akani 2 Ordinary Shareholders, whereafter the Akani 2 Ordinary Shareholders will collectively Hold 100% of the total issued Akani 2 Ordinary Shares;
- (f) potential future issues by Akani 2 of further Akani 2 Ordinary Shares to the Akani 2 Ordinary Shareholders;
- (g) potential future repurchases by Akani 2 of Akani 2 Ordinary Shares from the Akani 2 Ordinary Shareholders; and
- (h) future repurchases by WBHO of WBHO Shares from Akani 2.

- 2.3.7 The WBHO B-BBEE Ownership Transaction is subject to the adoption of the WBHO B-BBEE Ownership Transaction Resolutions by WBHO Shareholders at the General Meeting and the fulfilment and/or waiver of the other Conditions Precedent.
- 2.3.8 On the assumption that c. 3,372,000 WBHO Shares will be repurchased pursuant to the 2006 B-BBEE Ownership Transaction repurchase referred to in paragraph 2.1.4(b) in Section A above, the Initial Phase will result in (i) the total number of WBHO Shares in issue increasing to 71,030,183 WBHO Shares and (ii) a 18,6% dilution in the percentage shareholdings of existing WBHO Shareholders.

#### 2.4 **Use of proceeds of the WBHO B-BBEE Ownership Transaction**

The WBHO B-BBEE Ownership Transaction is not being entered into to raise funding for the WBHO Group.

### 3. **REQUIRED WBHO SHAREHOLDER APPROVALS**

- 3.1 The Specific Issues constitute specific issues of shares for cash in terms of section 5.51 (read with section 5.53) of the JSE Listings Requirements and, if applicable, section 41(3) of the Companies Act, and will accordingly require the approval of WBHO Shareholders. This approval is being sought by way of Special Resolution Number 1 in the Notice of General Meeting. For that resolution to be adopted, at least 75% of the votes cast by WBHO Shareholders on the resolution must be exercised in favour of it.
- 3.2 Special Resolution Number 2 in the Notice of General Meeting authorises the WBHO Board, to the extent such authorisation is required by sections 44 and 45 of the Companies Act, to provide direct and/or indirect financial assistance as contemplated in sections 44 and 45 of the Companies Act in respect of, or in connection with, the WBHO B-BBEE Ownership Transaction. For that resolution to be adopted, at least 75% of the votes cast by WBHO Shareholders on the resolution must be exercised in favour of it.
- 3.3 A repurchase of WBHO Shares by WBHO pursuant to the Specific Repurchases will constitute a specific repurchase of shares in terms of section 5.69 of the JSE Listings Requirements (in addition to the applicability of section 48(8)(b) of the Companies Act) and will accordingly require the approval of WBHO Shareholders. This approval is being sought by way of Special Resolution Number 3 in the Notice of General Meeting. For that resolution to be adopted, at least 75% of the votes cast by WBHO Shareholders on the resolution must be exercised in favour of it.
- 3.4 Special Resolution Number 4 provides that if Special Resolution Number 3 is adopted, but any Condition Precedent is neither fulfilled nor waived or the WBHO B-BBEE Ownership Transaction is cancelled, Special Resolution Number 3 will be deemed to have been revoked, and accordingly each WBHO Shareholder which has, pursuant to the adoption of Special Resolution Number 3, sent a demand to WBHO in terms of sections 164(5) to (8) of the Companies Act to be paid the fair value of its WBHO Shares, will cease to have, and be deemed not to have had, any right, pursuant to the adoption of Special Resolution Number 3, to be paid any amount under section 164 of the Companies Act. For Special Resolution Number 4 to be adopted, at least 75% of the votes cast by WBHO Shareholders on the resolution must be exercised in favour of it.

### 4. **CONDITIONS PRECEDENT**

- 4.1 The WBHO B-BBEE Ownership Transaction is subject to the fulfilment and/or waiver of the following conditions precedent:
  - 4.1.1 **WBHO Shareholder approvals** – each of the WBHO B-BBEE Ownership Transaction Resolutions having been adopted by the WBHO Shareholders on or before the Conditions Precedent Longstop Date; and
  - 4.1.2 **Repurchase Resolution:**
    - (a) if the Repurchase Resolution is opposed by 15% or more of the voting rights exercised on the Repurchase Resolution and, within five Business Days after the vote, any person who voted against the Repurchase Resolution requires WBHO to seek the approval of a Court (in terms of section 115(3)(a) as read with Section 115(5)(a) of the Companies Act) to implement the Repurchase Resolution, the Court grants that approval on or before the Conditions Precedent Longstop Date;
    - (b) if any person/s who voted against the Repurchase Resolution apply/ies to Court for a review of the Repurchase Resolution, in terms of sections 115(3)(b) and 115(6) of the Companies Act, then, either:

- (i) leave to apply to Court for each such review is refused on or before the Conditions Precedent Longstop Date; or
  - (ii) if leave is granted on or before the Conditions Precedent Longstop Date for any such review, the Court determines in each instance on or before the Conditions Precedent Longstop Date that it will not set aside the Repurchase Resolution; and
- (c) if any WBHO Shareholders:
  - (i) give notice objecting to the Repurchase Resolution as contemplated in section 164(3) of the Companies Act,
  - (ii) vote/s against the Repurchase Resolution; and
  - (iii) within the time period permitted in terms of the Companies Act, exercise/s Appraisal Rights, by giving valid demands in terms of sections 164(5) to 164(8) of the Companies Act,

they do so in respect of a total of no more than 1% of all WBHO Shares in issue on the date of the vote.
- 4.2 WBHO will be entitled, by way of written notice delivered to Akani 2, and on one or more occasions, to extend the date for fulfilment of all or any of the Conditions Precedent until a date no later than 30 June 2024. WBHO and Akani 2 will be entitled, by way of written agreement between them, and on one or more occasions, to extend the date for fulfilment of all or any of the Conditions Precedent;
- 4.3 By way of written notice to Akani 2, WBHO will be entitled to waive:
  - 4.3.1 the Condition Precedent in paragraph 4.1.2(c); and/or
  - 4.3.2 any other Condition Precedent, in part or in whole, if and to the extent waiver is permissible in Law.

## 5. INDEPENDENT EXPERT REPORT AND APPRAISAL RIGHTS

- 5.1 Given (i) the short length of the Notional Funding Period attaching to each tranche of Subscription Option Shares which are issued from time to time, (ii) the terms and conditions of the Subscription Share NF Repurchase Formula and the Subscription Option NF Repurchase Formula, (iii) the length of the term of the WBHO B-BBEE Ownership Transaction (i.e., 15 years) and (iv) the expectation that, in order to maintain WBHO's targeted and competitive Black ownership levels, WBHO will issue additional Subscription Option Shares as and when it effects repurchases under the Notional Funding Repurchase Right, the aggregate of the series of repurchases over the 15 year term of the WBHO B-BBEE Ownership Transaction, will, in the WBHO Board's opinion, in total and in aggregate (over the 15 year term of the WBHO B-BBEE Ownership Transaction) result in the acquisition by WBHO in total and aggregate of more than 5% of the issued WBHO Shares. The WBHO Board has undertaken, by way of board resolution and by agreement with Akani 2, that, notwithstanding any discretion WBHO has under the WBHO B-BBEE Ownership Transaction Agreements to elect whether or not to repurchase WBHO Shares which it is entitled to repurchase from time to time under the WBHO B-BBEE Ownership Transaction Agreements, it will, subject to any required approvals, repurchase WBHO Shares which it is so entitled to repurchase under the Notional Funding Repurchase Right, the Accelerated NF Repurchase Right or the Regulation Change Repurchase Right (even if in total and aggregate in excess of 5% of the issued WBHO Shares). WBHO Shareholders should accordingly note, inter alia, that, pursuant to section 48(8)(b) of the Companies Act No. 71 of 2008:
  - 5.1.1 WBHO has appointed the Independent Expert pursuant to section 114(2) of the Companies Act as an independent expert to compile the Independent Expert Report required by section 114(3) of the Companies Act in relation to repurchases under the Notional Funding Repurchase Right, the Accelerated NF Repurchase Right or the Regulation Change Repurchase Right. The Independent Expert Report is contained in **Annexure 2** of this Circular;
  - 5.1.2 WBHO Shareholders will have Appraisal Rights in terms of section 164 of the Companies Act. WBHO Shareholders should, however, note the Condition Precedent in paragraph 4.1.2(c) above; and
  - 5.1.3 all and any approvals or other clearances required to be obtained from regulatory authorities for the repurchases will be sought.
- 5.2 The full text of sections 115 and 164 of the Companies Act is set out in **Annexure 6** of this Circular.

- 5.3 The following sets out only certain of the salient features of the Appraisal Rights (without derogating from the Condition Precedent in paragraph 4.1.2(c) above):
- 5.3.1 in terms of section 164 of the Companies Act, at any time before the Repurchase Resolution is voted on, a WBHO Shareholder may give WBHO a written notice objecting to the Repurchase Resolution;
- 5.3.2 within 10 “business days” (as defined in the Companies Act) after WBHO has adopted the Repurchase Resolution, WBHO must send a notice that the resolution has been adopted to each WBHO Shareholder (**Qualifying Shareholder**) who:
- (i) gave WBHO a valid written notice of objection as contemplated above;
- (ii) has not withdrawn that notice; and
- (iii) has voted against the Repurchase Resolution; and
- 5.3.3 a Qualifying Shareholder is entitled, within 20 “business days” (as defined in the Companies Act) after receiving WBHO’s aforementioned notice of the adoption of the Repurchase Resolution, to demand that WBHO pay the Qualifying Shareholder the fair value for all of the Qualifying Shareholder’s WBHO Shares, whereupon the Qualifying Shareholder will cease to have any further rights in respect of those WBHO Shares.
- 5.4 The repurchase price payable for repurchases under the Notional Funding Repurchase Right, the Accelerated NF Repurchase Right or the Regulation Change Repurchase Right will be paid in full in accordance with the WBHO B-BBEE Ownership Transaction Agreements without any lien, right of set-off, counterclaim or other analogous right.

## 6. ESTIMATED ECONOMIC COST OF THE WBHO B-BBEE OWNERSHIP TRANSACTION

- 6.1 The net present value of the estimated economic cost of the WBHO B-BBEE Ownership Transaction over the Fifteen Year Period ranges between ZAR143,700,000 and ZAR153,660,000 with a median value of ZAR148,600,000 which includes IAS 19 expenses, as well as the value of the WBHO Shares that are not repurchased and ongoing administration costs over the Fifteen Year Period.
- 6.2 The net present value of the estimated economic cost of the WBHO B-BBEE Ownership Transaction equates to a range of between c. 2.37% and 2.55% with a median value of 2.45% of WBHO’s market capitalisation (calculated based on the number of WBHO Shares in issue) as at the Last Practicable Date.
- 6.3 **Sensitivities to the total economic cost of the WBHO B-BBEE Ownership Transaction**
- 6.3.1 The net present value of the estimated economic cost of the WBHO B-BBEE Ownership Transaction, as stated in paragraph 6.1 above, was discounted using the weighted average cost of capital of WBHO of c. 13.78% and utilised a binomial model (checked with a Monte Carlo simulation) and third party verified to forecast share prices into the future.
- 6.3.2 The table below illustrates the total economic cost sensitivities to the base WBHO Share price assumption of ZAR106.67 as well as the volatility assumptions therein.

	Year 3*	Year 6	Year 9	Year 12	Year 15
<b>Volatility **</b>	40.9%	38.3%	35.2%	32.27%	32.1%
<b>Risk free rate ***</b>	9.0%	13.4%	14.2%	15.6%	13.9%

### Notes:

\* The reference to a year refers to a period equal to one calendar year commencing on the Last Practical Date and ending on the Day immediately preceding the first Anniversary of the Last Practical Date repeating each year for 15 years.

\*\* Calculated from the historical WBHO Share price data over the number of historical years preceding the Last Practicable Date equal to the corresponding number of years for each forecast period.

\*\*\* Calculated as the average risk-free rate for each year in the forecast period as published on 28 February 2023 by the South African Reserve Bank.

## 7. PRO FORMA FINANCIAL EFFECTS

- 7.1 The table below sets out the *pro forma* financial effects of the WBHO B-BBEE Ownership Transaction on, *inter alia*, basic earnings per WBHO Share, diluted earnings per WBHO Share, headline earnings per WBHO Share, diluted headline earnings per WBHO Share, net asset value per WBHO Share and net tangible asset value per WBHO Share, based on the unreviewed financial statements of WBHO for the six months ended 31 December 2022.
- 7.2 The *pro forma* financial effects have been prepared using accounting policies that comply with IFRS and that are consistent with those applied in preparing the interim results of WBHO for the six months ended 31 December 2022.
- 7.3 The *pro forma* financial effects are the responsibility of the WBHO Board and have been prepared for illustrative purposes only and may not, because of their nature, fairly present WBHO's financial position, changes in its equity, results of its operations, its cash flows, or the effect and impact of the WBHO B-BBEE Ownership Transaction going forward. The *pro forma* financial effects do not purport to be indicative of what the financial results would have been had the WBHO B-BBEE Ownership Transaction been implemented on a different date.

	Before the WBHO B-BBEE Ownership Transaction (1)	Pro forma after the implementation of the Initial Phase (2), (3), (4)	Percentage change (%)
Basic earnings per WBHO Share (cents)	828.9	804.5	(2.9)
Diluted earnings per WBHO Share (cents)	828.9	804.5	(2.9)
Headline earnings per WBHO Share (cents)	818.5	794.1	(3.0)
Diluted headline earnings per WBHO Share (cents)	818.5	794.1	(3.0)
Net asset value per WBHO Share (cents)	6 185	6 160	(0.4)
Net tangible asset value per WBHO Share (cents)	5 183	5 159	(0.5)
Number of WBHO Shares in issue (millions)	53 172 254	53 172 254 <b>(5)</b>	0.0 <b>(5)</b>

### Notes to the *pro forma* financial effects:

- (1) Based on the financial statements of WBHO for the six months ended 31 December 2022.
- (2) Based on the assumption that c. 3,372,000 WBHO Shares are repurchased and cancelled under the 2006 B-BBEE Ownership Transaction and based on the issue of 14,511,669 WBHO Shares in terms of the WBHO B-BBEE Ownership Transaction.
- (3) Basic and diluted earnings and headline earnings per WBHO Share metrics are based on the assumption that the WBHO B-BBEE Ownership Transaction was implemented on 1 July 2022.
- (4) Net asset value and tangible net asset value per WBHO Share metrics are based on the assumption that the WBHO B-BBEE Ownership Transaction was implemented on 31 December 2022.
- (5) The newly issued WBHO Shares are treated, for accounting purposes, as treasury shares and so are not included in this amount.
- 7.4 **Annexure 3** of this Circular sets out the *pro forma* consolidated statement of comprehensive income and *pro forma* consolidated statement of financial position and should be read in conjunction with the Independent Reporting Accountant's assurance report on the *pro forma* financial information which is contained in **Annexure 4** of this Circular.



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**GENERAL INFORMATION**

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**I. SALIENT INFORMATION ON WBHO****I.1 History and nature of the business of WBHO**

- I.1.1 In 1970, John Wilson and Brian Holmes formed a construction company known as Wilson-Holmes (Pty) Ltd. A number of mergers and many projects later the name changed to Wilson Bayly Holmes (Pty) Ltd and finally in 1996 became WBHO Construction. Today, WBHO is one of the largest construction companies in southern Africa and its ordinary shares are listed on the JSE. In 2017, WBHO entered the United Kingdom construction market following the acquisition of an interest in the Byrne Group from the Byrne family which subsequently increased to a majority shareholding in 2018.
- I.1.2 WBHO follows a culture of safety, quality and reliability. The driving force behind WBHO is a core of dedicated, hands-on management professionals whose experience spans decades of major construction projects across Africa and the United Kingdom.
- I.1.3 WBHO's activities cover the full construction spectrum and are divided into three main operating divisions – Building Construction, Civil Engineering and Roads and Earthworks.
- I.1.4 WBHO's African offices are strategically located in Johannesburg, Cape Town, Durban and Gqeberha in South Africa and Gaborone, Accra and Maputo in Botswana, Ghana and Mozambique respectively.

**I.2 Prospects**

- I.2.1 While projects in the public sector have been slower than expected, the long-term prospects look positive. South Africa's 2022 budget allocated ZAR812.5 billion over the next three years to infrastructure investment. Such an investment in major infrastructure projects will support improved construction activity in the country. Load shedding is an obvious ongoing risk to economic growth, however, government's removal of some of the barriers to renewable energy development is a step in the right direction allowing the private sector to contribute to a long-term solution.
- I.2.2 Following recent political and fiscal policy changes, the United Kingdom economy faces ongoing uncertainty. However, delayed projects have begun to filter through to the construction phase and with the current level of work-on-hand, WBHO's United Kingdom businesses are well positioned over the short to medium term.
- I.2.3 WBHO has weathered Covid-19, Brexit and a costly exit from Australia whilst delivering a solid operational performance across Africa and in the United Kingdom and achieving benchmarks against its key metrics in respect of sustainability performance.

**I.3 Share price history**

The price history of WBHO Shares on the JSE is summarised in **Annexure 5** of this Circular.

**I.4 Share capital**

The table below shows the authorised and issued share capital of WBHO at the Last Practicable Date, and immediately after the implementation of the Initial Phase:

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**At the Last Practicable Date**

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**Authorised shares**

100 000 000 ordinary shares of no par value

—

**Issued shares**

59,890,514 ordinary shares of no par value (inclusive of 6,718,260 ordinary shares of no par value constituting treasury shares)

Share capital (ZAR'000) – ZAR28,565

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**Immediately after the implementation of the Initial Phase**

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**Authorised shares**

100,000,000 ordinary shares of no par value

**Issued shares**

71,030,183 ordinary shares of no par value (inclusive of 17,858,215 ordinary shares constituting treasury shares) – see note 1 below

Share capital (ZAR'000) – ZAR28,565 – see note 1 below

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**Note:**

- I. This assumes that c. 3,372,000 WBHO Shares are repurchased and cancelled under the 2006 B-BBEE Ownership Transaction – see paragraph 2.1.4(b) in Section A above.

**1.5 Major shareholders**

Insofar as is known to the WBHO Board, the following Persons are directly or indirectly beneficially interested in 5% (five percent) or more of the issued WBHO Shares as at 31 March 2023:

<b>Name</b>	<b>Number of WBHO Shares</b>	<b>Percentage of issued WBHO Shares</b>
Old Mutual Investment Group	11,463,703	19.14%
Public Investment Corporation	6,035,466	10.08%
PSG Konsult	4,154,257	6.94%
Akani 1	3,593,253	6.00%
WBHO Management Trust	3,534,698	5.90%
<b>Total</b>	<b>28,781,377</b>	<b>48.06%</b>

**2. WBHO DIRECTORS' INTERESTS****2.1 WBHO Directors, and directors of major Subsidiaries****2.1.1 WBHO Directors**

The following table sets out the names, business addresses, functions and principal activities of the WBHO Directors and members of management forming part of the executive and/or management committees of the Company responsible for the day to day running of the WBHO Group's business:

<b>Name</b>	<b>Business address</b>	<b>Function</b>	<b>Principal activities</b>
EL Nel	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Chairman of the WBHO Board	Member of Nomination Committee
WP Neff	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Chief Executive Officer and WBHO Executive Director	Member of Executive Committee
CV Henwood	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Chief Financial Officer and WBHO Executive Director	Member of Executive Committee.

<b>Name</b>	<b>Business address</b>	<b>Function</b>	<b>Principal activities</b>
AJ Bester	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Non-executive director	Member of: <ul style="list-style-type: none"> <li>• Nomination Committee</li> <li>• Risk Committee</li> <li>• Remuneration Committee</li> <li>• Audit Committee</li> </ul>
RW Gardiner	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Non-executive director	Member of: <ul style="list-style-type: none"> <li>• Nomination Committee</li> <li>• Remuneration Committee</li> <li>• Audit Committee</li> <li>• Social and Ethics Committee</li> <li>• Risk Committee</li> </ul>
KM Forbay	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Non-executive director	Member of: <ul style="list-style-type: none"> <li>• Nomination Committee</li> <li>• Audit Committee</li> <li>• Social and Ethics Committee</li> <li>• Risk Committee</li> </ul>
NN Sonqushu	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Non-executive director	Member of: <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Risk Committee</li> </ul>
H Ntene	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Non-executive director	Member of: <ul style="list-style-type: none"> <li>• Nomination Committee</li> <li>• Remuneration Committee</li> <li>• Social and Ethics Committee</li> </ul>
P Foley	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Managing Director: International	Director of WBHO Construction.
C Jessop	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Group Managing Director: Building	Director of WBHO Construction.
S Gumede	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Director: Group Legal Counsel	Director of WBHO Construction.

## 2.1.2 **Directors of major Subsidiaries**

### **Directors of WBHO Construction**

The following table sets out the names, business addresses, functions and principal activities of the directors of WBHO Construction:

<b>Name</b>	<b>Business address</b>	<b>Function</b>	<b>Principal activities</b>
WP Neff	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Chief Executive Officer	Member of Executive Committee
CV Henwood	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Chief Financial Officer	Member of Executive Committee
SN Gumede	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Director: Group Legal Counsel	Member of Executive Committee
AF De Necker	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Managing Director: Roads and Earthworks	Member of Executive Committee
PJ Foley	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Managing Director: International	Member of Executive Committee
CA Jessop	53 Andries Street, Wynberg, Sandton, Johannesburg, 2012, South Africa	Group Managing Director: Building	Member of Executive Committee

## 2.2 **WBHO Directors' interests in WBHO Shares**

The direct and indirect beneficial interests as at the Last Practicable Date of WBHO Directors (and their Associates), and, to the best of the WBHO Board's knowledge, persons who resigned as WBHO Directors during the 18 (eighteen) months preceding the Last Practical Date, in WBHO Shares were as follows:

<b>Name</b>	<b>Number of WBHO Shares directly Beneficially Owned, or directly Beneficially Owned by Associates ('000)</b>	<b>Number of WBHO Shares indirectly Beneficially Owned, or indirectly Beneficially Owned by Associates ('000)</b>	<b>Percentage of issued WBHO Shares on the WBHO Securities Register (rounded off)</b>
EL Nel	320	1	0.53
WP Neff	84	14	0.16
CV Henwood	106	—	0.18
AJ Bester	—	—	—
RW Gardiner	—	—	—
KM Forbay	0	0	0
H Ntene	0	0	0
NN Sonqushu	0	0	0
SN Maziya (see note 1 below)	15	244	0.43
<b>Total</b>	<b>525</b>	<b>259</b>	<b>1.31</b>

**Note:**

1 SN Masiya resigned as a WBHO Director in November 2022.

### 2.3 **WBHO Directors' remuneration**

The remuneration of the WBHO Directors will not be varied in consequence of implementation of the WBHO B-BBEE Ownership Transaction.

### 2.4 **WBHO Directors' interest in other transactions**

The WBHO Directors (including, to the best of the WBHO Board's knowledge, any person who resigned as a WBHO Director during the 18 (eighteen) months preceding the Last Practical Date) do not have any direct or indirect material beneficial interests in transactions that were effected by WBHO during the current or immediately preceding financial year, or during an earlier financial year and remain in any respect outstanding or unperformed.

### 2.5 **WBHO Directors' beneficial interests in shares in the capital of Akani 2**

As at the Last Practicable Date, the WBHO Directors have no direct or indirect beneficial interests in, or holdings of, and have not dealt in, shares in the capital of Akani 2, though certain WBHO Directors are or might become trustees of the BBESI Trust, the ASI Trust and the ADB Trust.

## 3. **TRANSACTION COSTS**

The estimated costs payable by WBHO in respect of the WBHO B-BBEE Ownership Transaction (value-added tax exclusive) are set out below.

<b>Function</b>	<b>Party</b>	<b>ZAR Amount</b>
B-BBEE adviser	Transcend Capital Proprietary Limited	2,100,000
Legal Advisers	Bowman Gilfillan Inc.	2,250,000
Sponsor	Investec Bank Limited	850,000
Independent Reporting Accountants	BDO South Africa Incorporated	135,000
Independent Expert	Merchantec Capital Proprietary Limited	280,000
JSE fees	JSE	73,000
Printing	Ince Proprietary Limited	124,000
Miscellaneous		958,000
<b>Total</b>		<b>6,770,000</b>

#### 4. **WBHO BOARD'S OPINION**

The WBHO Board (including each of the independent non-executive WBHO Directors) has considered the WBHO B-BBEE Ownership Transaction, and this Circular, and, having taken cognisance of, and having placed reliance upon the valuation of WBHO Shares in, the Independent Expert Report, is of the unanimous opinion that the WBHO B-BBEE Ownership Transaction is (and each of the Notional Funding Repurchase Right, the Accelerated NF Repurchase Right and the Regulation Change Repurchase Right is) in the best interests of, and fair and reasonable to, WBHO Shareholders, and recommends that WBHO Shareholders vote in favour of the WBHO B-BBEE Ownership Transaction Resolutions

#### 5. **GENERAL MEETING**

- 5.1 The general meeting to consider and, if deemed fit, to pass, with or without modification, the WBHO B-BBEE Ownership Transaction Resolutions will be held by way of electronic communication only at 10:00 (South African Standard Time) on Tuesday, 6 June 2023.
- 5.2 The Notice of General Meeting is attached to, and forms part of, this Circular.
- 5.3 In the case of Certificated Shareholders and Own-Name Dematerialised Shareholders, the Form of Proxy accompanies this Circular.
- 5.4 The WBHO Directors who hold direct and/or indirect beneficial interests in WBHO Shares have undertaken to vote in favour of the WBHO B-BBEE Ownership Transaction Resolutions. No other Persons have furnished voting undertakings.
- 5.5 The BBESI Trust will not exercise the votes attaching to the WBHO Shares Held or Beneficially Owned by it (if any) on the Participation Record Date on the WBHO B-BBEE Ownership Transaction Resolutions given its participation in the Employee Leg.

#### 6. **OTHER INFORMATION**

##### 6.1 ***Material changes***

There has been no material change in the financial or trading position of WBHO and its Subsidiaries between the last Day of the financial year ended 30 June 2022 and the Last Practicable Date.

##### 6.2 ***Akani 2's responsibility statement***

Akani 2 accepts full responsibility for the accuracy of the information contained in this Circular relating to Akani 2, and certifies that, to the best of its knowledge and belief, the information contained in this Circular relating to Akani 2 is true, and there are no facts relating to Akani 2 which have been omitted which would make any information or statement in this Circular false or misleading, that this Circular does not omit anything likely to affect the importance of any such information or statement, that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information relating to Akani 2 required by Law and the JSE Listings Requirements.

##### 6.3 ***WBHO Directors' responsibility statement***

The WBHO Directors (including the independent non-executive WBHO Directors) collectively and individually accept full responsibility for the accuracy of the information contained in this Circular, and certify that, to the best of their knowledge and belief, the information contained in this Circular is true, and there are no facts which have been omitted which would make any information or statement in this Circular false or misleading, that this Circular does not omit anything likely to affect the importance of any such information or statement, that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by Law and the JSE Listings Requirements.

##### 6.4 ***Consents***

Each adviser whose name appears on the inside front cover of this Circular has consented in writing to act in the capacity stated and to its name appearing in this Circular and has not withdrawn its consent prior to the Last Practicable Date. The Independent Reporting Accountant has consented to its report appearing in the form and context in which it appears in this Circular and has not withdrawn its consent prior to the Last Practicable Date. The Independent Expert has consented to its report appearing in the form and context in which it appears in this Circular and has not withdrawn its consent prior to the Last Practicable Date.

## 6.5 **Litigation Statement**

As at the Last Practicable Date, there are no legal or arbitration proceedings against the WBHO Group, nor are the WBHO Directors aware of any such proceedings which are pending or threatened against the WBHO Group, which may have or have had, in the 12-month period preceding the Last Practicable Date, a material effect on the WBHO Group's financial position.

## 6.6 **Documents available for inspection**

The documents listed below, or copies thereof, will be available for inspection from the date of issue of this Circular up to and including, the date of the General Meeting, on a "read only" basis at the offices of the Sponsor, at the physical address set out in the "Corporate Information and Advisers" section, upon a request being sent by email to [donna.msiska@wbho.co.za](mailto:donna.msiska@wbho.co.za):

- 6.6.1 each WBHO B-BBEE Ownership Transaction Agreement and the WBHO MOI;
- 6.6.2 a signed copy of the report of the Independent Reporting Accountant on the *pro forma* financial information;
- 6.6.3 a signed copy of the Independent Expert Report;
- 6.6.4 a signed copy of each consent letter referred to in paragraph 6.4 above;
- 6.6.5 a signed copy of this Circular, including all its Annexures and the Notice of General Meeting;
- 6.6.6 the audited consolidated annual financial statements of WBHO for the 3 financial years ended 30 June 2022, 30 June 2021 and 30 June 2020 and the unaudited interim financial results for the 6 months ended 31 December 2022; and
- 6.6.7 summaries of the WBHO Executive Directors' service contracts, which contain terms and conditions that are usual for contracts of that nature. No service contracts were entered into or amended in the six months preceding the Last Practicable Date.

## 6.7 **Incorporation of information by reference**

- 6.7.1 Section 11.61 of the JSE Listings Requirements allows for certain required JSE Listings Requirements information prescribed for inclusion in a circular to shareholders to rather be incorporated by way of shareholders being referred to a website on which the information can be viewed.
- 6.7.2 In this regard, the following documents are incorporated into this Circular by reference thereto:

<b>Document/information</b>	<b>Where document/information can be accessed from the date of issue of this Circular up to and including, the date of the General Meeting</b>
Audited consolidated financial statements of WBHO for the 3 financial years ended 30 June 2022, 30 June 2021 and 30 June 2020 and unaudited interim financial statements of WBHO for the 6 months ended 31 December 2022	On the Company's website ( <a href="https://www.wbho.co.za">https://www.wbho.co.za</a> ). A request for copies of these can be also sent by email to <a href="mailto:donna.msiska@wbho.co.za">donna.msiska@wbho.co.za</a> .
Possible material risks and uncertainties facing WBHO, the industry in which it operates and WBHO Shares	The Company's integrated annual report for the financial year ended 30 June 2022, which is available on the Company's website ( <a href="https://www.wbho.co.za/wp-content/uploads/2022/10/WBHO_Integrated_Report_2022.pdf">https://www.wbho.co.za/wp-content/uploads/2022/10/WBHO_Integrated_Report_2022.pdf</a> )

By order of the WBHO Board

**Donnafeg Msiska**

*Company Secretary*

Wynberg

Friday, 5 May 2023

## ADDITIONAL DETAILS OF THE WBHO B-BBEE OWNERSHIP TRANSACTION

### ADDITIONAL DEFINITIONS AND INTERPRETATIONS

In this Annexure, unless the context indicates otherwise: (i) the words or expressions in the first column of the "Definitions and Interpretations" section commencing on page 8 of this Circular will have the meaning assigned to them in the second column of that section, (ii) the words or expressions in the first column below will have the meaning assigned to them in the second column below; (iii) a reference to the singular will include the plural and *vice versa*, (iv) a word or an expression which denotes one gender includes all other genders, (v) a natural person includes a juristic person and *vice versa*, (vi) cognate words and expressions will bear corresponding meanings, and (vii) all times referred to are South African Standard Time, unless otherwise stated.

No.	Capitalised term	Ascribed meaning
1.	<b>Accelerated NF Repurchase Right</b>	<p>if a Delisting Transaction is proposed or entered into:</p> <p>(a) WBHO's accelerated right, in respect of a tranche of Additional Akani 2 Ordinary Shares, to require Akani 2 to repurchase, at a price of ZAR0.01 per share, such number of that tranche of Additional Akani 2 Ordinary Shares from the BBESI Trust, the ASI Trust and/or the ADB Trust as is determined using the Repurchase Formula (read on a <i>mutatis mutandis</i> basis in the manner set out in the Relationship Agreement), as a means of settling (prior to implementation of the Delisting Transaction) the outstanding notional vendor funding provided to the BBESI Trust, the ASI Trust and/or the ADB Trust, as the case may be, in respect of that tranche of Additional Akani 2 Ordinary Shares; or</p> <p>(b) WBHO's accelerated right, in respect of the Subscription Shares or a tranche of Subscription Option Shares, as the case may be, to repurchase, at a price of ZAR0.01 per share, such number of the:</p> <p>(i) Subscription Shares or of that tranche of Subscription Option Shares;</p> <p>(ii) WBHO Shares issued to Akani 2 (or to its CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of the Subscription Shares or that tranche of Subscription Option Shares; and</p> <p>(iii) other Securities in WBHO and/or Securities in any other company issued to, or acquired by, Akani 2 (or its CSDP as Akani 2's nominee) by virtue of, or as consideration for, its Holding (or its CSDP's Holding as Akani 2's nominee) of the Subscription Shares or that tranche of the Subscription Option Shares,</p> <p>from Akani 2 as is determined using the Subscription Share NF Repurchase Formula (read on a <i>mutatis mutandis</i> basis in the manner set out in the Subscription Agreement) or the Subscription Option NF Repurchase Formula (read on a <i>mutatis mutandis</i> basis in the manner set out in the Relationship Agreement), as the case may be, and paragraph 1.8.1(b) of this <b>Annexure 1</b> (read on a <i>mutatis mutandis</i> basis) as a means of settling (prior to implementation of the Delisting Transaction) the outstanding notional vendor funding provided to Akani 2 in respect of either those Subscription Shares or that tranche of Subscription Option Shares, as the case may be;</p>
2.	<b>ADB Additional Subscription Shares</b>	additional Akani 2 Ordinary Shares that are issued by Akani 2 to the ADB Trust from time to time (if any);
3.	<b>ADB Trust Security Cession</b>	the security cession agreement between the ADB Trust and WBHO dated 6 April 2023 in which the ADB Trust will pledge all of the ADB Trust's Akani 2 Ordinary Shares from time to time, and cede <i>in securitatem debiti</i> all of the ADB Trust's right, title and interest in and to those Akani 2 Ordinary Shares and the ADB Trust's bank account, to WBHO as security for the ADB Trust's obligations to WBHO under the Akani 2 MOI, the Relationship Agreement and that security cession agreement, as amended by an addendum thereto dated on or about 25 April 2023;



No.	Capitalised term	Ascribed meaning
4.	<b>ADB Trust Subscription Arrangement</b>	a potential agreement from time to time between the ADB Trust, WBHO and Akani 2 pursuant to which the ADB Trust will subscribe for ADB Additional Subscription Shares;
5.	<b>Akani 2 Default Option</b>	WBHO's option, on the occurrence of an Akani 2 Default Option Event, to require Akani 2 to sell all of the WBHO Shares Held by Akani 2 (or by Akani 2's CSDP as Akani 2's nominee), and other Securities in WBHO and/or Securities in any other company issued to, or acquired by, Akani 2 (or its CSDP as Akani 2's nominee) by virtue of, or as consideration for, WBHO Shares Held by Akani 2 (or by Akani 2's CSDP as Akani 2's nominee), from time to time, to WBHO at a price of ZAR0.01 per share;
6.	<b>Akani 2 Default Option Event</b>	either of the following events:  (a) Akani 2 breaches any provision of any WBHO B-BBEE Ownership Transaction Agreement, which breach, in the reasonable opinion of WBHO, constitutes a material breach of the WBHO B-BBEE Ownership Transaction, and such breach remains unremedied for 10 Business Days, or such longer period as is agreed to by WBHO and Akani 2, after Akani 2 receives written notice from WBHO demanding remedy; or  (b) an Insolvency Event occurs in relation to Akani 2;
7.	<b>Akani 2 MOI</b>	the memorandum of incorporation from time to time of Akani 2;
8.	<b>Akani 2 Security Cession</b>	the security cession agreement between Akani 2 and WBHO dated on or about 5 April 2023 in which Akani 2 will pledge all of Akani 2's WBHO Shares from time to time, and cede <i>in securitatem debiti</i> all of Akani 2's right, title and interest in and to those WBHO Shares and Akani 2's bank account, to WBHO as security for Akani 2's obligations to WBHO under the WBHO B-BBEE Ownership Transaction Agreements, as amended by an addendum thereto dated on or about 25 April 2023;
9.	<b>Akani 2 Subscription Arrangement</b>	an ADB Trust Subscription Arrangement, an ASI Trust Subscription Arrangement or a BBESI Trust Subscription Arrangement, as the case may be;
10.	<b>ASI Additional Subscription Shares</b>	additional Akani 2 Ordinary Shares that are issued by Akani 2 to the ASI Trust from time to time (if any);
11.	<b>ASI Trust Security Cession</b>	the security cession agreement between the ASI Trust and WBHO dated 6 April 2023 in which the ASI Trust will pledge all of the ASI Trust's Akani 2 Ordinary Shares from time to time, and cede <i>in securitatem debiti</i> all of the ASI Trust's right, title and interest in and to those Akani 2 Ordinary Shares and the ASI Trust's bank account, to WBHO as security for the ASI Trust's obligations to WBHO under the Akani 2 MOI, the Relationship Agreement and that security cession agreement, as amended by an addendum thereto dated on or about 25 April 2023;
12.	<b>ASI Trust Subscription Arrangement</b>	a potential agreement from time to time between the ASI Trust, WBHO and Akani 2 pursuant to which the ASI Trust will subscribe for ASI Additional Subscription Shares;
13.	<b>BBESI Additional Subscription Shares</b>	additional Akani 2 Ordinary Shares that are issued by Akani 2 to the BBESI Trust from time to time (if any);
14.	<b>BBESI Trust Security Cession</b>	the security cession agreement between the BBESI Trust and WBHO dated 6 April 2023 in which the BBESI Trust will pledge all of the BBESI Trust's Akani 2 Ordinary Shares from time to time, and cede <i>in securitatem debiti</i> the BBESI Trust's right, title and interest in and to those Akani 2 Ordinary Shares and the BBESI Trust's bank account, to WBHO as security for the BBESI Trust's obligations to WBHO under the Akani 2 MOI, the Relationship Agreement and that security cession agreement, as amended by an addendum thereto dated on or about 25 April 2023;

No.	Capitalised term	Ascribed meaning
15.	<b>BBESI Trust Subscription Arrangement</b>	a potential agreement from time to time between the BBESI Trust, WBHO and Akani 2 pursuant to which the BBESI Trust will subscribe for BBESI Additional Subscription Shares;
16.	<b>Beneficiary</b>	of the BBESI Trust or the ASI Trust, an Eligible Person who holds Units;
17.	<b>Capitalisation Issue</b>	a capitalisation issue, as contemplated in section 47 of the Companies Act, of WBHO Shares to WBHO Shareholders;
18.	<b>Capitalisation Issue Suspension</b>	as a term of the subscription for, and issue of: <ul style="list-style-type: none"> <li>(a) the Subscription Shares, the suspension of Akani 2's right to participate, in relation to the Subscription Shares, in a Capitalisation Issue with a Participation Record Date falling within the Suspension Period of those shares, as set out in paragraph 1.4.1(a)(ii) of this <b>Annexure 1</b>; or</li> <li>(b) each tranche of Subscription Option Shares, the suspension of Akani 2's right to participate, in relation to that tranche, in a Capitalisation Issue with a Participation Record Date falling within the Suspension Period of those shares, as set out in paragraph 1.4.1(b)(ii) of this <b>Annexure 1</b>;</li> </ul>
19.	<b>Defined Beneficiary Leg Agreements</b>	the: <ul style="list-style-type: none"> <li>(a) ADB Trust Deed;</li> <li>(b) Relationship Agreement; and</li> <li>(c) ADB Trust Security Cessions;</li> </ul>
20.	<b>Defined Beneficiary Leg NF Repurchase Right</b>	WBHO's entitlement to require Akani 2 to repurchase such number of a tranche of Additional Akani 2 Ordinary Shares from the ADB Trust as is calculated using the Repurchase Formula as a means of settling the outstanding notional vendor funding provided to the ADB Trust in respect of that tranche of Additional Akani 2 Ordinary Shares;
21.	<b>Defined Beneficiary Leg Repurchase Rights</b>	the Defined Beneficiary Leg NF Repurchase Right, the repurchase right against the ADB Trust pursuant to the occurrence of a Default Option Event in relation to the ADB Trust, the repurchase right against the ADB Trust pursuant to the occurrence of a Delisting Transaction or a Regulation Change and the repurchase rights against the ADB Trust pursuant to the provisions of the ADB Trust Security Cession;
22.	<b>Defined Beneficiary Leg Specific Issue/s</b>	the issue/s of Akani 2 Ordinary Shares from time to time to the ADB Trust pursuant to the Relationship Agreement;
23.	<b>Default Option</b>	WBHO's option to require the BBESI Trust, the ASI Trust or the ADB Trust, as the case may be, to sell its Akani 2 Ordinary Shares to Akani 2, and to require Akani 2 to repurchase Akani 2 Ordinary Shares from the BBESI Trust, the ASI Trust or the ADB Trust, as the case may be, at a price of ZAR0.01 per share, on the occurrence of a Default Option Event in relation to the BBESI Trust, the ASI Trust or the ADB Trust, as the case may be;
24.	<b>Default Option Event</b>	either of the following events: <ul style="list-style-type: none"> <li>(a) the BBESI Trust, the ASI Trust or the ADB Trust, as the case may be, breaches any provision of any WBHO B-BBEE Ownership Transaction Agreement, which breach, in the reasonable opinion of WBHO, constitutes a material breach of the WBHO B-BBEE Ownership Transaction, and such breach remains unremedied for 10 Business Days, or such longer period as is agreed between WBHO and the BBESI Trust, the ASI Trust or the ADB Trust, as the case may be, after the BBESI Trust, the ASI Trust or the ADB Trust, as the case may be, receives written notice from WBHO demanding remedy; or</li> <li>(b) an Insolvency Event occurs in relation to the BBESI Trust, the ASI Trust or the ADB Trust, as the case may be;</li> </ul>

No.	Capitalised term	Ascribed meaning
25.	<b>Delisting Transaction</b>	a transaction (if any) proposed at any time in the future, or agreement (if any) entered into at any time in the future, which will result in the WBHO Shares ceasing to be listed on the JSE if the Delisting Transaction CPs are fulfilled or waived;
26.	<b>Delisting Transaction CPs</b>	the conditions precedent to a Delisting Transaction;
27.	<b>Distribution Suspension</b>	as a term of the subscription for, and issue of: <ul style="list-style-type: none"> <li>(a) the Subscription Shares, the part suspension of Akani 2's right to participate, in relation to the Subscription Shares, in a Distribution with a Participation Record Date falling within the Suspension Period, as set out in paragraph 1.4.1(a)(i) of this <b>Annexure 1</b>;</li> <li>(b) each tranche of Subscription Option Shares, the part suspension of Akani 2's right to participate, in relation to that tranche of Subscription Option Shares, in a Distribution with a Participation Record Date falling within the Suspension Period, as set out in paragraph 1.4.1(b)(i) of this <b>Annexure 1</b>; or</li> <li>(c) each tranche of Additional Akani 2 Ordinary Shares, the part suspension of the relevant Akani 2 Ordinary Shareholder's right to participate, in relation to that tranche of Additional Akani 2 Ordinary Shares, in a Distribution with a Participation Record Date falling within the Suspension Period, as set out in paragraph 2.4 of this <b>Annexure 1</b>;</li> </ul>
28.	<b>Employee Leg Agreements</b>	<ul style="list-style-type: none"> <li>(a) the ASI Trust Deed;</li> <li>(b) the BBESI Trust Deed;</li> <li>(c) the Relationship Agreement; and</li> <li>(d) the Employee Leg Security Cession;</li> </ul>
29.	<b>Employee Leg NF Repurchase Right</b>	WBHO's entitlement to require Akani 2 to repurchase such number of a tranche of Additional Akani 2 Ordinary Shares from the BBESI Trust and/or the ASI Trust, as the case may be, as is calculated using the Repurchase Formula as a means of settling the outstanding notional vendor funding provided to the BBESI Trust and/or the ASI Trust, as the case may be, in respect of that tranche of Additional Akani 2 Ordinary Shares;
30.	<b>Employee Leg NF Repurchase Rights</b>	collectively, the Employee Leg NF Repurchase Right, the repurchase right against the BBESI Trust and/or the ASI Trust pursuant to the occurrence of a Default Option Event in relation to the BBESI Trust and/or the ASI Trust, as the case may be, the repurchase right against the BBESI Trust and/or the ASI Trust pursuant to the occurrence of a Delisting Transaction or a Regulation Change and Akani 2's repurchase rights against the BBESI Trust and/or the ASI Trust, as the case may be, pursuant to the provisions of the Employee Leg Security Cessions;
31.	<b>Employee Leg Security Cessions</b>	collectively, the BBESI Trust Security Cession and the ASI Trust Security Cession;
32.	<b>Employee Leg Specific Issue/s</b>	the issue/s of Akani 2 Ordinary Shares from time to time to either or both of the Employee Trusts pursuant to the Relationship Agreement;
33.	<b>Equivalent Benefit</b>	in relation to a corporate action of, or in relation to, WBHO excluding a Distribution by WBHO, Capitalisation Issue and Rights Offer, means a net economic benefit per WBHO Share which WBHO (in its sole determination) regards as substantially the same as the net economic benefit per WBHO Share that WBHO (in its sole determination) regards as having resulted from that corporate action for WBHO Shares which are not Subscription Shares or Subscription Option Shares;

<b>No.</b>	<b>Capitalised term</b>	<b>Ascribed meaning</b>
34.	<b>Escalation Factor</b>	a fixed escalation factor equal to the Prime Rate as at the relevant share issue date plus 1% (or such lower rate as may be determined by WBHO from time to time on written notice to Akani 2, or to Akani 2 and the BBESI Trust, the ASI Trust or the ADB Trust, as the case may be), applied on a compound escalation basis and not a simple escalation basis, compounded annually in arrear;
35.	<b>Fair Market Value</b>	<p>as at a date of an asset which:</p> <p>(a) is listed on a securities exchange, means the volume weighted average price of that share on that securities exchange, being the total of the traded prices of the shares of that type traded over the period of 30 trading days on that exchange ending on the trading day preceding that date, divided by the total number of shares of that type traded over that 30-trading day period; or</p> <p>(b) is not listed on a securities exchange, means the fair value thereof as at that date, as between a willing seller and a willing purchaser (acting at arm's-length), neither of which is under any undue pressure to buy or sell,</p> <p>to be determined in the manner set out in paragraph 1.9 of this <b>Annexure 1</b>;</p>
36.	<b>Independent of WBHO</b>	<p>a person meeting all of the following requirements:</p> <p>(a) not being a WBHO Connected Person;</p> <p>(b) not being a director on the board of directors, or employee, of any WBHO Group Member; and</p> <p>(c) not having any relationship with any WBHO Group Member such that a reasonable and informed third party would conclude in the circumstances that (i) the person's integrity, impartiality or objectivity is compromised by that relationship, (ii) the person is unable or unwilling to make impartial decisions without fear or favour as against any WBHO Group Member, and/or (iii) the person is likely to simply defer to the decision of any WBHO Group Member without applying his own mind;</p>
37.	<b>Independent Person</b>	<p>in relation to the BBESI Trust or the ADB Trust, a person meeting all of the following requirements:</p> <p>(a) not being employed by the BBESI Trust or the ADB Trust, as the case may be;</p> <p>(b) not having a direct or indirect beneficial interest in the scheme contemplated in the BBESI Trust Deed or the ADB Trust Deed, as the case may be; and</p> <p>(c) meeting each other requirement (if any) for him to be an independent person (or an analogous or comparable term) as contemplated from time to time in the B-BBEE Regulations within the context of a Broad-based Ownership Scheme;</p>

No.	Capitalised term	Ascribed meaning
38.	<b>Lock-in Period</b>	<p data-bbox="528 210 671 239">in relation to:</p> <ul style="list-style-type: none"> <li data-bbox="528 259 1414 383">(a) the BBESL Trust Subscription Shares, the ASI Trust Subscription Shares or the ADB Trust Subscription Shares, the period commencing on the Initial Subscription Date and ending on the date of expiry of the period referred to in (c) below (both inclusive);</li> <li data-bbox="528 403 1414 792">(b) a tranche of Additional Akani 2 Ordinary Shares, the period from the date of issue until the: <ul style="list-style-type: none"> <li data-bbox="576 483 1414 629">(i) Business Day after the time of implementation of a NF Repurchase Right, an Accelerated NF Repurchase Right or a Regulation Change NF Repurchase Right (both inclusive), if WBHO has delivered written notice of the exercise of its right to implement such a repurchase within the permitted period; or</li> <li data-bbox="576 649 1414 792">(ii) Business Day after the date of expiry of the period permitted to exercise a NF Repurchase Right (both inclusive), if WBHO has not delivered the written notice required to exercise that right or an Accelerated NF Repurchase Right or Regulatory Change NF Repurchase Right within that permitted period;</li> </ul> </li> <li data-bbox="528 813 1414 1202">(c) the Subscription Shares, the period from the Initial Subscription Date until the: <ul style="list-style-type: none"> <li data-bbox="576 864 1414 1010">(i) Business Day after the time of implementation of a Notional Funding Repurchase Right, an Accelerated NF Repurchase Right or a Regulation Change NF Repurchase Right in relation to the Subscription Shares (both inclusive), if WBHO has delivered written notice of exercise of its right to implement such a repurchase within the permitted period; or</li> <li data-bbox="576 1030 1414 1202">(ii) Business Day after the date of expiry of the period permitted to exercise the Notional Funding Repurchase Right (both inclusive), if WBHO has not delivered the written notice required to implement a Notional Funding Repurchase Right, Accelerated NF Repurchase Right or a Regulation Change NF Repurchase Right in relation to the Subscription Shares within that permitted period; or</li> </ul> </li> <li data-bbox="528 1223 1414 1697">(d) a tranche of Subscription Option Shares, the period from the date of issue of that tranche until the: <ul style="list-style-type: none"> <li data-bbox="576 1303 1414 1476">(i) Business Day after the time of implementation of a Notional Funding Repurchase Right, Accelerated NF Repurchase Right or Regulation Change NF Repurchase Right in relation to that tranche of Subscription Option Shares (both inclusive), if WBHO has delivered written notice of exercise of its right to effect such a repurchase in relation to that tranche of Subscription Option Shares within the permitted period; or</li> <li data-bbox="576 1496 1414 1697">(ii) Business Day after the date of expiry of the period permitted to exercise the Notional Funding Repurchase Right in relation to that tranche of Subscription Option Shares (both inclusive), if WBHO has not delivered the notice required to exercise that right or the Accelerated NF Repurchase Right or Regulation Change NF Repurchase Right in relation to that tranche of Subscription Option Shares by the time of expiry of the period permitted for exercise of the Notional Funding Repurchase Right;</li> </ul> </li> </ul>

No.	Capitalised term	Ascribed meaning
39.	<b>Maximum Subscription Option Shares</b>	<p>the maximum number of WBHO Shares which can be issued pursuant to an exercise of the Subscription Option (<b>New Subscription Option Exercise</b>) calculated in accordance with the following formula:</p> $U = V - X + Y$ <p>where:</p> <p>U = the maximum number of Subscription Option Shares which can form the subject matter of the New Subscription Option Exercise; provided that if "U" would, but for this proviso, be a negative number, it will be deemed to be zero;</p> <p>V = 14,239,247 WBHO Shares (such number to be subdivided or consolidated if and to the extent a subdivision or consolidation of WBHO Shares is implemented);</p> <p>X = the total number of Subscription Option Shares issued by WBHO to Akani 2 (or Akani 2's CSDP acting as its nominee) pursuant to Subscription Option Notices delivered to Akani 2 prior to the delivery of the Subscription Option Notice containing the New Subscription Option Exercise (such total number to be subdivided or consolidated if and to the extent any subdivision or consolidation of WBHO Shares is implemented); and</p> <p>Y = the total number of the Subscription Option Shares referred to in "X" above which have, prior to the delivery of the Subscription Option Notice containing the New Subscription Option Exercise, been repurchased by WBHO (such total number to be subdivided or consolidated if and to the extent a subdivision or consolidation of WBHO Shares is implemented).</p> <p>For illustrative purposes only, as an example of the application of the above formula, if WBHO, at a point in time, having issued the Initial Subscription Option Shares and no Additional Subscription Option Shares, repurchases 4,000,000 of the Initial Subscription Option Shares under the Notional Funding Repurchase Right, then, immediately after that repurchase is implemented, the maximum number of WBHO Shares which can still be issued pursuant to an exercise or exercises of the Subscription Option (i.e., the Maximum Subscription Option Shares) will be 8,227,578 WBHO Shares,</p> <p>(i.e., <math>U = 14,239,247 - 10,011,669 + 4,000,000 = 8,227,578</math>);</p>
40.	<b>New Subscription Option Exercise</b>	bears the meaning ascribed to it in the definition above of "Maximum Subscription Option Shares";
41.	<b>Notional Funding Period</b>	<p>in relation to:</p> <p>(a) the Subscription Shares, the period from the Initial Subscription Date until the date of expiry of the Fifteen Year Period (both inclusive);</p> <p>(b) a tranche of Subscription Option Shares, means the period from the date of issue of that tranche of Subscription Option Shares until the earlier of the:</p> <p>(i) third Anniversary of that date of issue (both inclusive); and</p> <p>(ii) date of expiry of the Fifteen Year Period (both inclusive),</p> <p>or such longer period ending no later than the date of expiry of the Fifteen Year Period as is agreed to by WBHO and Akani 2; or</p> <p>(c) a tranche of Additional Akani 2 Subscription Shares, the period from the date of issue of that tranche of Additional Akani 2 Ordinary Shares until the date of expiry of the Fifteen Year Period (both inclusive);</p>

No.	Capitalised term	Ascribed meaning
42.	<b>Notional Funding Repurchase Date</b>	<p>the 5<sup>th</sup> Business Day after the:</p> <p>(a) Day on which the Notional Funding Repurchase Notice is delivered (if no shareholder or regulatory approvals are required); or</p> <p>(b) Day on which shareholder or regulatory approvals are obtained (if one or more shareholder or regulatory approvals are required),</p> <p>or another Day agreed to by WBHO and Akani 2;</p>
43.	<b>Notional Funding Repurchase Notice</b>	a written notice delivered by WBHO to Akani 2 in terms of which WBHO elects to exercise the Notional Funding Repurchase Right;
44.	<b>Notional Funding Repurchase Notice Period</b>	<p>90 Business Days (or such longer period as is agreed to by WBHO and Akani 2) after the expiry of the Notional Funding Period. However, if all or part of the Notional Funding Repurchase Notice Period would, but for this paragraph, end during a Prohibited Period, then the Notional Funding Repurchase Notice Period will be deemed to be extended by 20 Business Days after the date on which the Prohibited Period ends. A <b>Prohibited Period</b> is a period in which there are restrictions on the trading or dealing in WBHO Shares imposed by any code adopted by WBHO relating to dealings in shares, by any applicable securities exchange requirements, by applicable insider trading legislation or by any other applicable Law, including:</p> <p>(a) a “closed period” as defined in the JSE Listings Requirements; or</p> <p>(b) any other period, as determined by WBHO, when there exists any matter which constitutes “price sensitive information” (as defined in the JSE Listings Requirements) in relation to WBHO Shares;</p>
45.	<b>Notional Funding Repurchase Right</b>	<p>WBHO's right, in respect of the Subscription Shares or a tranche of Subscription Option Shares, as the case may be, to repurchase, after the Notional Funding Period, at a price of ZAR0.01 per share, such number of the:</p> <p>(a) Subscription Shares or of that tranche of Subscription Option Shares;</p> <p>(b) WBHO Shares issued to Akani 2 (or to its CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of the Subscription Shares or the relevant tranche of Subscription Option Shares; and</p> <p>(c) other Securities in WBHO and/or Securities in any other company issued to, or acquired by, Akani 2 (or its CSDP as Akani 2's nominee) by virtue of, or as consideration for, its Holding (or its CSDP's Holding as Akani 2's nominee) of the Subscription Shares or the relevant tranche of Subscription Option Shares,</p> <p>from Akani 2 as is determined using the Subscription Share NF Repurchase Formula or the Subscription Option NF Repurchase Formula, as the case may be, and paragraph 1.8.1(b) of this <b>Annexure 1</b>, as a means of settling the outstanding notional vendor funding provided to Akani 2 in respect of those Subscription Shares or that tranche of Subscription Option Shares, as the case may be;</p>

No.	Capitalised term	Ascribed meaning
46.	<b>Permitted Activities</b>	<p>in accordance with section 19(1)(b) of the Companies Act, the legal powers and capacity of Akani 2, and accordingly the authority of the Akani 2 Board, are strictly limited and restricted to the following activities:</p> <ul style="list-style-type: none"> <li>(a) entering into the WBHO B-BBEE Ownership Transaction Agreements;</li> <li>(b) doing or performing any act permitted in terms of, or required by, the WBHO B-BBEE Ownership Transaction Agreements including exercising Akani 2's rights and performing its obligations under the WBHO B-BBEE Ownership Transaction Agreements, and otherwise implementing the provisions of the WBHO B-BBEE Ownership Transaction Agreements;</li> <li>(c) being the Registered Holder of, and Beneficially Owning and exercising its rights and performing its obligations in relation to, the WBHO Shares Held or Beneficially Owned by it and cash and other assets received or acquired by it by virtue of, or as consideration for, the WBHO Shares Held or Beneficially Owned by it, in each case, in accordance with and subject to the WBHO B-BBEE Ownership Transaction Agreements;</li> <li>(d) doing or performing any other act reasonably necessary to enable Akani 2 to perform, or ancillary or incidental to, the acts and matters referred to above; and</li> <li>(e) doing or performing any other act with Class B Shareholder Consent;</li> </ul>
47.	<b>Regulation Change</b>	<p>a change or changes in the B-BBEE Regulations that both:</p> <ul style="list-style-type: none"> <li>(a) materially reduce(s) or otherwise materially change(s) the nature, levels or content of, or requirements of, or conditions for the achievement of, (i) B-BBEE targets, ratings, scoring methodologies, standings, measurements, classifications and/or recognition levels, or (ii) other B-BBEE requirements set out in the B-BBEE Regulations; and</li> <li>(b) materially and adversely impact(s) WBHO's ability to achieve the Required B-BBEE Outcomes via the WBHO B-BBEE Ownership Transaction and which adverse impact(s) is/are, in WBHO's opinion, not reasonably likely to be remedied or reversed within the 12 calendar months immediately after the date on which the change/s in the B-BBEE Regulations took effect;</li> </ul>



No.	Capitalised term	Ascribed meaning
48.	<b>Regulation Change NF Repurchase Right</b>	<p>if a Regulation Change occurs:</p> <p>(a) WBHO's accelerated right, in respect of a tranche of Additional Akani 2 Ordinary Shares, to require Akani 2 to repurchase, at a price of ZAR0.01 per share, such number of a tranche of Additional Akani 2 Ordinary Shares from the BBESI Trust, the ASI Trust and/or the ADB Trust as is determined using the Repurchase Formula (read on a <i>mutatis mutandis</i> basis in the manner set out in the Relationship Agreement), as a means of settling the outstanding notional vendor funding provided to the BBESI Trust, the ASI Trust and/or the ADB Trust, as the case may be, in respect of the relevant tranche of Additional Akani 2 Ordinary Shares; or</p> <p>(b) WBHO's accelerated right, in respect of the Subscription Shares or a tranche of Subscription Option Shares, as the case may be, to repurchase, at a price of ZAR0.01 per share, such number of the:</p> <p>(i) the Subscription Shares or that tranche of Subscription Option Shares;</p> <p>(ii) WBHO Shares issued to Akani 2 (or to its CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of the Subscription Shares or that tranche of Subscription Option Shares; and</p> <p>(iii) other Securities in WBHO and/or Securities in any other company issued to, or acquired by, Akani 2 (or its CSDP as Akani 2's nominee) by virtue of, or as consideration for, its Holding (or its CSDP's Holding as Akani 2's nominee) of the Subscription Shares or that tranche of Subscription Option Shares,</p> <p>from Akani 2 as is determined using the Subscription Share NF Repurchase Formula (read on a <i>mutatis mutandis</i> basis in the manner set out in the Subscription Agreement) or the Subscription Option NF Repurchase Formula (read on a <i>mutatis mutandis</i> basis in the manner set out in the Relationship Agreement), as the case may be, and paragraph 1.8.1(b) of this <b>Annexure 1</b> (read on a <i>mutatis mutandis</i> basis), as a means of settling the outstanding notional vendor funding provided to Akani 2 in respect of either those Subscription Shares or that tranche of Subscription Option Shares, as the case may be;</p>
49.	<b>Repurchase Formula</b>	the formula in paragraph 2.7.1 of this <b>Annexure 1</b> ;
50.	<b>Required B-BBEE Outcomes</b>	<p>(a) facilitating, furthering and advancing the B-BBEE objectives of the WBHO Group in a manner consistent and compliant with the framework established by the B-BBEE Regulations from time to time; and</p> <p>(b) enabling the WBHO Group to achieve acceptable and competitive B-BBEE ratings, scores, standings, classifications, measurements and/or recognition levels within the framework established by the B-BBEE Regulations from time to time;</p>
51.	<b>Rights Offer</b>	an offer by WBHO of WBHO Shares to all or substantially all of the WBHO Shareholders in their capacity as such and <i>pro rata</i> to their Holdings of WBHO Shares as at the Participation Record Date of that offer (including by way of a claw-back offer);
52.	<b>Rights Offer Suspension</b>	<p>as a term of the subscription for, and issue of:</p> <p>(a) the Subscription Shares, the suspension of Akani 2's right to participate, in relation to the Subscription Shares, in a Rights Offer with a Participation Record Date falling within the Suspension Period, as set out in paragraph 1.4.1(a)(iii) of this <b>Annexure 1</b>; and</p> <p>(b) each tranche of Subscription Option Shares, the suspension of Akani 2's right to participate, in relation to that tranche of Subscription Option Shares, in a Rights Offer with a Participation Record Date falling within the Suspension Period, as set out in paragraph 1.4.1(b)(iii) of this <b>Annexure 1</b>;</p>

<b>No.</b>	<b>Capitalised term</b>	<b>Ascribed meaning</b>
53.	<b>Securities</b>	bears the meaning ascribed to it in the Companies Act;
54.	<b>Specific Issues</b>	issues by WBHO of: (a) the Subscription Shares; and (b) Subscription Option Shares;
55.	<b>Specific Repurchases</b>	repurchases by WBHO of WBHO Shares pursuant to: (a) the Notional Funding Repurchase Right; (b) the Accelerated NF Repurchase Right; (c) the Regulation Change NF Repurchase Right; (d) the occurrence of an Akani 2 Default Option Event; (e) the pre-emptive right referred to in paragraph 1.5.2 of this <b>Annexure 1</b> ; and/or (f) the provisions of the Akani 2 Security Cession;
56.	<b>Subscription Option Exercise</b>	an exercise of the Subscription Option;
57.	<b>Subscription Option NF Repurchase Formula</b>	a formula substantially similar to the Subscription Share NF Repurchase Formula, read on a <i>mutatis mutandis</i> basis in the manner set out in the Relationship Agreement;
58.	<b>Subscription Option Notice</b>	a written notice given from time to time by WBHO to Akani 2, in terms of which WBHO exercises the Subscription Option, which notice will specify the number of Subscription Option Shares; provided that no more than the Maximum Subscription Option Shares can be issued pursuant to a Subscription Option Exercise;
59.	<b>Subscription Share NF Repurchase Formula</b>	the formula in paragraph 1.8.1(a) of this <b>Annexure 1</b> , read with paragraph 1.8.1(b) of this <b>Annexure 1</b> ;
60.	<b>Suspended Asset Distribution Amount</b>	bears the meaning ascribed to it in paragraph 1.8.1(a) of this <b>Annexure 1</b> ;
61.	<b>Suspended Capitalisation Issue Amount</b>	bears the meaning ascribed to it in paragraph 1.8.1(a) of this <b>Annexure 1</b> ;
62.	<b>Suspended Cash Distribution Amount</b>	bears the meaning ascribed to it in paragraph 1.8.1(a) of this <b>Annexure 1</b> ;

<b>No.</b>	<b>Capitalised term</b>	<b>Ascribed meaning</b>
63.	<b>Suspension Period</b>	<p>in relation to:</p> <ul style="list-style-type: none"> <li>(a) the Subscription Shares, the period from the Initial Subscription Date until the earlier of the: <ul style="list-style-type: none"> <li>(i) date on which the outstanding notional funding amount is reduced to zero (both dates inclusive); and</li> <li>(ii) date of expiry of the Notional Funding Period (both dates inclusive);</li> </ul> </li> <li>(b) a tranche of Additional Akani 2 Ordinary Shares, the period from the date of their issue until the earlier of the: <ul style="list-style-type: none"> <li>(i) date on which the outstanding notional funding linked to that tranche of Additional Akani 2 Ordinary Shares is reduced to zero (both dates inclusive); and</li> <li>(ii) date of expiry of the Notional Funding Period of that tranche of Additional Akani 2 Ordinary Shares (both dates inclusive); or</li> </ul> </li> <li>(c) a tranche of Subscription Option Shares, the period from their date of issue until the earlier of the: <ul style="list-style-type: none"> <li>(i) date on which the outstanding notional funding linked to that tranche of Subscription Option Shares is reduced to zero (both dates inclusive); and</li> <li>(ii) date of expiry of the Notional Funding Period for that tranche of Subscription Option Shares (both dates inclusive); and</li> </ul> </li> </ul>
64.	<b>WBHO Group Member</b>	WBHO or a subsidiary from time to time of WBHO.

## **I. WBHO/AKANI 2 LEG**

### **I.1 Issues of WBHO Shares**

- I.1.1 The WBHO Board has resolved that WBHO (i) will issue the Subscription Shares to Akani 2 (or to Akani 2's CSDP as Akani 2's nominee) on the Initial Subscription Date, and (ii) will exercise the Subscription Option in respect of the Initial Subscription Option Shares, and so issue the Initial Subscription Option Shares to Akani 2 (or to Akani 2's CSDP as Akani 2's nominee) on the Initial Subscription Date, if the Conditions Precedent are fulfilled and/or waived.
- I.1.2 The WBHO Board has further resolved that, pursuant to the Subscription Option and in order to continuously seek to achieve or maintain WBHO's B-BBEE Ownership targets, WBHO may issue Additional Subscription Option Shares to Akani 2 (or to Akani 2's CSDP as Akani 2's nominee) from time to time, if the Conditions Precedent are fulfilled and/or waived; provided that WBHO cannot issue more WBHO Shares pursuant to a Subscription Option Exercise than the Maximum Subscription Option Shares.
- I.1.3 By reason of the Maximum Subscription Option Share limit, the total number of Subscription Shares and Subscription Option Shares that can be Held by Akani 2 (or by its CSDP as Akani 2's nominee) at any time and from time to time pursuant to the WBHO B-BBEE Ownership Transaction is 18,739,247 WBHO Shares (such number to be subdivided or consolidated if and to the extent a subdivision or consolidation of WBHO Shares is implemented).
- I.1.4 As stated above, only the Subscription Shares and the Initial Subscription Option Shares will be issued to Akani 2 on the Initial Subscription Date. Once issued, the Subscription Shares and Initial Subscription Option Shares will constitute c. 20.43% of WBHO's enlarged issued share capital (assuming c. 3,372,000 WBHO Shares are repurchased as part of the expiry of the 2006 B-BBEE Ownership Transaction – see paragraph 2.1.4(b) in Section A in the main body of this Circular).
- I.1.5 For information purposes only, it is recorded that if 18,739,247 Subscription Shares and Subscription Option Shares were to be issued to Akani 2 on the Initial Subscription Date, those shares would constitute c. 24.9% of WBHO's enlarged issued share capital (assuming c. 3,372,000 WBHO Shares are repurchased as part of the expiry of the 2006 B-BBEE Ownership Transaction – see paragraph 2.1.4(b) in Section A in the main body of this Circular).

- I.1.6 The Akani 2 Board has resolved that Akani 2 will issue an Akani 2 Class B Share to WBHO on the Initial Subscription Date, if the Conditions Precedent are fulfilled and/or waived.
  - I.1.7 The subscription price payable by Akani 2 to WBHO for each Subscription Share and each Initial Subscription Option Share will be an amount of ZAR0.01, resulting in an aggregate subscription price for all the Subscription Shares and Initial Subscription Option Shares of ZAR145,116.69. Akani 2 will fund that amount utilising the subscription monies it receives from WBHO upon the subscription by WBHO for the Akani 2 Class B Share.
  - I.1.8 The subscription price payable by Akani 2 to WBHO for each tranche of Additional Subscription Option Shares will also be an amount of ZAR0.01 per share. If Additional Subscription Option Shares are issued, Akani 2 will fund that amount utilising the subscription monies it receives from WBHO Construction upon the subscription by WBHO Construction for an additional Akani 2 Class B Share.
  - I.1.9 An Akani 2 Class B Share entitles its Holder (i.e., WBHO and WBHO Construction) to receive notice of, attend, participate in and speak at each Akani 2 General Meeting but does not confer any right to vote on any matter, other than on a resolution to amend the preferences, rights, limitations and other terms associated with the Akani 2 Class B Shares.
  - I.1.10 An Akani 2 Class B Share confers no economic entitlements other than, in a winding-up of Akani 2, subject to the debts and liabilities of Akani 2 and the costs of the liquidation having been paid, an entitlement to an amount of ZAR0.01 prior to any distribution to the Akani 2 Ordinary Shareholders.
  - I.1.11 WBHO is providing what is referred to as "notional funding" in relation to Akani 2's subscription for each Subscription Share and each Initial Subscription Option Share. This is because WBHO (i) has agreed to issue each Subscription Share and each Initial Subscription Option Share at a discount to the VWAP of a WBHO Share with reference to the Initial Subscription Date, and (ii) has been granted the Notional Funding Repurchase Right, the Accelerated NF Repurchase Right and the Regulation Change NF Repurchase Right in respect of the Subscription Shares and the Initial Subscription Option Shares.
  - I.1.12 WBHO will also be providing "notional funding" in relation to the Additional Subscription Option Shares on each additional Subscription Option Exercise (if any). This is because, on each occasion on which WBHO exercises the Subscription Option in relation to a tranche of Additional Subscription Option Shares, WBHO (i) will issue that tranche of the Additional Subscription Option Shares concerned at a discount to the VWAP of a WBHO Share with reference to the issue date, and (ii) will be granted the Notional Funding Repurchase Right, the Accelerated NF Repurchase Right and the Regulation Change NF Repurchase Right in respect of the tranche of Additional Subscription Option Shares.
- I.2 **Actual Funding**
- I.2.1 As stated above, WBHO or WBHO Construction will provide cash funding to Akani 2 via its subscription for Akani 2 Class B Shares.
  - I.2.2 WBHO or WBHO Construction will provide cash funding to Akani 2 via its subscription for Akani 2 Class B Shares to fund a repurchase of Akani 2 Ordinary Shares under an Employee Leg Repurchase Right or Defined Beneficiary Leg Repurchase Right.
- I.3 **Notional Funding**
- As stated above, the subscription by Akani 2 for the Subscription Shares and each tranche of Subscription Option Shares is coupled with a notional vendor funding mechanism:
- I.3.1 the starting amount of the notional vendor funding per WBHO Share for the Subscription Shares and each tranche of Subscription Option Shares will be an amount determined by subtracting ZAR0.01 from the VWAP of a WBHO Share with reference to the relevant share issue date;
  - I.3.2 the outstanding notional vendor funding amount in relation to the Subscription Shares, or a tranche of Subscription Option Shares, will increase or decrease over the relevant Notional Funding Period on the basis set out in the Subscription Share NF Repurchase Formula or the Subscription Option NF Repurchase Formula, respectively; and
  - I.3.3 if the outstanding notional vendor funding amount in respect of:
    - (a) the Subscription Shares has not been reduced to zero by the time of expiry of the Notional Funding Period of the Subscription Shares, WBHO will be entitled to exercise the Notional Funding Repurchase Right in respect of the Subscription Shares; or

- (b) a tranche of Subscription Option Shares has not been reduced to zero by the time of expiry of the Notional Funding Period of that tranche of Subscription Option Shares, WBHO will be entitled to exercise the Notional Funding Repurchase Right in respect of that tranche of Subscription Option Shares.

#### I.4 **Ranking and restrictions**

I.4.1 Each Subscription Share and each Subscription Option Share will rank *pari passu* in all respects with each other issued WBHO Share upon issue. Notwithstanding this, Akani 2 has agreed that, as a term of the issue of:

- (a) each Subscription Share, the following will apply:
  - (i) Akani 2, or its CSDP as Akani 2's nominee, as Holder of a Subscription Share, will only be entitled, in relation to each Subscription Share, to 65% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the amount per WBHO Share of, or 65% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the assets per WBHO Share comprising, each Distribution per WBHO Share which WBHO declares with a Participation Record Date falling within the Suspension Period;
  - (ii) in the event of a Capitalisation Issue which has a Participation Record Date falling within the Suspension Period:
    - (1) if WBHO does not offer WBHO Shareholders the right to receive a cash payment instead of an award of WBHO Shares, Akani 2 will, in relation to each Subscription Share, only be entitled to receive 65% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the WBHO Shares per WBHO Share which it would have been entitled to but for the Capitalisation Issue Suspension; or
    - (2) if WBHO permits WBHO Shareholders to receive a cash payment instead of an award of WBHO Shares, Akani 2 will, in relation to each Subscription Share, not be entitled to receive cash and must elect to receive WBHO Shares, and will only be entitled to receive 65% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the WBHO Shares per WBHO Share which it would have been entitled to but for the Capitalisation Issue Suspension; and
  - (iii) Akani 2 will, in relation to the Subscription Shares, not be entitled to subscribe for WBHO Shares under a Rights Offer with a Participation Record Date falling within the Suspension Period; and
- (b) each tranche of Subscription Option Shares, the following will apply:
  - (i) Akani 2, or its CSDP as Akani 2's nominee, as Holder of a Subscription Option Share of that tranche, will only be entitled, in relation to each Subscription Option Share of that tranche, to 35% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the amount of, or 35% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the assets per WBHO Share comprising, each Distribution per WBHO Share which WBHO declares with a Participation Record Date falling within the Suspension Period;
  - (ii) in the event of a Capitalisation Issue which has a Participation Record Date falling within the Suspension Period:
    - (1) if WBHO does not offer WBHO Shareholders the right to receive a cash payment instead of an award of WBHO Shares, Akani 2 will, in relation to each Subscription Option Share of that tranche, only be entitled to receive 35% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the WBHO Shares which it would have been entitled to but for the Capitalisation Issue Suspension; or
    - (2) if WBHO permits WBHO Shareholders to receive a cash payment instead of an award of WBHO Shares, Akani 2 will, in relation to each Subscription Option Share of that tranche, not be entitled to receive cash and must elect to receive WBHO Shares, and will only be entitled to receive 35% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the WBHO Shares which it would have been entitled to but for the Capitalisation Issue Suspension; and
  - (iii) Akani 2 will, in relation to the Subscription Option Shares, not be entitled to subscribe for WBHO Shares under a Rights Offer with a Participation Record Date falling within the Suspension Period.

1.4.2 If WBHO considers that a corporate action of, or in relation to, WBHO with a Participation Record Date falling within the Suspension Period, excluding a Distribution by WBHO, a Capitalisation Issue and a Rights Offer, has not resulted in an Equivalent Benefit for the Holder of Subscription Shares or Subscription Option Shares, WBHO is entitled to propose adjustments and/or alterations, whether to the Subscription Share NF Repurchase Formula, to the Subscription Option NF Repurchase Formula and/or otherwise, so as to place a Holder of Subscription Shares or Subscription Option Shares in what WBHO regards as the same or a similar position per WBHO Share to what it would have been in had the corporate action had an Equivalent Benefit.

#### 1.5 **Restrictions on Disposals and Encumbrances of WBHO Shares**

1.5.1 Akani 2 may not Dispose of or Encumber all or any of its WBHO Shares Held by it (or by its CSDP as Akani 2's nominee) or any of the rights attached to such shares during the Lock-in Period (but without derogating from WBHO's rights under the Akani 2 Security Cession) without Class B Shareholder Consent.

1.5.2 After the Lock-in Period, Akani 2 may Dispose of or Encumber all or any of its WBHO Shares Held by it (or by its CSDP as Akani 2's nominee) or any of the rights attached to such shares, provided that Akani 2 first offers those WBHO Shares to WBHO pursuant to a pre-emptive right contained in the Relationship Agreement. This does not derogate from WBHO's rights under the Akani 2 Security Cession.

#### 1.6 **Restrictions on Disposals and Encumbrances of Akani 2 Class B Shares**

Neither WBHO nor WBHO Construction will be entitled to Dispose of or Encumber all or any of its Akani 2 Class B Shares until Akani 2 has Disposed of all WBHO Shares Held by it (or by its CSDP as Akani 2's nominee).

#### 1.7 **Security**

In terms of the Akani 2 Security Cession, Akani 2 will cede *in securitatem debiti* its right, title and interest in and to its WBHO Shares and bank account, and pledge its WBHO Shares, to WBHO as security for the due and proper performance by Akani 2 of its obligations under the WBHO B-BBEE Ownership Transaction Agreements.

#### 1.8 **Notional Funding Repurchase Right**

##### 1.8.1 Repurchase of Subscription Shares:

- (a) If the outstanding notional vendor funding amount in respect of the Subscription Shares has not been reduced to zero by the time of expiry of the Notional Funding Period of the Subscription Shares, the Relationship Agreement permits WBHO to exercise the Notional Funding Repurchase Right in respect of the Subscription Shares, by delivering written notice to Akani 2 within the Notional Funding Repurchase Notice Period. By doing so, WBHO will be electing to acquire, in which event Akani 2 will be obliged to sell and transfer to WBHO, such number of the (i) Subscription Shares; and (ii) WBHO Shares issued to Akani 2 (or to its CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of its Holding (or its CSDP's Holding as Akani 2's nominee) of the Subscription Shares Held on the Notional Funding Repurchase Date, at an acquisition price of ZAR0.01 per WBHO Share, as is calculated in accordance with the following formula:

$$A = \frac{[B \times C \times (1 + D)^E] - [F + G + H + I]}{J}$$

where:

A = the number of WBHO Shares being repurchased pursuant to this Subscription Share NF Repurchase Formula; provided that if:

- (i) A would, but for this proviso, be a negative number, then A will be deemed to be zero;
- (ii) A would, but for this proviso, be greater than the sum of "B" and the WBHO Shares referred to in paragraph 1.8.1(a)(ii) of this **Annexure 1**, then A will be deemed to be equal to the sum of "B" and the WBHO Shares referred to in paragraph 1.8.1(a)(ii) of this **Annexure 1 (A Proviso)**; and

(iii) A would, but for this proviso, include a fraction of an WBHO Share, it will be rounded down to the nearest whole number;

- B = the number of WBHO Shares comprising the Subscription Shares;
- C = an amount determined by subtracting ZAR0.01 from the VWAP of a WBHO Share with reference to the share issue date (i.e., in the case of the Subscription Shares, the Initial Subscription Date);
- D = the Escalation Factor;
- E = the number of Days from the share issue date (i.e., in the case of the Subscription Shares, the Initial Subscription Date) up to the Day on which the Notional Funding Period expires (both dates inclusive) divided by 365;
- F = the sum of each amount (calculated in respect of each Distribution declared to WBHO Shareholders of cash with a Participation Record Date falling within the Notional Funding Period) calculated by:
- (i) multiplying each cash amount per Subscription Share (net of withholding taxes, if any) which Akani 2 did not receive in relation to that Distribution because of the Distribution Suspension (the cash per Subscription Share (net of withholding taxes, if any) it did not receive being the **Suspended Cash Distribution Amount**) by the number of WBHO Shares comprising the Subscription Shares Held by Akani 2 (or Akani 2's CSDP as Akani 2's nominee) on the Participation Record Date of the Distribution; and
  - (ii) increasing the resultant product by the Escalation Factor from the Day on which that receipt would have occurred but for the Distribution Suspension up to the Day on which the Notional Funding Period expires (both Days inclusive).

For sake of clarity, the Suspended Cash Distribution Amount in respect of a cash Distribution declared to WBHO Shareholders is calculated in accordance with the following formula:

$$\text{Suspended Cash Distribution Amount} = (f_D - f_R)$$

where:

$f_D$  = cash amount per WBHO Share (net of withholding taxes, if any) of that Distribution declared to WBHO Shareholders; and

$f_R$  = cash amount per Subscription Share (net of withholding taxes, if any) received by Akani 2 in relation to that Distribution to WBHO Shareholders;

- G = the sum of each amount (calculated in respect of each Distribution to WBHO Shareholders of assets with a Participation Record Date falling within the Notional Funding Period) calculated by:
- (i) multiplying the Fair Market Value (as at the date on which the WBHO Board declares the Distribution, or as at such other date as is agreed to by WBHO and Akani 2) of the assets per WBHO Share forming the subject matter of a Distribution which (assets) Akani 2 did not receive per Subscription Share because of the Distribution Suspension (the Fair Market Value of the assets per Subscription Share it did not receive being the **Suspended Asset Distribution Amount**) by the number of WBHO Shares comprising the Subscription Shares Held by Akani 2 (or Akani 2's CSDP as Akani 2's nominee) on the Participation Record Date of the Distribution, and
  - (ii) increasing the resultant product by the Escalation Factor from the Day on which those assets would have been transferred to Akani 2 but for the Distribution Suspension up to the Day on which the Notional Funding Period expires (both Days inclusive).

For sake of clarity, the Suspended Asset Distribution Amount in respect of a Distribution of assets to WBHO Shareholders is calculated in accordance with the following formula:



$$\text{Suspended Asset Distribution Amount} = (g_D - g_R)$$

where:

$g_D$  = the Fair Market Value (as at the date on which the WBHO Board declares that Distribution of assets to WBHO Shareholders, or as at such other date as is agreed to by WBHO and Akani 2) of the assets per WBHO Share forming the subject matter of that Distribution to WBHO Shareholders; and

$g_R$  = the Fair Market Value (as at the date on which the WBHO Board declares that Distribution of assets to WBHO Shareholders, or as at such other date as is agreed to by WBHO and Akani 2) of the assets per Subscription Share received by Akani 2 in relation to that Distribution to WBHO Shareholders;

H = the sum of each amount (calculated in respect of each Capitalisation Issue with a Participation Record Date falling within the Notional Funding Period) calculated by:

- (i) multiplying the VWAP of a WBHO Share with reference to the Participation Record Date of the Capitalisation Issue by the number of WBHO Shares per Subscription Share which were not issued to Akani 2 because of the Capitalisation Issue Suspension (the total of the VWAP of the WBHO Shares per Subscription Share it did not receive being the **Suspended Capitalisation Issue Amount**) by the number of WBHO Shares comprising the Subscription Shares Held by Akani 2 (or Akani 2's CSDP as Akani 2's nominee) on the Participation Record Date of the Capitalisation Issue; and
- (ii) increasing the resultant product by the Escalation Factor from the Day on which the WBHO Shares which were not issued by reason of the Capitalisation Issue Suspension would have been issued but for the Capitalisation Issue Suspension up to the Day on which the Notional Funding Period expires (both Days inclusive).

For sake of clarity, the Suspended Capitalisation Issue Amount in respect of a Capitalisation Issue to WBHO Shareholders is calculated in accordance with the following formula:

$$\text{Suspended Capitalisation Issue Amount} = (h_D - h_R)$$

where:

$h_D$  = the VWAP of a WBHO Share with reference to the Participation Record Date multiplied by the number of the WBHO Shares per WBHO Share forming the subject matter of that Capitalisation Issue to WBHO Shareholders; and

$h_R$  = the VWAP of a WBHO Share with reference to the Participation Record Date multiplied by the number of the WBHO Shares per Subscription Share issued to Akani 2 in relation to that Capitalisation Issue;

I = the sum of each amount (calculated in respect of each Rights Offer with a Participation Record Date falling within the Notional Funding Period) calculated by multiplying (i) the number of WBHO Shares comprising the Subscription Shares Held by Akani 2 (or Akani 2's CSDP as Akani 2's nominee) on the Participation Record Date, (ii) the difference between the VWAP of a WBHO Share with reference to the date of announcement of the launch (i.e., date of announcement on SENS of the pricing) of the Rights Offer and the price per WBHO Share at which the Rights Offer is made and (iii) the ratio of the total number of WBHO Shares subscribed for by WBHO Shareholders (or their transferees or renounees) under the Rights Offer (including those subscribed for pursuant to excess applications but excluding those subscribed for under an underwrite or sub-underwrite arrangement) to the number of WBHO Shares offered under the Rights Offer, and increasing the resultant product by the Escalation Factor from the Day on which WBHO Shares subscribed for under the Rights Offer are issued up to the Day on which the Notional Funding Period expires (both Days inclusive); and

J = the VWAP of a WBHO Share with reference to the Day on which the Notional Funding Period expires.



- (b) If:
- (i) the number of:
    - (1) Subscription Shares; and
    - (2) WBHO Shares issued to Akani 2 (or to Akani 2's CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of its Holding (or its CSDP's Holding as Akani 2's nominee) of the Subscription Shares,  
 Held by Akani 2 (or by Akani 2's CSDP as Akani 2's nominee) on the Notional Funding Repurchase Date is lower than the number of WBHO Shares which would have comprised "A" in the Subscription Share NF Repurchase Formula but for the A Proviso (the number of WBHO Shares comprising such shortfall being the **Shortfall WBHO Shares**); and
  - (ii) Akani 2 (or Akani 2's CSDP as Akani 2's nominee) Holds Securities in WBHO other than WBHO Shares and/or Holds Securities in any other company, issued to, or acquired by, Akani 2 (or by Akani 2's CSDP as Akani 2's nominee) by virtue of, or as consideration for, its Holding (or its CSDP's Holding as Akani 2's nominee) of the Subscription Shares (**Non-WBHO Shares**),
- then, if WBHO delivers the Notional Funding Repurchase Notice by the time of expiry of the Notional Funding Repurchase Notice Period, WBHO will also acquire, and Akani 2 will sell and transfer to WBHO, such number of the Non-WBHO Shares, at an acquisition price of ZAR0.01 per Non-WBHO Share, as have a total Fair Market Value (as at the date of expiry of the Notional Funding Period, or as at such other date as is agreed to by WBHO and Akani 2) equal to the amount determined by multiplying the VWAP of a WBHO Share with reference to the Notional Funding Repurchase Date by the number of WBHO Shares comprising the Shortfall WBHO Shares; provided that if such total Fair Market Value is less than the total of such multiple, then WBHO will acquire all the Non-WBHO Shares.
- (c) If a Delisting Transaction is proposed or entered into, WBHO will be entitled to exercise the Accelerated NF Repurchase Right in respect of (i) the Subscription Shares, (ii) WBHO Shares issued to Akani 2 (or to its CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of the Subscription Shares and (iii) other Securities in WBHO and/or Securities in any other company issued to, or acquired by, Akani 2 (or its CSDP as Akani 2's nominee) by virtue of, or as consideration for, its Holding (or its CSDP's Holding as Akani 2's nominee) of the Subscription Shares; provided that the repurchase will only occur if all the Delisting Transaction CPs are subsequently fulfilled or waived.
  - (d) If a Regulation Change occurs, WBHO will be entitled to exercise the Regulation Change NF Repurchase Right in respect of (i) the Subscription Shares, (ii) WBHO Shares issued to Akani 2 (or to its CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of the Subscription Shares and (iii) other Securities in WBHO and/or Securities in any other company issued to, or acquired by, Akani 2 (or its CSDP as Akani 2's nominee) by virtue of, or as consideration for, its Holding (or its CSDP's Holding as Akani 2's nominee) of the Subscription Shares.
  - (e) Immediately post implementation of the Notional Funding Repurchase Right, Accelerated NF Repurchase Right or Regulation Change NF Repurchase Right in respect of the Subscription Shares, the outstanding notional vendor funding in respect of the Subscription Shares will be deemed to reduce to zero.
  - (f) The outstanding "Acquisition Debt" (as defined in the Construction Sector Code) in relation to the Subscription Shares on any date will be an amount calculated in accordance with the following formula (with each letter in the formula bearing the meaning ascribed to it in the Subscription Share NF Repurchase Formula):
 
$$\{[B \times C \times (1 + D) ^ E] - [(B \times (f_D + g_D + h_D)) + I]\}$$
  - (g) It is anticipated that a repurchase under the Notional Funding Repurchase Right, Accelerated NF Repurchase Right or Regulation Change NF Repurchase Right in respect of the Subscription Shares will be funded out of available cash or funding facilities.

### 1.8.2 Repurchase of Subscription Option Shares:

- (a) If the outstanding notional vendor funding amount in respect of a tranche of Subscription Option Shares has not been reduced to zero by the time of expiry of the Notional Funding Period of that tranche of Subscription Option Shares, WBHO can exercise the Notional Funding Repurchase Right in respect of that tranche of Subscription Option Shares by delivering the Notional Funding Repurchase Notice to Akani 2. By doing so, WBHO will be electing to acquire, in which event Akani 2 will be obliged to sell and transfer to WBHO, such number of (i) that tranche of Subscription Option Shares, (ii) WBHO Shares issued to Akani 2 (or to its CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of its Holding (or its CSDP's Holding as Akani 2's nominee) of that tranche of Subscription Option Shares, and (iii) other Securities in WBHO and/or Securities in any other company issued to, or acquired by, Akani 2 (or its CSDP as Akani 2's nominee) by virtue of, or as consideration for, its Holding (or its CSDP's Holding as Akani 2's nominee) of that tranche of Subscription Option Shares, Held by Akani 2 (or by its CSDP as Akani 2's nominee), on the date on which the acquisition is implemented, at an acquisition price of ZAR0.01 per WBHO Share, as is calculated in accordance with the Subscription Option NF Repurchase Formula.
- (b) If a Delisting Transaction is proposed or entered into, WBHO will be entitled to exercise the Accelerated NF Repurchase Right in respect of (i) a tranche of Subscription Option Shares, (ii) WBHO Shares issued to Akani 2 (or to its CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of that tranche of Subscription Option Shares and (iii) other Securities in WBHO and/or Securities in any other company issued to, or acquired by, Akani 2 (or its CSDP as Akani 2's nominee) by virtue of, or as consideration for, its Holding (or its CSDP's Holding as Akani 2's nominee) of that tranche of Subscription Option Shares; provided that the repurchase will only occur if all the Delisting Transaction CPs are subsequently fulfilled or waived.
- (c) If a Regulation Change occurs, WBHO will be entitled to exercise the Regulation Change NF Repurchase Right in respect of (i) a tranche of Subscription Option Shares, (ii) WBHO Shares issued to Akani 2 (or to its CSDP as Akani 2's nominee) under a Capitalisation Issue by virtue of that tranche of Subscription Option Shares and (iii) other Securities in WBHO and/or Securities in any other company issued to, or acquired by, Akani 2 (or its CSDP as Akani 2's nominee) by virtue of, or as consideration for, its Holding (or its CSDP's Holding as Akani 2's nominee) of that tranche of Subscription Option Shares.
- (d) Immediately post implementation of the Notional Funding Repurchase Right, Accelerated NF Repurchase Right or Regulation Change NF Repurchase Right in respect of a tranche of Subscription Option Shares, the outstanding notional vendor funding in respect of that tranche of Subscription Option Shares will be deemed to reduce to zero.
- (e) It is anticipated that an exercise of the Notional Funding Repurchase Right, Accelerated NF Repurchase Right or Regulation Change Repurchase Right in relation to a tranche of Subscription Option Shares will be funded out of available cash or funding facilities.

### 1.9 **Fair Market Value**

Whenever the Fair Market Value of an asset is required to be determined, then, unless otherwise agreed by the relevant parties, it will be determined by a partner or director (with at least 15 years of experience in valuations of assets in the corporate environment) of WBHO's auditors (or, if WBHO so decides, by a partner or director (with at least 15 years of experience in valuations of assets in the corporate environment) of another firm of auditors selected by WBHO), who will act in good faith and act as an expert and not as an arbitrator and whose written determination will be final and binding in the absence of any fraud or manifest error.

### 1.10 **Default**

WBHO will be entitled to exercise the Akani 2 Default Option if an Akani 2 Default Option Event occurs.

### 1.11 **Restrictions on the issuance or repurchase of Akani 2 Class B Shares**

Akani 2 will only issue or repurchase Akani 2 Class B Shares in the circumstances in which it is a Permitted Activity.

### 1.12 **Akani 2 Board**

- 1.12.1 There will be a maximum of three directors on the Akani 2 Board.
- 1.12.2 Each Employee Trust will, for so long as it Holds and Beneficially Owns Akani 2 Ordinary Shares, be entitled and obliged to nominate 1 Akani 2 Director. In terms of the trust deed of each Employee Trust, only the trustees of that Employee Trust who are Independent of WBHO have the authority to determine, on behalf of that Employee Trust, which person will be that nominee of that Employee

Trust. Such nominee will not be a WBHO Connected Person. Each such Akani 2 Director will have 1 vote at an Akani 2 Board meeting.

I.12.3 WBHO (on behalf of the Akani 2 Class B Shareholders) will be entitled to nominate 1 Akani 2 Director. Such person will have 1 vote at an Akani 2 Board meeting. The Akani 2 MOI provides that WBHO does not have the right to, and will not, nominate, appoint or elect, or direct, propose or control the nomination, appointment or election of, any other person as Akani 2 Director with the result that WBHO will not have the right to appoint or elect, or to control the appointment or election, of Akani 2 Directors who control a majority of the votes at a meeting of the Akani 2 Board. A majority of the Akani 2 Directors will not be WBHO Connected Persons, with the result that a majority of the votes exercisable at Akani 2 Board meetings will be controlled by Akani 2 Directors who are not WBHO Connected Persons.

I.12.4 The Akani 2 MOI provides that no person has the right to nominate, appoint or elect Akani 2 Directors other than as provided in the foregoing provisions of this paragraph I.12; provided that the Akani 2 Board can temporarily appoint persons to fill vacancies.

I.12.5 Each Akani 2 Ordinary Shareholder has undertaken to vote in favour of the election of the abovementioned nominees.

I.12.6 The chairman of a meeting of the Akani 2 Board will not have a second or casting vote.

### I.13 **Restrictions on powers and capacity of Akani 2**

In accordance with section 19(1)(b) of the Companies Act, the legal powers and capacity of Akani 2, and accordingly the authority of the Akani 2 Board, are strictly limited and restricted to the Permitted Activities.

### I.14 **Voting by Akani 2 of its WBHO Shares**

I.14.1 In terms of the Akani 2 MOI:

- (a) the trustees of the BBESI Trust will invite the Beneficiaries of the BBESI Trust to vote on whether Akani 2 should support or oppose each resolution to be proposed at a general meeting of WBHO held from time to time;
- (b) each Beneficiary of the BBESI Trust will have a number of votes equal to the number of Units held by that Beneficiary;
- (c) the trustees of the BBESI Trust will tally the votes which are exercised by the Beneficiaries of the BBESI Trust, and, in respect each resolution to be proposed at the general meeting of WBHO, instruct the Akani 2 Board, which will then be obliged, to vote, or to procure the vote of, the BBESI Trust's See-Through WBHO Shares at the WBHO general meeting in accordance with the majority decision of the Beneficiaries on that resolution (by which is meant more than 50% of the total number of votes exercised by the Beneficiaries of the BBESI Trust either in support of, or in opposition to, the resolution). The **BBESI Trust's See-Through WBHO Shares** are those of the WBHO Shares Held by Akani 2 (or its CSDP as Akani 2's nominee) as is calculated in accordance with the following formula:

$$A = B \times C$$

where

A = the number of WBHO Shares which constitute the BBESI Trust's See-Through WBHO Shares; provided that if such number of WBHO Shares would, but for this proviso, include a fraction, the number will be rounded down to the nearest whole number;

B = the total number of WBHO Shares Held by Akani 2 (or its CSDP as Akani 2's nominee); and

C = the percentage of the issued Akani 2 Ordinary Shares Held by the BBESI Trust, expressed as a decimal fraction; and

- (d) if 50% of the total number of votes exercised by the Beneficiaries of the BBESI Trust either in support of, or in opposition to, a resolution to be proposed at a WBHO general meeting are supportive of the resolution and 50% of the votes so exercised oppose the resolution, then the trustees of the BBESI Trust will instruct the Akani 2 Board, which will then be obliged, to vote, or to procure the vote of, 50% of the BBESI Trust's See-Through WBHO Shares in favour of the resolution at the WBHO general meeting, and be obliged, to vote, or to procure the vote of, the

other 50% of the BBESI Trust's See-Through WBHO Shares against the resolution at the WBHO general meeting. If 50% of the BBESI Trust's See-Through WBHO Shares would include a fraction, the number will be rounded down to the nearest whole number.

I.14.2 In terms of the Akani 2 MOI:

- (a) the trustees of the ASI Trust will invite the Beneficiaries of the ASI Trust to vote on whether Akani 2 should support or oppose each resolution to be proposed at a WBHO general meeting;
- (b) each Beneficiary of the ASI Trust will have a number of votes equal to the number of Units held by that Beneficiary;
- (c) the trustees of the ASI Trust will tally the votes which are exercised by the Beneficiaries of the ASI Trust, and, in respect each resolution to be proposed at the WBHO general meeting, instruct the Akani 2 Board, which will then be obliged, to vote, or to procure the vote of, the ASI Trust's See-Through WBHO Shares at the WBHO general meeting in accordance with the majority decision of the Beneficiaries of the ASI Trust on that resolution (by which is meant more than 50% of the total number of votes exercised by the Beneficiaries of the ASI Trust either in support of, or in opposition to, the resolution). The **ASI Trust's See-Through WBHO Shares** are those of the WBHO Shares Held by Akani 2 (or Akani 2's CSDP as Akani 2's nominee) as is calculated in accordance with the following formula:

$$D = E \times F$$

where:

D = the number of WBHO Shares which constitute the ASI Trust's See-Through WBHO Shares; provided that if such number of WBHO Shares would, but for this proviso, include a fraction, the number will be rounded down to the nearest whole number;

E = the total number of WBHO Shares Held by Akani 2 (or its CSDP as Akani 2's nominee); and

F = the percentage of the issued Akani 2 Ordinary Shares Held by the ASI Trust, expressed as a decimal fraction; and

- (d) if 50% of the total number of votes exercised by the Beneficiaries of the ASI Trust either in support of, or in opposition to, a resolution to be proposed at a WBHO general meeting are supportive of the resolution and 50% of the votes so exercised oppose the resolution, then the trustees of the ASI Trust will instruct the Akani 2 Board, which will then be obliged, to vote, or to procure the vote of, 50% of the ASI Trust's See-Through WBHO Shares in favour of the resolution at the WBHO general meeting, and be obliged, to vote, or to procure the vote of the other 50% of the ASI Trust's See-Through WBHO Shares against the resolution at the WBHO general meeting. If 50% of the ASI Trust's See-Through WBHO Shares would include a fraction, the number will be rounded down to the nearest whole number.

I.14.3 In terms of the Akani 2 MOI:

- (a) the **ADB Trust's See-Through WBHO Shares** are those of the WBHO Shares Held by Akani 2 (or its CSDP as Akani 2's nominee) as is calculated in accordance with the following formula:

$$E = F \times G$$

where:

E = the number of WBHO Shares which constitute the ADB Trust's See-Through WBHO Shares; provided that if such number of WBHO Shares would, but for this proviso, include a fraction, the number will be rounded down to the nearest whole number;

F = the total number of WBHO Shares Held by Akani 2 (or its CSDP as Akani 2's nominee); and

G = the percentage of the issued Akani 2 Ordinary Shares Held by the ADB Trust, expressed as a decimal fraction;

- (b) the Akani 2 Board will be obliged to exercise or procure the exercise of the votes attaching to the following number of the ADB Trust's See-Through WBHO Shares at general meetings of WBHO in the same manner in which the Akani 2 Board is obliged to exercise or procure the

exercise of the votes attaching to the BBESI Trust's See-Through WBHO Shares pursuant to paragraph 1.14.1 of this **Annexure 1**:

$$H = (I/J) \times K$$

where:

H = that number of the ADB Trust's See-Through WBHO Shares calculated in accordance with this paragraph 1.14.3(b); provided that if such number of WBHO Shares would, but for this proviso, include a fraction, the number will be rounded down to the nearest whole number;

I = the total number of Akani 2 Ordinary Shares Held by the BBESI Trust; and

J = the total number of Akani 2 Ordinary Shares Held the BBESI Trust and the ASI Trust; and

K = the ADB Trust's See-Through WBHO Shares; and

- (c) the Akani 2 Board will be obliged to exercise or procure the exercise of the votes attaching to the following number of the ADB Trust's See-Through WBHO Shares at general meetings of WBHO in the same manner in which the Akani 2 Board is obliged to exercise or procure the exercise of the votes attaching to the ASI Trust's See-Through WBHO Shares pursuant to paragraph 1.14.2 of this **Annexure 1**:

$$L = (M/N) \times K$$

where:

L = that number of the ADB Trust's See-Through WBHO Shares calculated in accordance with this paragraph 1.14.3(c); provided that if such number of WBHO Shares would, but for this proviso, include a fraction, the number will be rounded down to the nearest whole number;

M = the total number of Akani 2 Ordinary Shares Held by the ASI Trust;

N = the total number of Akani 2 Ordinary Shares Held by the BBESI Trust and the ASI Trust; and

K = the ADB Trust's See-Through WBHO Shares.

## 2. **EMPLOYEE LEG**

### 2.1 **Subscription**

- 2.1.1 As at the date of this Circular, all the issued shares in Akani 2, being 100 Akani 2 Ordinary Shares, are Held and Beneficially Owned by the BBESI Trust.
- 2.1.2 The Akani 2 Board has resolved that Akani 2 will issue the BBESI Trust Subscription Shares and the ASI Trust Subscription Shares to the BBESI Trust and the ASI Trust, respectively, if the Conditions Precedent are fulfilled and/or waived.
- 2.1.3 Once issued, the BBESI Trust Subscription Shares and the ASI Trust Subscription Shares will together constitute 98% of the Akani 2 Ordinary Shares then in issue, with:
- (a) 90% of the Akani 2 Ordinary Shares then in issue Held and Beneficially Owned by the BBESI Trust; and
- (b) 8% of the Akani 2 Ordinary Shares then in issue Held and Beneficially Owned by the ASI Trust.
- 2.1.4 In addition, an Employee Trust may subscribe from time to time for Additional Akani 2 Ordinary Shares, if so agreed with WBHO, in which event Akani 2 will be obliged to issue the relevant number of Additional Akani 2 Ordinary Shares to the Employee Trusts. Akani 2 will be providing "notional funding" in relation to each tranche of Additional Akani 2 Ordinary Shares issued. This is because on each occasion on which Additional Akani 2 Ordinary Shares are issued, (i) Akani 2 will issue each of the Additional Akani 2 Ordinary Shares concerned at a discount to the Fair Market Value of an Akani 2 Ordinary Share, and (ii) the Employee Trust concerned will have agreed to the Employee Leg NF Repurchase Right.

## 2.2 **Actual Funding**

WBHO or WBHO Construction will make cash contributions to the Employee Trusts in order to fund the subscription by the Employee Trusts for the BBESI Trust Subscription Shares, the ASI Trust Subscription Shares and any Additional Akani 2 Ordinary Shares.

## 2.3 **Notional Funding for issue of Additional Akani 2 Ordinary Shares**

2.3.1 As stated in paragraph 2.1.4 of this **Annexure 1**, the subscription by each Employee Trust for the Additional Akani 2 Ordinary Shares will be coupled with a notional vendor funding mechanism:

- (a) the starting amount of the notional vendor funding per Additional Akani 2 Ordinary Share will be an amount determined by subtracting ZAR0.01 from the Fair Market Value of an Additional Akani 2 Ordinary Share;
- (b) the outstanding notional vendor funding amount will increase or decrease over the Notional Funding Period on the basis set out in the Repurchase Formula; and
- (c) if the outstanding notional vendor funding amount of an Employee Trust has not been reduced to zero by the time of expiry of the Notional Funding Period, the Employee Leg NF Repurchase Right can be exercised in relation to that Employee Trust.

2.3.2 The BBESI Trust Subscription Shares and the ASI Trust Subscription Shares are not coupled with a notional vendor funding mechanism, and accordingly the Employee Leg NF Repurchase Right does not include a right for WBHO to require Akani 2 to repurchase those shares.

## 2.4 **Ranking and restrictions**

Each BBESI Trust Subscription Share, ASI Trust Subscription Share and Additional Akani 2 Ordinary Share will rank *pari passu* in all respects with each other issued Akani 2 Ordinary Share upon issue. Notwithstanding this, each Employee Trust has agreed that, as a term of the issue of each Additional Akani 2 Ordinary Share, an Employee Trust will, in relation to the Additional Akani 2 Ordinary Shares, only be entitled to 20% (or such other percentage agreed to in writing between WBHO, Akani 2 and the BBESI Trust or the ASI Trust (as the case may be) from time to time) per WBHO Share of the cash amount per Akani 2 Ordinary Share of, or 20% (or such other percentage agreed to in writing between WBHO, Akani 2 and the BBESI Trust or the ASI Trust (as the case may be) from time to time) of the assets per Akani 2 Ordinary Share comprising, each Distribution on the Akani 2 Ordinary Shares which Akani 2 declares with a Participation Record Date falling within the Suspension Period.

## 2.5 **Restrictions on Disposals and Encumbrances of Akani 2 Ordinary Shares**

2.5.1 Without derogating from WBHO's rights under the Employee Leg Security Cessions, the Employee Trusts will not be permitted to Dispose of or Encumber their Akani 2 Ordinary Shares during the Lock-in Period, save in circumstances in which it is a Permitted Activity.

2.5.2 After the Lock-in Period, the Employee Trusts will not, without Class B Shareholder Consent, be permitted to Dispose of their Akani 2 Ordinary Shares until Akani 2 has Disposed of all its WBHO Shares Held by it (or by its CSDP as Akani 2's nominee), but without derogating from WBHO's rights under the Employee Leg Security Cessions.

## 2.6 **Security**

In terms of the Employee Leg Security Cessions, the Employee Trusts will cede *in securitatem debiti* their right, title and interest in and to their respective Akani 2 Ordinary Shares and respective bank accounts, and pledge their Akani 2 Ordinary Shares, to WBHO as security for the due and proper performance by the Employee Trusts of their obligations under the Akani 2 MOI, the Relationship Agreement and the Employee Leg Security Cessions.

## 2.7 **NF Repurchase Right**

2.7.1 If the outstanding notional vendor funding amount in respect of a tranche of Additional Akani 2 Ordinary Shares issued to an Employee Trust has not been reduced to zero by the time of expiry of the Notional Funding Period of that tranche of Additional Akani 2 Ordinary Shares, WBHO can exercise the Employee Leg NF Repurchase Right against that Employee Trust in respect of that tranche of Additional Akani 2 Ordinary Shares, by delivering written notice thereof to Akani 2 and the Employee Trust within 90 Business Days (or such longer period as is agreed to by WBHO, Akani 2 and



the Employee Trust) after the expiry of the relevant Notional Funding Period. In such event, Akani 2 will be obliged to repurchase from that Employee Trust, which will be obliged to sell and transfer to Akani 2, at a price of ZAR0.01 per Additional Akani 2 Ordinary Share, such number of that tranche of Additional Akani 2 Ordinary Shares (or if WBHO so determines in a written notice to Akani 2, some of such number) as is calculated in accordance with the repurchase formula set out below:

$$L = \frac{\{[M \times N \times (1 + O)^P] - [Q + R]\}}{S}$$

where:

L = the number of Additional Akani 2 Ordinary Shares being repurchased; provided that if:

- (a) L would, but for this proviso, be a negative number, then L will be deemed to be zero;
- (b) L would, but for this proviso, include a fraction of an Akani 2 Ordinary Share, it will be rounded down to the nearest whole number; and
- (c) L would, but for this proviso, be greater than M, then L will be deemed to be equal to M;

M = the number of Akani 2 Ordinary Shares comprising the relevant tranche of Additional Akani 2 Ordinary Shares;

N = an amount determined by subtracting ZAR0.01 from the Fair Market Value of an Akani 2 Ordinary Share as at the issue date of that tranche of Additional Akani 2 Ordinary Shares;

O = the Escalation Factor;

P = the number of Days from the date of issue of that tranche of Additional Akani 2 Ordinary Shares up to the Day on which the Notional Funding Period for that tranche of Additional Akani 2 Ordinary Shares expires (both Days inclusive) divided by 365;

Q = the sum of each amount (calculated in respect of each Distribution of cash with a Participation Record Date falling within the Notional Funding Period for that tranche of Additional Akani 2 Ordinary Shares) calculated by (i) multiplying each amount per Akani 2 Ordinary Share (net of withholding taxes, if any) which the BBESI Trust or the ASI Trust, as the case may be, did not receive on an Additional Akani 2 Ordinary Share of that tranche because of the Distribution Suspension by the number of Akani 2 Ordinary Shares comprising that tranche of Additional Akani 2 Ordinary Shares Held by the BBESI Trust or the ASI Trust, as the case may be, on the Participation Record Date of the Distribution, and (ii) increasing the resultant product by the Escalation Factor from the Day on which that receipt would have occurred but for the Distribution Suspension up to the Day on which the Notional Funding Period for that tranche of Additional Akani 2 Ordinary Shares expires (both Days inclusive);

R = the sum of each amount (calculated in respect of each Distribution of an asset with a Participation Record Date falling within the Notional Funding Period for the relevant tranche of Additional Akani 2 Ordinary Shares) calculated by (i) multiplying the Fair Market Value (as at the date on which the Akani 2 Board declares the Distribution, or as at such other date as is agreed to by WBHO and Akani 2) of the assets per Akani 2 Ordinary Share forming the subject matter of a Distribution which (assets) Akani 2 did not receive on an Additional Akani 2 Ordinary Share of that tranche because of the Distribution Suspension by the number of Akani 2 Ordinary Shares comprising that tranche of Additional Akani 2 Ordinary Shares Held by the BBESI Trust or the ASI Trust, as the case may be, on the Participation Record Date of the Distribution, and (ii) increasing the resultant product by the Escalation Factor from the Day on which those assets would have been transferred to the BBESI Trust or the ASI Trust, as the case may be, but for the Distribution Suspension up to the Day on which the Notional Funding Period for that tranche of Additional Akani 2 Ordinary Shares expires (both Days inclusive); and

S = the Fair Market Value of an Akani 2 Ordinary Share with reference to a Day on which the Notional Funding Period for the relevant tranche of Additional Akani 2 Ordinary Shares expires.

- 2.7.2 If a Delisting Transaction is proposed or entered into, WBHO will be entitled to exercise the Accelerated NF Repurchase Right in respect of each tranche of Additional Akani 2 Ordinary Shares; provided that the repurchase will only occur if all the Delisting Transaction CPs are subsequently fulfilled or waived.
- 2.7.3 If a Regulation Change occurs, WBHO will be entitled to exercise the Regulation Change NF Repurchase Right in respect of each tranche of Additional Akani 2 Ordinary Shares.
- 2.7.4 Immediately post implementation of the Employee Leg NF Repurchase Right, Accelerated NF Repurchase Right or Regulation Change NF Repurchase Right, the outstanding notional vendor funding in relation to the relevant tranche of Additional Akani 2 Ordinary Shares will be deemed to reduce to zero.
- 2.7.5 It is anticipated that a repurchase under the Employee Leg NF Repurchase Right, Accelerated NF Repurchase Right or Regulation Change NF Repurchase Right will be funded out of available cash or funding facilities.
- 2.8 **Default**
- WBHO will be entitled to exercise the Default Option if a Default Option Event occurs.
- 2.9 **Restrictions on the issuance or repurchase of Akani 2 Ordinary Shares**
- Akani 2 will only issue or repurchase Akani 2 Ordinary Shares in the circumstances in which it is a Permitted Activity.
- 2.10 **Trustees of the Employee Trusts**
- 2.10.1 The BBESI Trust
- (a) Up to three (or up to such lesser number as the WBHO Board may determine from time to time) of the trustees of the BBESI Trust will be persons appointed by the WBHO Board. Up to two of the trustees of the BBESI Trust will be persons elected from time to time by the Beneficiaries.
  - (b) At least:
    - (i) 50% of the trustees must be Black People;
    - (ii) 25% of the trustees must be Black Women;
    - (iii) 50% of the trustees must be Independent Persons; and
    - (iv) one of the trustees must be Independent of WBHO.
  - (c) The current trustees are NS Mjoli-Mncube, NS Maziya, PI Campbell, EL Nel and KB Nsimbini.
- 2.10.2 The ASI Trust
- (a) With the exception of the temporary period in which the initial trustees are the trustees:
    - (i) 50% of the trustees of the ASI Trust will be persons appointed by the WBHO Board;
    - (ii) the other 50% of the trustees of the ASI Trust will be persons elected from time to time by the Beneficiaries; and
    - (iii) one of the trustees must be Independent of WBHO.
  - (b) The initial trustees are EL Nel and SN Gumede, who have been appointed by the WBHO Board.
- 2.11 **Voting**
- 2.11.1 The trustees of each Employee Trust will endeavour to reach consensus regarding all matters. If consensus cannot be attained, the matter may be called to vote by the chairman (or chairman of the meeting, as the case may be).
- 2.11.2 Each trustee will have one vote.
- 2.11.3 Without derogating from any requirement in the BBESI Trust Deed or ASI Trust Deed for approval from WBHO or the WBHO Board on certain matters, all matters voted on will be decided by a majority (i.e., in excess of 50% of the votes exercised). If an equal number of votes is exercised for and against a resolution by the trustees of the BBESI Trust, the chairman (or chairman of the meeting, as the case may be) will have a second and casting vote. If an equal number of votes is exercised for and against a resolution by the trustees of the ASI Trust, the chairman (or chairman of the meeting, as the



case may be) will not have a second and casting vote. Notwithstanding the foregoing, (i) a majority decision of the trustees of the BBESI Trust or the ASI Trust to subscribe for Additional Akani 2 Ordinary Shares or (ii) a majority decision of the trustees of the BBESI Trust or the ASI Trust on how the BBESI Trust or the ASI Trust should vote on a shareholder resolution proposed by Akani 2 will only be effective if at least 1 trustee who is Independent of WBHO supports the majority decision.

## 2.12 **Beneficiaries of the Employee Trusts**

- 2.12.1 In relation to each Employee Trust, Eligible Persons for that Employee Trust will be offered Units.
- 2.12.2 Eligible Persons will participate via the BBESI Trust or the ASI Trust. It is contemplated that no WBHO Employee will qualify to participate in both Employee Trusts simultaneously.
- 2.12.3 No consideration will be payable in consideration for the issue of Units.
- 2.12.4 Upon acceptance or deemed acceptance of an offer of Units by an Eligible Person:
  - (a) the Eligible Person will become a Beneficiary; and
  - (b) the Eligible Person will be bound by the provisions of the relevant Trust Deed.
- 2.12.5 Once a Unit is issued to an Eligible Person, it will remain in issue, and will be held by that Eligible Person, until it is forfeited or until the Employee Trust is dissolved.
- 2.12.6 Without Class B Shareholder Consent, Beneficiaries will not be entitled to (i) Encumber, or purport to Encumber, all or any of their Units or any rights therein, thereto or forming part thereof, (ii) Dispose of, or purport to Dispose of, all or any of their Units or any rights therein, thereto or forming part thereof, or (iii) directly or indirectly enter into, or purport to directly or indirectly enter into, any agreement in respect of their Units or any rights therein, thereto or forming part thereof.
- 2.12.7 If a Beneficiary either (i) ceases to be an Eligible Person and/or (ii) breaches the provisions of paragraph 2.12.6 of this **Annexure 1**, then, unless the WBHO Board determines otherwise, the Beneficiary will forfeit all Units held by the Beneficiary for no consideration, those Units will immediately become unissued Units, and the Beneficiary will immediately cease to be a Beneficiary and cease to have any rights under the relevant Trust Deed.
- 2.12.8 In accordance with the rationale of achieving a truly transformative transaction, the WBHO Connected Persons will not participate in the Employee Trusts.
- 2.12.9 Non-executive directors of WBHO are also not eligible to participate in the Employee Trusts.

## 3. **DEFINED BENEFICIARY LEG**

### 3.1 **Subscription**

- 3.1.1 The Akani 2 Board has resolved that Akani 2 will issue the ADB Trust Subscription Shares to the ADB Trust at a price of ZAR0.01 per ADB Trust Subscription Share, if the Conditions Precedent are fulfilled and/or waived.
- 3.1.2 Once issued, the ADB Trust Subscription Shares will constitute 2% of the Akani 2 Ordinary Shares then in issue.
- 3.1.3 In addition, the ADB Trust may subscribe from time to time for Additional Akani 2 Ordinary Shares, if so agreed with WBHO, in which event Akani 2 will be obliged to issue the relevant number of Additional Akani 2 Ordinary Shares to the ADB Trust. Akani 2 will be providing “notional funding” in relation to each tranche of Additional Akani 2 Ordinary Shares. This is because on each occasion on which Additional Akani 2 Ordinary Shares are issued, (i) Akani 2 will issue each of the Additional Akani 2 Ordinary Shares concerned at a discount to the Fair Market Value of an Akani 2 Ordinary Share, and (ii) the ADB Trust will have agreed to the Defined Beneficiary Leg NF Repurchase Right.

### 3.2 **Actual Funding**

WBHO will make cash contributions to the ADB Trust in order to fund the subscription by the ADB Trust for the ADB Trust Subscription Shares and Additional Akani 2 Ordinary Shares.

### 3.3 **Notional Funding for the issue of Additional Akani 2 Ordinary Shares**

- 3.3.1 As stated above, the subscription by the ADB Trust for the Additional Akani 2 Ordinary Shares will be coupled with a notional vendor funding mechanism:
- (a) the starting amount of the notional vendor funding per Additional Akani 2 Ordinary Share will be an amount determined by subtracting ZAR0.01 from the Fair Market Value of an Additional Akani 2 Ordinary Share;
  - (b) the outstanding notional vendor funding amount will increase or decrease over the Notional Funding Period on the basis set out in the Repurchase Formula (read on a *mutatis mutandis* basis); and
  - (c) if the outstanding notional vendor funding amount has not been reduced to zero by the time of expiry of the Notional Funding Period, WBHO will be entitled to exercise the Defined Beneficiary Leg NF Repurchase Right.
- 3.3.2 The ADB Trust Subscription Shares are not coupled with a notional vendor funding mechanism and accordingly, the Defined Beneficiary Leg NF Repurchase Right does not include a right for WBHO to require Akani 2 to repurchase those shares.

### 3.4 **Ranking and restrictions**

Each ADB Trust Subscription Share and Additional Akani 2 Ordinary Share will rank *pari passu* in all respects with each other issued Akani 2 Ordinary Share upon issue. Notwithstanding this, the ADB Trust has agreed that, as a term of the issue of each Additional Akani 2 Ordinary Share the ADB Trust will in relation to the Additional Akani 2 Ordinary Shares, only be entitled to 20% (or such other percentage agreed to in writing between WBHO, Akani 2 and the ADB Trust from time to time) per Akani 2 Ordinary Share of the cash amount per Akani 2 Ordinary Share of, or 20% (or such other percentage agreed to in writing between WBHO, Akani 2 and the ADB Trust from time to time) of the assets per Akani 2 Ordinary Share comprising, each Distribution on the Akani 2 Ordinary Shares which Akani 2 declares with a Participation Record Date falling within the Suspension Period.

### 3.5 **Restrictions on Disposals and Encumbrances of the ADB Trust Subscription Shares**

- 3.5.1 Without derogating from WBHO's rights under the ADB Trust Security Cession, the ADB Trust will not be permitted to Dispose of or Encumber its Akani 2 Ordinary Shares during the Lock-in Period, save in circumstances in which it is a Permitted Activity.
- 3.5.2 After the Lock-in Period, the ADB Trust will not, without Class B Shareholder Consent, be permitted to Dispose of its Akani 2 Ordinary Shares until Akani 2 has sold and transferred all its WBHO Shares Held by it (or by its CSDP as Akani 2's nominee), but without derogating from WBHO's rights under the ADB Trust Security Cession.

### 3.6 **Security**

In terms of the ADB Trust Security Cession, the ADB Trust will cede *in securitatem debiti* its right, title and interest in and to its Akani 2 Ordinary Shares and bank account, and pledge its Akani 2 Ordinary Shares, to WBHO as security for the due and proper performance by the ADB Trust of its obligations under the Akani 2 MOI, the Relationship Agreement and the ADB Trust Security Cession.

### 3.7 **Defined Beneficiary Leg NF Repurchase Right**

- 3.7.1 If the outstanding notional vendor funding amount in respect of a tranche of Additional Akani 2 Ordinary Shares Held by the ADB Trust has not been reduced to zero by the time of expiry of the Notional Funding Period of that tranche of Additional Akani 2 Ordinary Shares, WBHO can exercise the Defined Beneficiary Leg NF Repurchase Right against the ADB Trust, by delivering written notice thereof to Akani 2 and the ADB Trust within 90 Business Days (or such longer period as is agreed to by WBHO, Akani 2 and the ADB Trust) after the expiry of the Notional Funding Period. In such event, Akani 2 will be obliged to repurchase from the ADB Trust, and the ADB Trust will be obliged to sell and transfer to Akani 2, at a price of ZAR0.01 per Akani 2 Ordinary Share, the number of the relevant Additional Akani 2 Ordinary Shares as is calculated in accordance with the Repurchase Formula (read on a *mutatis mutandis* basis) (or if WBHO so determines, some of such number).
- 3.7.2 If a Delisting Transaction is proposed or entered into, WBHO will be entitled to exercise the Accelerated NF Repurchase Right in respect of each tranche of Additional Akani 2 Ordinary Shares Held by the ADB Trust; provided that the repurchase will only occur if all the Delisting Transaction CPs are subsequently fulfilled or waived.

- 3.7.3 If a Regulation Change occurs, WBHO will be entitled to exercise the Regulation Change NF Repurchase Right in respect of each tranche of Additional Akani 2 Ordinary Shares Held by the ADB Trust.
- 3.7.4 Immediately post implementation of the Defined Beneficiary Leg NF Repurchase Right, the Accelerated NF Repurchase Right or the Regulation Change NF Repurchase Right, the outstanding notional vendor funding in relation to the relevant tranche of Additional Akani 2 Ordinary Shares will be deemed to reduce to zero.
- 3.7.5 It is anticipated that a repurchase under the Defined Beneficiary Leg NF Repurchase Right will be funded out of available cash or funding facilities.
- 3.8 **Default**  
WBHO will be entitled to exercise the Default Option if a Default Option Event occurs.
- 3.9 **Restrictions on the issuance or repurchase of Akani 2 Ordinary Shares**  
Akani 2 will only issue or repurchase Akani 2 Ordinary Shares in the circumstances in which it is a Permitted Activity.
- 3.10 **Trustees of the ADB Trust**
  - 3.10.1 There will at all times be not less than three and not more than five trustees.
  - 3.10.2 The trustees will be appointed by the WBHO Board.
  - 3.10.3 With the exception of the temporary period in which the initial trustees are the trustees, at least:
    - (a) 50% of the trustees must be Black People;
    - (b) one of the trustees must be Independent of WBHO;
    - (c) 25% of the trustees must be Black Women; and
    - (d) 50% of the trustees must be Independent Persons.
  - 3.10.4 The initial trustees are EL Nel and SN Gumede, who have been appointed by WBHO.
- 3.11 **Voting**
  - 3.11.1 The trustees will endeavour to reach consensus regarding all matters. If consensus cannot be attained, the matter may be called to vote by the chairman (or chairman of the meeting, as the case may be).
  - 3.11.2 Each trustee will have 1 vote.
  - 3.11.3 Without derogating from any requirement in the ADB Trust Deed for approval from WBHO or the WBHO Board on certain matters, all matters voted on will be decided by a majority (i.e., in excess of 50%) of the votes exercised. If an equal number of votes is exercised for and against a resolution, the chairperson (or chairman of the meeting, as the case may be) will have a second and casting vote. Notwithstanding the foregoing, (i) a majority decision of the trustees to subscribe for Additional Akani 2 Ordinary Shares, or (ii) a majority decision of the trustees on how the ADB Trust should vote on a shareholder resolution proposed by Akani 2 will only be effective if at least 1 trustee who is Independent of WBHO supports the majority decision.
- 3.12 **Benefit programmes**
  - 3.12.1 Benefit Programmes will be established in order to achieve of the objectives of the ADB Trust.
  - 3.12.2 Each Benefit Programme must be approved by the trustees.

### INDEPENDENT EXPERT REPORT

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Wilson Bayly Holmes-Ovcon Limited  
53 Andries Street  
Wynberg  
Johannesburg  
2090

25 April 2023

Dear Sirs

#### **INDEPENDENT EXPERT REPORT TO WILSON BAYLY HOLMES-OVCON LIMITED ("WBHO" OR "THE COMPANY") IN RESPECT OF THE REPURCHASES BY THE COMPANY OF ORDINARY SHARES FROM K2021474434 PROPRIETARY LIMITED ("AKANI 2") UNDER A NOTIONAL FUNDING REPURCHASE FORMULA ("REPURCHASES")**

#### **INTRODUCTION**

WBHO is entering into a transformative broad-based black economic empowerment ("**B-BBEE**") ownership transaction which will introduce Akani 2 into the ownership structure of WBHO ("**Transaction**"). Akani 2 is a special purpose vehicle to be utilised specifically for the Transaction.

In terms of a subscription agreement between WBHO and Akani 2 dated 6 April 2023 ("**Subscription Agreement**") and relationship agreement between, *inter alia*, WBHO, Akani 2, the trustees of the WBHO Broad-Based Employee Share Incentive Trust ("**BBESI Trust**"), the trustees of the Akani Share Incentive Trust ("**ASI Trust**") and the trustees of the Akani Defined Beneficiary Trust ("**ADB Trust**") dated on or about 6 April 2023 ("**Relationship Agreement**"), Akani 2 will subscribe from time to time for WBHO ordinary shares ("**WBHO Shares**") estimated to constitute between 6.3% and 24.9% of the enlarged issued share capital of WBHO once issued. 4 500 000 WBHO Shares ("**Subscription Shares**") will form part of an initial issuance. WBHO has been granted the option to issue additional WBHO Shares ("**Subscription Option Shares**"), 10,011,669 of which will be issued, as part of the initial issuance in addition to the Subscription Shares.

Further Subscription Option Shares may be issued from time to time after the initial issuance to achieve and maintain WBHO's targeted B-BBEE Ownership levels.

Capitalised words or expressions used in this report which are not defined in this report shall bear the meanings ascribed to them in the Subscription Agreement and/or the Relationship Agreement, as the case may be.

WBHO and WBHO Construction Proprietary Limited will hold Class B ordinary shares in Akani 2 ("**Akani 2 Class B Share**") through which WBHO and WBHO Construction Proprietary Limited will provide the vendor funding Akani 2 requires to subscribe for WBHO shares.

Notional vendor funding ("**NVF**") will also be provided by WBHO to Akani 2 encompassing, *inter alia*, the following:

- (a) notional funding period ("**Notional Funding Period**"):
  - (i) a 15-year period from subscription date for the Subscription Shares;
  - (ii) a three-year (or longer agreed) period from subscription date for each tranche of Subscription Option Shares; provided that the notional funding period for the Subscription Option Shares will not extend beyond the 15-year period referred to above;
- (b) a starting notional funding amount per Subscription Share and Subscription Option Share = 30-day volume weighted average price of a WBHO Share on the JSE ("**VWAP**") with reference to the relevant subscription date less R0.01 (one cent);
- (c) an Escalation Rate = the Prime Rate as at the relevant issue date plus 1% (or such lesser rate as WBHO may determine from time to time); and
- (d) a notional funding repurchase right ("**Notional Funding Repurchase Right**") – WBHO's right to repurchase a certain number of Subscription Shares or a certain number of a tranche of Subscription Option Shares as a means of settling the outstanding NVF provided to Akani 2 in respect of either those Subscription Shares or that tranche of Subscription Option Shares (if the outstanding notional funding amount is not reduced to zero by the time of the expiry of the Notional Funding Period).

The ordinary shares in Akani 2 ("**Akani 2 Ordinary Shares**") will be held by three shareholders:

- The BBESI Trust;
- The ASI Trust; and
- The ADB Trust.

### **Suspensive of rights**

Each Subscription Share and each Subscription Option Share will rank *pari passu* in all respects with each other issued WBHO Share upon issue. Notwithstanding this, Akani 2 has agreed that, as a term of the issue of:

(a) each Subscription Share, the following suspensions ("**Suspensions**") will apply:

- Akani 2 will only be entitled, in relation to each Subscription Share, to 65% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the amount per WBHO Share of, or 65% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the assets per WBHO Share comprising, each Distribution per WBHO Share which WBHO declares with a Participation Record Date falling within the Notional Funding Period;
- in the event of a Capitalisation Issue which has a Participation Record Date falling within the Notional Funding Period:
  - (i) if WBHO does not offer holders of WBHO Shares ("**WBHO Shareholders**") the right to receive a cash payment instead of an award of WBHO Shares, Akani 2 will, in relation to each Subscription Share, only be entitled to receive 65% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the WBHO Shares per WBHO Share to which it would otherwise have been entitled; or
  - (ii) if WBHO permits WBHO Shareholders to receive a cash payment instead of an award of WBHO Shares, Akani 2 will, in relation to each Subscription Share, not be entitled to receive cash and must elect to receive WBHO Shares, and will only be entitled to receive 65% (or such other percentage agreed to by WBHO and Akani 2 from time to time) of the WBHO Shares per WBHO Share to which it would otherwise have been entitled; and
- Akani 2 will, in relation to the Subscription Shares, not be entitled to subscribe for WBHO Shares under a Rights Offer with a Participation Record Date falling within the Notional Funding Period; or

(b) each tranche of Subscription Option Shares, the same suspensions as set out in (a) above will apply, save that each reference in (a) above to "65%" is to be read as a reference to "35%"

### **Notional Funding Repurchase Right (if the outstanding notional funding amount is not reduced to zero by the time of the expiry of the Notional Funding Period):**

WBHO will be providing the NVF in relation to the Subscription Shares and Subscription Option Shares, by issuing the Subscription Shares and the Subscription Option Shares at price of R0.01 (one cent) per WBHO Share.

If the outstanding notional funding amount in respect the Subscription Shares or a tranche of Subscription Option Shares is not reduced to zero within the Notional Funding Period of the Subscription Shares or that tranche of Subscription Option Shares, as the case may be, WBHO shall be entitled via the Notional Funding Repurchase Right to repurchase a number of Subscription Shares or of that tranche of Subscription Option Shares, as is calculated in accordance with the Akani 2 Repurchase Formula set out below.

### **Accelerated Notional Funding Repurchase Right (if a Delisting Transaction occurs):**

If a Delisting Transaction occurs, WBHO will be entitled to exercise the Accelerated Notional Funding Repurchase Right; i.e. an accelerated right to repurchase such number of the Subscription Shares and such number of each tranche of Subscription Option Shares as is determined using the Akani 2 Repurchase Formula set out below (read on a *mutatis mutandis* basis), as a means of settling the outstanding NVF provided to Akani 2 in respect of either the Subscription Shares or that tranche of Subscription Option Shares; provided that the repurchase will only occur if all the Delisting Transaction conditions precedent are subsequently fulfilled or waived.

## Regulation Change Repurchase Right:

If a Regulation Change occurs, WBHO shall be entitled to exercise the Regulation Change Repurchase Right i.e., an accelerated right to repurchase such number of the accelerated Subscription Shares and such number of each tranche of Subscription Option Shares as is determined using the Akani 2 Repurchase Formula set out below (read on a *mutatis mutandis* basis), as a means of settling the outstanding NVF provided to Akani 2 in respect of either those Subscription Shares or that tranche of Subscription Option Shares.

### Akani 2 Repurchase Formula:

$$A = \frac{\{[B \times C \times (1 + D)^E] - [F + G + H + I]\}}{J}$$

- A = the number of WBHO Shares being repurchased ("**Repurchase Shares**");
- B = the number of WBHO Shares comprising the Subscription Shares or the relevant tranche of Subscription Option Shares, as the case may be;
- C = the initial notional funding amount per WBHO Share in respect of the Subscription Shares or the relevant tranche of Subscription Option Shares, as the case may be;
- D = a fixed escalation factor equal to the Prime Rate as at the subscription date of the Subscription Shares or the relevant tranche of Subscription Option Shares, as the case may be, plus 1% (one percent) (or such lesser percentage as may be determined by WBHO from time to time on written notice to Akani 2), compounded annually in arrear ("**Escalation Factor**");
- E = the number of Days from the subscription date of the Subscription Shares or the relevant tranche of Subscription Option Shares, as the case may be, up to the Day on which the relevant Notional Funding Period expires (both dates inclusive) divided by 365;
- F = the sum of each amount (calculated in respect of each Distribution declared to WBHO Shareholders of cash with a Participation Record Date falling within the Notional Funding Period) calculated by (i) multiplying each cash amount per Subscription Share or per WBHO Share forming part of the relevant tranche of Subscription Option Share (net of withholding taxes) which Akani 2 did not receive because of the relevant Suspension by the number of WBHO Shares comprising the Subscription Shares or the relevant tranche of Subscription Option Shares held by Akani 2 (or by Akani 2's CSDP as Akani 2's nominee) on the Participation Record Date of the Distribution, and (ii) increasing the resultant product by the Escalation Factor from the Day on which that receipt would have occurred up to the Day on which the relevant Notional Funding Period expires (both Days inclusive);
- G = the sum of each amount (calculated in respect of each Distribution of an asset with a Participation Record Date falling within the Notional Funding Period) calculated by multiplying the Fair Market Value (as at the date on which the board of directors of WBHO ("**WBHO Board**") declares the Distribution, or as at such other date as is agreed to by WBHO and Akani 2) of the assets per Subscription Share or per WBHO Share forming part of the relevant tranche of Subscription Option Share forming the subject matter of a Distribution which (assets) Akani 2 did not receive on a Subscription Share or a WBHO Share forming part of the relevant tranche of Subscription Option Shares because of the relevant Suspension by the number of WBHO Shares comprising the Subscription Shares Held by Akani 2 (or Akani 2's CSDP as Akani 2's nominee) on the Participation Record Date of the Distribution, and (ii) increasing the resultant product by the Escalation Factor from the Day on which those assets would have been transferred to Akani 2 but for the relevant Suspension up to the Day on which the relevant Notional Funding Period expires (both Days inclusive);
- H = the sum of each amount (calculated in respect of each Capitalisation Issue with a Participation Record Date falling within the Notional Funding Period) calculated by (i) multiplying the VWAP of a WBHO Share with reference to the Participation Record Date of a Capitalisation Issue by the number of WBHO Shares per Subscription Shares or per WBHO Share forming part of the relevant tranche of Subscription Option Shares, as the case may be, which were not issued to Akani 2 because of the relevant Suspension, and (ii) increasing the resultant product by the Escalation Factor from the Day on which the WBHO Shares which were not issued by reason of the relevant Suspension would have been issued but for that Suspension up to the Day on which the relevant Notional Funding Period expires (both Days inclusive);
- I = the sum of each amount (calculated in respect of each Rights Offer with a Participation Record Date falling within the Notional Funding Period) calculated by multiplying the number of WBHO Shares comprising the Subscription Shares or the relevant tranche of Subscription Option Shares Held by Akani 2 (or by Akani 2's CSDP as Akani



2's nominee) on the Participation Record Date, by the difference between the VWAP of a WBHO Share with reference to the date of announcement of the launch (i.e., date of announcement on the JSE Stock Exchange News Service of the pricing) of the Rights Offer and the price per WBHO Share at which the Rights Offer is made by the ratio of the total number of WBHO Shares subscribed for by WBHO Shareholders under the Right Offer to the number of WBHO Shares offered under the Rights Offer, and increasing the resultant product by the Escalation Factor from the Day on which WBHO Shares subscribed for under the Rights Offer are issued up to the Day on which the Notional Funding Period expires (both Days inclusive);

J = the VWAP of a WBHO Share with reference to the Day on which the relevant Notional Funding Period expires.

Immediately post implementation of the “**Repurchase Right**” (Notional Funding Repurchase Right, Accelerated Notional Funding Repurchase Right or Regulation Change Repurchase Right, as the case may be) in respect of Subscription Shares or a tranche of Subscription Option Shares, the outstanding NVF in respect of the Subscription Shares or the relevant tranche of Subscription Option Shares will be deemed to reduce to zero.

## **INDEPENDENT EXPERT’S REPORT REQUIRED IN RESPECT OF THE REPURCHASES**

Given (i) the short length of the Notional Funding Period attaching to each tranche of Subscription Option Shares which are issued from time to time (ii) the terms and conditions of the Akani 2 Repurchase Formula, (iii) the length of the term of the Transaction (i.e., 15 years), and (iv) the expectation that, in order to maintain WBHO's targeted and competitive Black ownership levels, WBHO will issue additional Subscription Option Shares as and when it effects repurchases under the Notional Funding Repurchase Right, the aggregate of a series of Repurchases over the 15-year term of the WBHO B-BBEE Ownership Transaction, will, in the opinion of the WBHO Board, in total and in aggregate (over the 15-year term of the Transaction) result in the acquisition by WBHO in total and aggregate of more than 5% of the issued WBHO Shares. The WBHO Board has undertaken, by way of board resolution, that, notwithstanding any discretion it has under the Transaction agreements to not implement Repurchases it will, subject to any required shareholder and regulatory approvals, repurchase WBHO Shares which it is so entitled to repurchase under the Repurchase Right over the term of the WBHO B-BBEE Ownership Transaction.

The Repurchases are accordingly subject to the provisions of section 48(8) (as read with section 114 and section 115) of the Companies Act, and the WBHO Board is required to appoint an Independent Expert in terms of section 114 of the Companies Act to prepare a report documenting the effects of the Repurchases.

Merchantec Proprietary Limited (“**Merchantec Capital**”) has been appointed by the WBHO Board as the independent expert to provide the advice, required in terms of section 114 of the Companies Act, in respect of the Repurchases.

Copies of sections 115 and 164 of the Companies Act are contained in Annexure 6 of the circular to WBHO Shareholders containing this report (“**Circular**”) and are hereby included in this report by reference to Annexure 6 of the Circular.

## **RESPONSIBILITY**

Compliance with the Companies Act is the responsibility of the WBHO Board. Our responsibility is to report on the fairness and reasonableness of the terms and conditions of the Repurchases.

## **DEFINITION OF THE TERMS “FAIR” AND “REASONABLE”**

The “fairness” of a transaction is based on quantitative issues. The Repurchases may be said to be fair to Akani 2 if the consideration payable to Akani 2 is greater than or equal to the fair value of the Repurchase Shares being repurchased, or unfair if the consideration payable to Akani 2 is less than the fair value of the Repurchase Shares being repurchased.

The Repurchases may be said to be fair to the general body of WBHO Shareholders if the consideration payable to Akani 2 is less than or equal to the fair value of the Repurchase Shares being repurchased, or unfair if the consideration payable to Akani 2 is more than the fair value of the Repurchase Shares being repurchased.

The assessment of “reasonableness” of the consideration payable is based on qualitative factors around the Company, the prospects of the business and the terms of the Repurchases.

The Repurchases may be said to be reasonable if the qualitative aspects and prospects of the Company will improve based on the Subscription Agreement and Relationship Agreement and the successful completion of the Repurchases.

## DETAIL AND SOURCES OF INFORMATION USED AND REVIEWED RELEVANT TO THE VALUE OF THE SECURITIES AFFECTED BY THE REPURCHASES

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

- the Relationship Agreement
- the Subscription Agreement
- the draft feasibility, design, structuring of a Black Ownership solution prepared by Transcend Capital;
- the audited consolidated financial information of WBHO for the years ended 30 June 2019; 30 June 2020; 30 June 2021 and 30 June 2022;
- the Byrne Group Limited ("**Byrne Group**") Annual Report and Financial Statements for the year ended 30 June 2022;
- the Russells Limited ("**Russells**") Annual Report and Financial Statements for the year ended 30 June 2022;
- the management accounts of WBHO for the six months ended 31 December 2022;
- the forecast financial information for WBHO for the years ending 30 June 2023 to 30 June 2026;
- discussions with the management of WBHO on the rationale for the Repurchases;
- the terms and conditions set out in the Relationship Agreement and Subscription Agreement; and
- publicly available information relating to the industries that we deemed relevant.

The information above was obtained from:

- management of WBHO; and
- third party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing WBHO.

## PROCEDURES

In arriving at our findings, we have undertaken the following procedures in evaluating the material effect of the Repurchases:

- reviewed the terms and conditions of the Repurchase;
- reviewed the audited consolidated historical financial information of WBHO;
- performed a sum-of-the-parts valuation for WBHO valuing each of the geographic segments separately. We performed a Discounted Cash Flow ("**DCF**") valuation as the primary valuation methodology in determining the value of WBHO and its subsidiaries and Price/Earnings Multiple valuation ("**P/E**") as a secondary methodology to support the range returned by the DCF;
- calculated and applied a weighted average cost of capital to the forecasts to produce a DCF valuation for WBHO and its geographic segments;
- evaluated the relative risks associated with WBHO and the industry in which it operates;
- obtained the strategy for the WBHO business and rationale for the Repurchases and considered such other matters as we considered necessary, including assessing the prevailing economic and market conditions and trends in the appropriate industry;
- reviewed and obtained an understanding from management as to the assumptions in the forecast financial information of WBHO and assessed the achievability thereof by considering historic information as well as macroeconomic and sector-specific data; and
- performed a sensitivity analysis on key assumptions and valuation drivers included in the above valuations.

## ASSUMPTIONS

We have prepared our report based on the following assumptions:

- that all agreements that have been entered into in relation to the Repurchases will be legally enforceable;
- that the Repurchases will have the legal, accounting and taxation consequences described in materials furnished to us by representatives and advisors of WBHO;
- that the current economic, regulatory and market conditions will not change materially;



- that WBHO is not involved in any undisclosed material legal proceedings;
- that WBHO has no undisclosed material outstanding disputes with any regulatory body, including the South African Revenue Service;
- that there are no undisclosed contingencies that could affect the value of the relevant securities;
- that the structure of the Repurchases will not give rise to any undisclosed tax liabilities; and
- that reasonable reliance can be placed on the financial information of WBHO.

## **APPROPRIATENESS AND REASONABLENESS OF UNDERLYING INFORMATION AND ASSUMPTIONS**

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in preparing our report by:

- relying on audit reports in the audited consolidated financial statements of WBHO;
- conducting analytical reviews on the historical financial results and the forecast financial information, such as key ratio and trend analyses; and
- determining the extent to which representations from management and other industry experts were confirmed by documentary evidence as well as our understanding of WBHO and its subsidiaries and the economic environment in which they operate.

## **TYPE AND CLASS OF HOLDERS OF THE COMPANY'S SECURITIES AFFECTED BY THE REPURCHASES**

WBHO Shareholders, being the holders of the only class of issued shares in the Company, will be the type and class of holders of the Company's securities affected by the Repurchases. Only WBHO Shares held by Akani 2 will be repurchased under the Repurchases.

## **DESCRIPTION OF THE MATERIAL EFFECTS THAT THE PROPOSED ARRANGEMENT WILL HAVE ON THE RIGHTS AND INTERESTS OF THE WBHO SHAREHOLDERS INCLUDING AKANI 2**

The material effects of the Repurchases on Akani 2 will be a reduction in the percentage shareholding of Akani 2 in the Company and a concomitant reduction in the economic interest of Akani 2 in the Company.

Upon the implementation of the Repurchases, Akani 2 shall:

- receive a R0.01 cash payment per WBHO Share repurchased ("**Cash Payment**"); and
- benefit from the reduction of the relevant outstanding NVF to zero,

(collectively, the "**Repurchase Consideration**").

Upon implementation of the Repurchases, the other WBHO Shareholders' effective shareholding in the Company will increase it being noted, *inter alia*, that WBHO does have the right to issue additional Subscription Option Shares from time to time.

The net asset value of the Company (and consequently the shareholders' equity in the Company) shall be reduced by the Cash Payment.

## **EVALUATION OF ANY MATERIAL ADVERSE EFFECTS OF THE PROPOSED ARRANGEMENT**

Taking account of the current financial state of affairs of the Company, the Repurchases do not appear to have any reasonably probable beneficial and significant effect on the business and prospects of the Company. Likewise, the Repurchases do not appear to have any reasonably probable non-beneficial and significant effect on the business and prospects of the Company.

Taking account of the financial information provided to us by the Company in terms of the series of events as described in the introduction, it appears to us that WBHO has the necessary funds to affect the Repurchases.

The proposed arrangement does not have a material adverse effect on Akani 2 and/or the general body of WBHO Shareholders.

## **STATEMENT REGARDING ANY MATERIAL INTEREST OF ANY DIRECTOR OF THE COMPANY OR TRUSTEE FOR SECURITY HOLDERS**

None of the directors of WBHO holds a direct or indirect or indirect shareholding or beneficial interest in the securities of Akani 2.

To our knowledge, the directors of WBHO have no material interests in the Repurchases, though we note for sake of completeness that some of them are WBHO Shareholders. The information in paragraph 2 of Section B of the Circular (relating to the directors of WBHO) is hereby incorporated into this report by reference thereto. The Repurchases accordingly do not have any effect on the directors or any material interests of the directors. .

## **LIMITING CONDITIONS**

This Independent Expert Report is provided to the WBHO Board in connection with and for the sole purpose of the Repurchases, so as to assist the WBHO Board in forming and expressing an opinion for the benefit of WBHO Shareholders.

The Independent Expert Report does not purport to cater for each individual WBHO Shareholder's perspective, but rather that of the general body of the WBHO Shareholders. Should a WBHO Shareholder be in doubt as to what action to take, he or she should consult an independent advisor.

An individual WBHO Shareholder's decision as to whether to agree to the Repurchases may be influenced by their particular circumstances. The assessment as to whether or not the WBHO Board will decide to recommend the Repurchases is a decision that can only be taken by the WBHO Board. We have relied upon and assumed the accuracy of the information used by us in preparing this report. While our work has involved an analysis of the annual financial statements and other information provided to us, our engagement does not constitute, nor does it include, an audit conducted in accordance with generally accepted auditing standards.

Where relevant, forward-looking information on the Company and its subsidiaries relates to future events, it 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 accordingly express no opinion as to how closely actual results will correspond to those projected. Where practical, we compared the forecast financial information to past trends and third party estimates as well as discussing the assumptions with management, as applicable.

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

Our opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

## **INDEPENDENCE, COMPETENCE AND FEES**

We confirm that we have no direct or indirect interest in WBHO nor do we have any relationship with WBHO as contemplated in section 114(2)(b) of the Companies Act.

We also confirm that we have the necessary competence and independence to provide the Independent Expert's Report on the Repurchases as required in terms of section 114(2)(a) of the Companies Act.

Furthermore, we confirm that our professional fee of R210 000 (excluding VAT) is not contingent upon the success of the Repurchases.

## **QUALITATIVE CONSIDERATIONS**

In arriving at our findings, we have also considered the following key qualitative considerations in evaluating the reasonableness of the Repurchase:

- The rationale of the Repurchases as set out by management;

### **Rationale for the WBHO B-BBEE Transaction**

WBHO wishes to conclude the Transaction:

1. as part of its continuing commitment to advancing the objectives of B-BBEE, as contemplated in the B-BBEE Regulations;
2. to support and improve transformation in South Africa;

3. to increase its B-BBEE Ownership levels to targeted levels;
4. to maintain its competitiveness in a tender-based market;
5. to benefit Eligible Persons (as defined in the Circular) by:
  - attracting, retaining and rewarding Eligible Persons;
  - providing Eligible Persons with an opportunity to share in the success of the WBHO Group; and
  - providing Eligible Persons with an incentive to deliver WBHO's business strategy over the short, medium and long term; and
6. to support broad based development of ADB Participants (as defined in the Circular) by undertaking Benefit Programmes (as defined in the Circular) aimed at furthering, amongst others, their education and skills development.

WBHO is of the view that the structured and phased Transaction will benefit WBHO's stakeholders in relation to transformation, employee engagement, tender competitiveness and consequently long-term shareholder value.

Based on the qualitative considerations set out above, we are of the opinion that the terms and conditions of the Repurchases are reasonable in the circumstances.

## VALUATION AND CONCLUSION

Merchantec Capital performed a sum-of-the-parts valuation of WBHO and its geographic segments to determine whether the Repurchases represent fair value to Akani 2 and the general body of WBHO Shareholders.

We used a DCF analysis as the primary methodology, whereby we analysed and discounted the future cash flows of the Company. The cash flows were analysed on a forward-looking basis and discounted back to a present value.

Following the result from the DCF valuation, we stress-tested the valuation to determine which inputs had the biggest impact on the valuation. We found that the DCF valuation was very sensitive to the discount rate applied, which in turn was largely driven by the risk-free rate, the size premium, the company-specific premium and the Company's debt capital structure.

We then used a P/E relative valuation model to support the range obtained in the DCF valuation. In estimating the multiple we analysed comparable peers with operational characteristics and services analogous to WBHO. A median multiple was taken from this peer group sample and subsequently applied to the current sustainable earnings.

In undertaking the above valuation exercise at inception, we determined a company valuation range of between R124.53 and R131.79, with a mid-point of R128.00 per Repurchase Share being the best estimate of fair value. The current estimated Repurchase Consideration is R105.30 per Repurchase Share, consists of the Cash Price of R0.01 (one cent) and the discharge of the outstanding NVF at the VWAP of R105.29 (as at 20 March 2023).

However, given that the Repurchases will occur in the future linked to the relevant Notional Funding Periods, we rolled the company valuation (at inception) forward using an equity instrument required return over a three-year and fifteen-year period in order to determine the Company valuation at the future repurchase date.

On the assumption that there are sufficient WBHO Shares to be repurchased to settle the relevant outstanding NVF, the estimated future Repurchase Consideration per Repurchase Share will be equal to the outstanding NVF balance based on future VWAP plus the Cash Price of R0.01 (one cent) per Repurchase Share. However, the outstanding NVF balance alone is not considered representative of the fair value of the outstanding obligations as the only security for the outstanding obligations is the WBHO Shares held by Akani 2, with no further recourse.

In order to estimate the future VWAP we rolled the current VWAP forward using a binomial model and WBHO historic share price volatility over a three-year and fifteen-year period.

In rolling the current Company valuation and VWAP forward over a three-year and fifteen-year period, we found the current Company valuation and VWAP relationship to still hold, with the estimated future Repurchase Consideration still below the fair value of the Repurchase Shares.

That being said, however, following a Repurchase, all the outstanding obligations of Akani 2 to WBHO in respect of the relevant outstanding NVF will be extinguished. Whilst the outstanding NVF is estimated to be below the fair value of the Repurchase Shares concerned, the outstanding NVF alone is not considered representative of the fair value of the outstanding obligations as the only security for the outstanding NVF is the WBHO Shares held by Akani 2, with no further recourse. Given that the Repurchase Shares are the only security for these obligations, in our opinion, the fair value of the outstanding obligations extinguished equates to the fair value of the Repurchase Shares.

Key internal value drivers to the valuation included discount rates, growth in revenue and operating expenses, working capital requirements and capital expenditure requirements of the Company.

Key external value drivers to the valuation included interest rates, inflation rates and prevailing market and industry conditions.

## **OPINION**

Merchantec Capital has considered the proposed terms and conditions of the Repurchases (Notional Funding Repurchase Right; Accelerated Notional Funding Repurchase Right and/or the Regulation Change Repurchase Right) and based upon and subject to the conditions set out herein, is of the opinion that the terms and conditions of the Repurchases, based on quantitative and qualitative considerations, are fair and reasonable, respectively to WBHO shareholders and Akani 2.

Our opinion is based upon the information available to us up to 20 March 2023, 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 Repurchases, have been fulfilled or waived (if applicable).

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 consent to the inclusion of this report in the Circular in the form and context in which this report appears and to its inclusion, in whole or in part, in any other required regulatory announcement or documentation.

Yours faithfully

**Marcel Goncalves CA(SA)**

**Director**

**MERCHANTEC CAPITAL**

Illovo Point 13th Floor

68 Melville Road

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2196

## ANNEXURE 3

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### PRO FORMA FINANCIAL INFORMATION OF WBHO

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This **Annexure 3** sets out the *pro forma* consolidated statement of comprehensive income and *pro forma* consolidated statement of financial position for the period ended on 31 December 2022.

The definitions and interpretation principles in the “*Definitions and Interpretations*” section commencing on page 8 of the circular to which this **Annexure 3** is attached, and of which it forms part, (**Circular**), and in the “*Additional Definitions and Interpretations*” section in **Annexure 1** of the Circular, commencing on page 38 of the Circular, apply to this **Annexure 3**.

The *pro forma* financial information of WBHO is set out below. The *pro forma* consolidated statement of financial position and the *pro forma* consolidated statement of comprehensive income of WBHO have been prepared for illustrative purposes only to show the financial effects of the WBHO B-BBEE Ownership Transaction. Due to the nature of the *pro forma* consolidated statement of financial position and the *pro forma* consolidated statement of comprehensive income, the *pro formas* may not fairly present WBHO's financial position, changes in equity, results of operations or cash flows after the WBHO B-BBEE Ownership Transaction has been implemented.

The *pro forma* financial information is presented in a manner that is consistent with the accounting policies of WBHO, IFRS and the basis on which the historical financial information has been prepared. The financial information has been prepared in accordance with the JSE Listings Requirements and in compliance with the SAICA Guide on *pro forma* Financial Information. The *pro forma* consolidated statement of financial position and the *pro forma* consolidated statement of comprehensive income set out below should be read in conjunction with the report of the independent reporting accountants which is included as **Annexure 4** to the Circular.

The *pro forma* consolidated statement of comprehensive income is based on the assumption that the WBHO B-BBEE Ownership Transaction was implemented on 1 July 2022.

The *pro forma* consolidated statement of financial position is based on the assumption that the WBHO B-BBEE Ownership Transaction was implemented on 31 December 2022.

The *pro forma* information is the responsibility of the WBHO Board and has been prepared and have been presented for illustrative purposes only to provide information on how the WBHO B-BBEE Ownership Transaction may have affected the results and financial position of WBHO and may not, because of its nature, fairly present WBHO's financial position, changes in its equity, results of its operations, its cash flows, or the effect and impact of the WBHO B-BBEE Ownership Transaction going forward. The *pro forma* financial effects do not purport to be indicative of what the financial results would have been had the WBHO B-BBEE Ownership Transaction been implemented on a different date.

**Pro-forma condensed consolidated statement of financial performance and other comprehensive income of WBHO for the period ended on 31 December 2022.**

Notes	1	2	3	4	5

Notes	1	2	3	4	5	
						<b>Pro-forma six months ended 31/12/22 after the WBHO B-BBEE Ownership Transaction is implemented</b>
<b>R'000</b>	<b>Six months ended 31/12/2022 as published</b>	<b>Transaction costs</b>	<b>IAS 19 expense</b>	<b>Akani 1 repurchase estimate</b>	<b>Akani 2 Issuance</b>	
Profit for the year attributable to:	Total ops					
WBHO	440 731	(6 770)	(6 208)	–	–	427 754
Non-controlling interests	14 132					14 132
<b>Total profit for the year</b>	<b>454 863</b>	<b>(6 770)</b>	<b>(6 208)</b>	<b>–</b>	<b>–</b>	<b>441 886</b>
Total comprehensive income attributable to:	Total ops					
WBHO	319 266	(6 770)	(6 208)	–	–	306 289
Non-controlling interests	18 415					18 415
<b>Total comprehensive income for the year</b>	<b>337 681</b>	<b>(6 770)</b>	<b>(6 208)</b>	<b>–</b>	<b>–</b>	<b>324 704</b>
Shares In issue at the beginning of the year	59 891			(3 372)	14 512	71 030
Options vested	–					–
Treasury shares acquired	(6 718)			3 372	(14 512)	(17 858)
Performance shares vested						–
Weighted average shares In issue at the end of the year	53 172	–	–	–	–	53 172
Dilutive effect of options/shares allocated	–					–
Diluted weighted average number of shares	53 172	–	–	–	–	53 172
Earnings per share (cents)						
Basic earnings per share from continuing operations	828.9	(12.7)	(11.7)	–	–	804.5
Diluted earnings per share from continuing operations	828.9	(12.7)	(11.7)	–	–	804.5
<b>Headline earnings (R 000)</b>						
Attributable earnings from continuing operations	440 731	(6 770)	(6 208)	–	–	427 753

Notes	1	2	3	4	5	
						<b>Pro-forma six months ended 31/12/22 after the WBHO B-BBEE Ownership Transaction is implemented</b>
<b>R'000</b>	<b>Six months ended 31/12/2022 as published</b>	<b>Transaction costs</b>	<b>IAS 19 expense</b>	<b>Akani 1 repurchase estimate</b>	<b>Akani 2 Issuance</b>	
Adjusted for:						–
FCTR recycled through OCI		–		–		–
Profit from the disposal of property, plant and equipment	(7 832)					(7 832)
Non-controlling interest	799					799
Tax expense	1 744			–	–	1 744
Associates:						–
Profit from the disposal of property, plant and equipment	(319)					(319)
Tax expense	89					89
	<b>435 212</b>	<b>(6 770)</b>	<b>(6 208)</b>	<b>–</b>	<b>–</b>	<b>422 234</b>
Headline earnings per share (cents)						
Basic headline earnings per share from continuing operations	818.5	(12.7)	(11.7)	–	–	794.1
Diluted headline earnings per share from continuing operations	818.5	(12.7)	(11.7)	–	–	794.1

**Notes:**

1. The "Listed group 2022 as published" column has been extracted from the unaudited consolidated financial results of WBHO for the six months ended 31 December 2022.
2. Represents the once-off transaction costs related to the WBHO B-BBEE Ownership Transaction. This will not have a continuing effect.
3. IAS19 expense of R6 208m recognised. This would have a continuing effect.
4. Repurchase of shares – in terms of the 2006 B-BBEE Ownership Transaction (Akani 1).
5. Issue of 14 511 669 WBHO Shares in terms of WBHO B-BBEE Ownership Transaction (to Akani 2). The recurring IAS19 expense for these WBHO Shares is set out in Note 3 above. In terms of the WBHO B-BBEE Ownership Transaction, WBHO has the option to require Akani 2 to subscribe for additional WBHO Shares over and above the 14,511,669 that are proposed to be issued on the Initial Subscription Date). If the maximum number of WBHO Shares which can be issued on the Initial Subscription Date (i.e., 18,739,247 WBHO Shares) were to be issued on the Initial Subscription Date, the recurring IAS19 expense would increase by ZAR980 000.



**Pro-forma condensed consolidated statement of financial position of WBHO at 31 December 2022**

Notes	1	2	3	
				<b>Pro-forma six months ended 31/12/22 after the WBHO B-BBEE Ownership Transaction is implemented</b>
<b>R'000</b>	<b>31/12/2022 as published</b>	<b>Transaction costs</b>	<b>IAS 19 expense</b>	
<b>Assets</b>				
Property, plant and equipment	1 854 593			1 854 593
Right-of-use assets	149 784			149 784
Goodwill	532 408			532 408
Interests in associates and joint ventures	620 581			620 581
Long-term receivables	133 220			133 220
Deferred taxation	574 905			574 905
<b>Total non-current assets</b>	<b>3 865 491</b>	<b>–</b>	<b>–</b>	<b>3 865 491</b>
Inventories	388 070			388 070
Contract assets	388 101			388 101
Trade and other receivables	4 080 312			4 080 312
Taxation	156 677			156 677
Cash and cash equivalents	3 263 714	(6 770)	(6 208)	3 250 736
<b>Total current assets</b>	<b>8 276 874</b>	<b>(6 770)</b>	<b>(6 208)</b>	<b>8 263 896</b>
<b>Total assets</b>	<b>12 142 365</b>	<b>(6 770)</b>	<b>(6 208)</b>	<b>12 129 387</b>
<b>Equity</b>				
Share capital	28 565			28 565
Retained income	3 237 127	(6 770)	(6 208)	3 224 149
Other reserves	81 216			81 216
Foreign currency translation reserve	(158 040)			(158 040)
Shareholder's equity	3 188 868	(6 770)	(6 208)	3 175 890
Non-controlling interests	99 669			99 669
<b>Total equity</b>	<b>3 288 537</b>	<b>(6 770)</b>	<b>(6 208)</b>	<b>3 275 559</b>
<b>Liabilities</b>				
Lease liabilities	126 730			126 730
Long-term liabilities	556 219			556 219
Deferred taxation	26 600			26 600
<b>Total non-current liabilities</b>	<b>709 549</b>	<b>–</b>	<b>–</b>	<b>709 549</b>
Contract liabilities	2 438 738			2 438 738
Trade and other payables	3 262 569			3 262 569
Provisions	2 398 734			2 398 734
Taxation	44 238			44 238
<b>Total current liabilities</b>	<b>8 144 280</b>	<b>–</b>	<b>–</b>	<b>8 144 280</b>
<b>Total liabilities</b>	<b>8 853 828</b>	<b>–</b>	<b>–</b>	<b>8 853 828</b>
<b>Total equity and liabilities</b>	<b>12 142 365</b>	<b>(6 770)</b>	<b>(6 208)</b>	<b>12 129 387</b>
Number of shares in issue to the public ('000)	53 172			53 172
Net asset value per share (cents)	6 185			6 160
Tangible net asset value per share (cents)	5 183			5 159

Notes:

1. The "Listed group 2022 as published" column has been extracted from the unaudited consolidated financial results of WBHO for the six months ended 31 December 2022.
2. Represents the once-off transaction costs related to the WBHO B-BBEE Ownership Transaction. This will not have a continuing effect.
3. IAS 19 expense recognised.

## ANNEXURE 4

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### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF THE PRO FORMA FINANCIAL INFORMATION

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#### The Director

Wilson Bayly Holmes-Ovcon Limited  
53 Andries Street  
Wynberg  
Johannesburg  
2090

25 April 2023

Dear Directors

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF THE PRO FORMA FINANCIAL INFORMATION OF WILSON BAYLY HOLMES-OVCON LIMITED ("the Company") IN A CIRCULAR

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of WBHO ("the Company") by the directors. The *pro forma* financial information, as set out in Annexure 3 of the circular to be issued on or about 5 May 2023 ("the Circular"), consists of the *pro forma* statement of financial position as at 31 December 2022, the *pro forma* statement of comprehensive income for the period ended 30 June 2022 and related notes. The applicable criteria on the basis of which the WBHO Directors have compiled the *pro forma* financial information are specified in the Johannesburg Stock Exchange ("JSE") Listings Requirements and described in Annexure 3.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of the WBHO BEE transaction, described in Paragraph 3 of the Circular, on the Company's financial position as at 31 December 2022, and the Company's financial performance for the period then ended, as if the corporate action or event had taken place at 1 July 2022 and for the period then ended. As part of this process, information about the company's financial position and financial performance has been extracted by the directors from the Company's financial statements for the period ended 31 December 2022.

#### WBHO Directors' responsibility for the *pro forma* financial information

The WBHO Directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 3 of the Circular.

#### Our independence and quality control

We have complied with the independence and other ethical requirements of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies the International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Reporting Accountants' responsibility

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listing Requirements based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

The purpose of *pro forma* financial information included in the Circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the corporate action or event at 31 December 2022 would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *pro forma* financial information provide a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- the related *pro forma* adjustments give appropriate effect to those criteria; and
- the *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

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

## **Opinion**

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listing Requirements and described in Annexure 3 of the Circular.

## **Purpose of this report**

This report has been prepared for the purpose of the Circular and for no other purpose.

Yours faithfully

## **BDO South Africa Incorporated**

Chartered Accountants (SA)

Registered Auditors

### **Paul Badrick**

Chartered Accountant (SA)

Registered Auditor

Partner

52 Corlett Drive

Illovo

Johannesburg

2196

## ANNEXURE 5

### TRADING HISTORY OF WBHO SHARES ON THE JSE

The table below sets out the price history of the WBHO Shares traded on the JSE, disclosing the aggregate volumes and values traded, and the highest and lowest prices traded, for each month over the 12 months up to the Last Practicable Date, and each JSE trading day over the 30 JSE trading days preceding the Last Practicable Date.

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value Traded (Rand)
<b>Monthly</b>					
March 2022	8,501	6,916	8,094	3,009,569	229,495,515
April 2022	8,471	7,011	7,457	918,413	71,439,346
May 2022	8,172	7,001	8,163	1,242,080	94,362,710
June 2022	8,888	7,575	8,088	1,613,926	129,937,736
July 2022	10,300	7,317	9,017	763,606	68,655,342
August 2022	9,604	7,258	8,826	363,600	32,074,539
September 2022	9,200	7,000	8,586	6,094,996	462,591,987
October 2022	9,950	8,500	9,643	1,747,100	163,741,660
November 2022	10,200	8,224	9,480	949,504	93,263,608
December 2022	9,706	8,341	8,864	471,351	42,196,107
January 2023	10,600	8,552	9,841	538,491	50,833,653
February 2023	10,699	8,621	10,400	954,103	95,152,175
March 2023	11,246	9,302	10,580	1,773,197	187,723,438
1–24 April 2023	11,379	10,100	10,800	366,141	39,033,207
<b>Last 30 trading days</b>					
<b>Daily</b>					
09-Mar-23	11,225	10,986	11,121	25,986	2,881,899
10-Mar-23	11,200	10,607	11,200	187,105	20,785,050
13-Mar-23	11,246	10,677	11,188	22,794	2,530,803
14-Mar-23	11,188	10,658	10,977	13,758	1,496,043
15-Mar-23	10,994	10,651	10,840	81,503	8,822,193
16-Mar-23	10,836	10,421	10,451	73,045	7,819,791
17-Mar-23	10,633	10,100	10,507	95,447	10,004,240
20-Mar-23	10,199	9,883	10,169	34,082	3,434,857
22-Mar-23	10,100	9,900	10,000	10,122	1,013,080
23-Mar-23	10,050	9,900	10,000	10,452	1,043,759
24-Mar-23	9,932	9,556	9,750	13,316	1,301,223
27-Mar-23	9,950	9,602	9,849	19,749	1,944,969
28-Mar-23	11,199	9,850	10,700	81,705	8,453,742
29-Mar-23	11,199	10,200	10,697	23,198	2,479,307
30-Mar-23	10,886	10,151	10,439	31,726	3,372,016
31-Mar-23	10,780	10,200	10,580	36,056	3,822,742
03-Apr-23	11,000	10,115	10,778	34,409	3,638,479
04-Apr-23	11,379	10,405	11,324	42,002	4,643,314
05-Apr-23	11,095	10,701	10,896	15,119	1,646,822
06-Apr-23	10,900	10,532	10,715	32,988	3,528,922
11-Apr-23	10,699	10,150	10,307	33,902	3,561,673
12-Apr-23	10,500	10,201	10,396	52,812	5,511,509

<b>Period</b>	<b>High (cents)</b>	<b>Low (cents)</b>	<b>Close (cents)</b>	<b>Volume</b>	<b>Value Traded (Rand)</b>
13-Apr-23	10,500	10,150	10,421	15,554	1,614,900
14-Apr-23	10,757	10,100	10,757	8,705	924,817
17-Apr-23	10,793	10,205	10,793	23,359	2,498,372
18-Apr-23	11,000	10,342	10,821	22,704	2,411,254
19-Apr-23	10,893	10,500	10,893	17,320	1,865,791
20-Apr-23	11,000	10,535	10,540	43,283	4,649,538
21-Apr-23	10,765	10,312	10,400	12,378	1,304,053
24-Apr-23	10,897	10,206	10,800	11,606	1,233,763

**WORDING OF SECTION 115 AND SECTION 164**

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**Section 115: Required approval for transactions contemplated in Part A**

- (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 Takeover 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 five 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.

#### **Section 164: Dissenting shareholders appraisal rights**

- (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; or
    - (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 also be delivered to the Panel, and 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 five 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 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 order 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
- 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.

## **NOTICE OF GENERAL MEETING**

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**NOTICE IS HEREBY GIVEN** to WBHO Shareholders recorded as such in the WBHO Securities Register on Friday, 28 April 2023 that a general meeting of WBHO will be held at 10:00 (South African Standard Time) on Tuesday, 6 June 2023, subject to any cancellation, adjournment or postponement, by way of electronic communication in terms of section 63(2)(a) of the Companies Act to consider and, if deemed fit, adopt, with or without modification, the ordinary and special resolutions set out in this Notice of General Meeting in the manner required by the Companies Act, as read with the JSE Listings Requirements.

Reference in this Notice of General Meeting to the **General Meeting** includes a resumption of an adjourned meeting, and the recommencement of a postponed meeting.

The WBHO Board has, in accordance with section 62(3)(a), read with section 59(1)(b), of the Companies Act, determined that WBHO Shareholders recorded as such in the WBHO Securities Register on the Record Date of Friday, 26 May 2023 are entitled to attend, participate in, and vote at, the General Meeting. Accordingly, the last day to trade in WBHO Shares in order to be recorded in the WBHO Securities Register to be entitled to attend, participate in, and vote at, the General Meeting will be Tuesday, 23 May 2023.

The WBHO Board has determined that the General Meeting will be held by electronic means only, and not by way of a physical meeting. The General Meeting will accordingly only be accessible through electronic communication, as is permitted by the JSE and in accordance with the provisions of the Companies Act and the WBHO MOI. WBHO has retained the services of Lumi Technologies Proprietary Limited to remotely host the General Meeting on an interactive electronic platform, in order to facilitate remote participation and voting by WBHO Shareholders. The Transfer Secretaries will act as scrutineer for purposes of the General Meeting.

In order to electronically attend, electronically participate in, and/or electronically vote at, the General Meeting in person, or by proxy or representative, WBHO Shareholders recorded as such in the WBHO Securities Register on the Record Date are required to either register online prior to the commencement of the General Meeting using the online registration portal at [www.smartagm.co.za](http://www.smartagm.co.za) or to contact the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) as soon as possible, but in any event no later than 10:00 (South African Standard Time) on Friday, 2 June 2023. The Transfer Secretaries will assist WBHO Shareholders with the necessary means to access, and accordingly the requirements for electronic attendance at, electronic participation in, and/or electronic voting at, the General Meeting.

**WBHO Shareholders are advised that, in terms of section 63(1) of the Companies Act, any person (including proxies and representatives) attending or participating in the General Meeting must present reasonably satisfactory identification before being entitled to attend, participate in, and vote at, the General Meeting. The Chairman is obliged to validate (which he will do in consultation with the Transfer Secretaries) each WBHO Shareholder's (or proxy's or representative's) entitlement to attend, participate in, and/or vote at, the General Meeting, before providing it with the necessary means to access the General Meeting and the associated voting platform. Acceptable forms of identification include a valid identity document or smart card identification document, a valid driver's licence or a valid passport. Acceptable forms of identification should be sent to the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za).**

Included in this Notice of General Meeting are the following:

- the ordinary and special resolutions proposed to be adopted at the General Meeting; and
- procedural guidance notes relating to attendance, participation and voting at the General Meeting. **If you are in any doubt as to what action to take, please consult your CSDP, broker, banker, agent, legal adviser, accountant or other professional adviser immediately.**

This Notice of General Meeting is accompanied by a Form of Proxy.

The purpose of the General Meeting is to place before WBHO Shareholders the resolutions required to enable WBHO to implement the WBHO B-BBEE Ownership Transaction so that WBHO Shareholders can consider them and, if deemed fit, adopt them, with or without modification.

The definitions and interpretation principles in the “Definitions and Interpretations” section commencing on page 8 of the circular to which this Notice of General Meeting is attached, and of which it forms part, (**Circular**), and in the “Additional Definitions and Interpretations” section in **Annexure 1** of the Circular, commencing on page 38 of the Circular, apply throughout this Notice of General Meeting.

### **SPECIAL RESOLUTION NUMBER 1 – Authority for specific issues of shares for cash**

RESOLVED THAT the WBHO Board be and is hereby authorised to issue WBHO Shares for cash pursuant to the Specific Issues and the WBHO B-BBEE Ownership Transaction Agreements, comprising the:

- issue by WBHO of the Subscription Shares; and
- grant to WBHO of the Subscription Option, and the issues by WBHO of Subscription Option Shares pursuant to the exercise by WBHO (on one or more occasions) of the Subscription Option.”

In terms of section 5.51 of the JSE Listings Requirements, the issue by WBHO of the Subscription Shares must be approved by a 75% majority of the votes cast by WBHO Shareholders present in person or by proxy or representative at the General Meeting.

In terms of section 5.53 of the JSE Listings Requirements, if an option is granted in relation to the issue of shares for cash, such option will be permitted in respect of a specific issue of such option, provided specific approval is obtained for such grant in terms of paragraph 5.51 of the JSE Listings Requirements. Accordingly, the grant of the Subscription Option (and the subsequent issue of WBHO Shares upon the exercise of that option) must be approved by a 75% majority of the votes cast by WBHO Shareholders present in person or by proxy or representative at the General Meeting.

The BBESI Trust will not exercise the votes attaching to the WBHO Shares Held or Beneficially Owned by it (if any) on the Record Date on Special Resolution Number 1 given, *inter alia*, its participation in the WBHO B-BBEE Ownership Transaction.

**The reason** for proposing Special Resolution Number 1 is that WBHO wishes to issue WBHO Shares, and to be granted an option to issue further WBHO Shares (and to subsequently issue those WBHO Shares upon the exercise of that option) under the WBHO B-BBEE Ownership Transaction, as part of its commitment to B-BBEE, and requires WBHO Shareholder approval to do so pursuant to section 41(3) of the Companies Act (if applicable) and sections 5.51 and 5.53 of the JSE Listings Requirements.

**The effect** of WBHO Shareholders adopting Special Resolution Number 1 is to grant WBHO the authorisation it requires pursuant to section 41(3) of the Companies Act (if applicable) and sections 5.51 and 5.53 of the JSE Listings Requirements to issue WBHO Shares, and to be granted an option to issue further WBHO Shares (and to subsequently issue those WBHO Shares upon the exercise of that option) under the WBHO B-BBEE Ownership Transaction.

### **SPECIAL RESOLUTION NUMBER 2 – Authority for financial assistance**

“RESOLVED THAT the WBHO Board be and is hereby authorised, to the extent such authorisation is required by sections 44 and 45 of the Companies Act, to provide direct and/or indirect financial assistance as contemplated in sections 44 and 45 of the Companies Act in terms of, in respect of, or in connection with, the WBHO B-BBEE Ownership Transaction and the WBHO B-BBEE Ownership Transaction Agreements.”

In order for Special Resolution Number 2 to be adopted, it must be approved by a 75% majority of the votes cast by WBHO Shareholders present in person or by proxy or representative at the General Meeting.

The BBESI Trust will not exercise the votes attaching to the WBHO Shares Held or Beneficially Owned by it (if any) on the Record Date on Special Resolution Number 2 given, *inter alia*, its participation in the WBHO B-BBEE Ownership Transaction.

**The reason** for proposing Special Resolution Number 2 is that WBHO wishes to provide financial assistance for the purposes of, and in connection with, the WBHO B-BBEE Ownership Transaction, as part of its commitment to B-BBEE, and requires WBHO Shareholder approval to do so.

**The effect** of WBHO Shareholders adopting Special Resolution Number 2 is to grant WBHO the authorisation it requires under the Companies Act to provide such financial assistance.

### **SPECIAL RESOLUTION NUMBER 3 – Authority for specific repurchases**

“RESOLVED THAT the Company be and is hereby authorised (*inter alia* in accordance with section 46 and section 48 (including section 48(8)(b)) of the Companies Act and paragraph 5.69 of the JSE Listings Requirements), as a specific authority, to repurchase WBHO Shares pursuant to the Specific Repurchases and the WBHO B-BBEE Ownership Transaction Agreements.”

In order for Special Resolution Number 3 to be adopted, it must be approved by a 75% majority of the votes cast by WBHO Shareholders present in person or by proxy or representative at the General Meeting.

The BBESI Trust will not exercise the votes attaching to the WBHO Shares Held or Beneficially Owned by it (if any) on the Record Date on Special Resolution Number 3 given, *inter alia*, its participation in the WBHO B-BBEE Ownership Transaction.

**The reason** for proposing Special Resolution Number 3 is that WBHO:

- wishes to issue WBHO Shares under the WBHO B-BBEE Ownership Transaction, as part of its commitment to B-BBEE; and
- requires WBHO Shareholder approval for WBHO to repurchase some or all of those WBHO Shares in specific circumstances set out in the WBHO B-BBEE Ownership Transaction Agreements.

**The effect** of WBHO Shareholders adopting Special Resolution Number 3 is to grant WBHO the authorisation it requires to repurchase WBHO Shares pursuant to the WBHO B-BBEE Ownership Transaction Agreements.

According to the JSE Listings Requirements, WBHO will only be entitled to implement such a repurchase if the following requirements are met:

- the solvency and liquidity test in section 4 of the Companies Act is met;
- each of WBHO and the WBHO Group is able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of the repurchase;
- the assets of WBHO and the WBHO Group exceed the liabilities of WBHO and the WBHO Group (respectively) for a period of 12 months after the date of the repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in WBHO's latest audited annual financial statements which comply with the Companies Act;
- each of WBHO and the WBHO Group has share capital and reserves which are adequate for ordinary business purposes for a period of 12 months after the date of the repurchase;
- the working capital of each of WBHO and the WBHO Group is adequate for ordinary business purposes for a period of 12 months after the date of the repurchase; and
- the WBHO Board has passed a resolution authorising the repurchase, and which states that WBHO has passed the solvency and liquidity test in section 4 of the Companies Act and that since the test was performed there have been no material changes to the financial position of the WBHO Group.

In addition:

- upon each repurchase, WBHO will publish an announcement on SENS in compliance with the JSE Listings Requirements containing the details of the repurchase and containing the above financial confirmations; and
- WBHO will not repurchase any WBHO Shares during a prohibited period (as defined in the JSE Listings Requirements), unless there is a repurchase programme in place where the dates and the quantities of WBHO Shares to be traded during the relevant period are fixed, and are not subject to any variation, the repurchase programme has been submitted to the JSE in writing prior to the commencement of the prohibited period, and, prior to the commencement of the prohibited period, WBHO will have instructed an independent third party, which makes its investment decisions in relation to WBHO Shares independently of, and uninfluenced by, WBHO, to execute the repurchase programme submitted to the JSE.

#### **SPECIAL RESOLUTION NUMBER 4 – Section 164(9) revocation**

"RESOLVED THAT, in terms of section 164(9) of the Companies Act, if Special Resolution Number 3 is adopted, but any Condition Precedent is neither fulfilled nor waived or the WBHO B-BBEE Ownership Transaction is cancelled, Special Resolution Number 3 will be deemed to have been revoked, and accordingly each WBHO Shareholder which has sent or does send, pursuant to the adoption of Special Resolution Number 3, a demand to WBHO in terms of sections 164(5) to (8) of the Companies Act to be paid the fair value of its WBHO Shares, will cease to have, and be deemed not to have had, any right, pursuant to the adoption of Special Resolution Number 3, to be paid any amount under section 164 of the Companies Act."

In order for Special Resolution Number 4 to be adopted, it must be approved by a 75% majority of the votes cast by WBHO Shareholders present in person or by proxy or representative at the General Meeting.

The BBESI Trust will not exercise the votes attaching to the existing WBHO Shares Held or Beneficially Owned by it (if any) on the Record Date on Special Resolution Number 4 given, *inter alia*, its participation in the WBHO B-BBEE Ownership Transaction.

**The reason** for Special Resolution Number 4 is to prevent a situation where a WBHO Shareholder which has exercised or does exercise its Appraisal Rights is able to enforce those rights even though the WBHO B-BBEE Ownership Transaction is not to be implemented because a Condition Precedent has neither been fulfilled nor waived or because the WBHO B-BBEE Ownership Transaction is cancelled.

**The effect** of adopting Special Resolution Number 4 will be to prevent a situation where a WBHO Shareholder which has exercised its Appraisal Rights is able to enforce those rights even though the WBHO B-BBEE Ownership Transaction is not to be implemented because any Condition Precedent has neither been fulfilled nor waived or because the WBHO B-BBEE Ownership Transaction is cancelled.

### **ORDINARY RESOLUTION NUMBER 1 – Authority to implement**

“RESOLVED THAT each WBHO Director and the Company Secretary (each being entitled to act individually) be and is hereby authorised, on behalf of the Company, to do or cause to be done all such things, and sign or cause to be signed all such documentation, as may be reasonably desirable or reasonably necessary to give effect to, or are incidental or ancillary to, (i) the resolutions in the Notice of General Meeting containing this Ordinary Resolution Number 1, and/or (ii) the WBHO B-BBEE Ownership Transaction, and insofar as any such actions have been taken before the adoption of this Ordinary Resolution Number 1, such actions be and are hereby ratified and approved to the fullest extent permitted by Law.”

In order for Ordinary Resolution Number 1 to be adopted, it must be approved by more than 50% of the votes cast by WBHO Shareholders present in person or by proxy or representative at the General Meeting.

The BBESI Trust will not exercise the votes attaching to the existing WBHO Shares Held or Beneficially Owned by it (if any) on the Record Date on Ordinary Resolution Number 1 given, *inter alia*, its participation in the WBHO B-BBEE Ownership Transaction.

**The reason** for Ordinary Resolution Number 1 is to enable each WBHO Director and the Company Secretary to do or cause to be done all such things, and sign or cause to be signed all such documentation, as may be reasonably desirable or reasonably necessary to give effect to, or are incidental or ancillary to, the resolutions in this Notice of General Meeting and/or the WBHO B-BBEE Ownership Transaction.

**The effect** of adopting Ordinary Resolution Number 1 will be to grant authorisation to each WBHO Director and the Company Secretary to do or cause to be done all such things, and sign or cause to be signed all such documentation, as may be reasonably desirable or reasonably necessary to give effect to, or are incidental or ancillary to, the resolutions in this Notice of General Meeting and/or the WBHO B-BBEE Ownership Transaction.

### **Guidance Notes:**

#### **Electronic participation:**

The General Meeting will be conducted entirely through electronic means in accordance with the provisions of the Companies Act and the WBHO MOI.

The electronic meeting facility will enable all participants to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting.

Access by means of electronic communication will be at the expense of the particular WBHO Shareholder.

None of the JSE, the Company or Lumi Technologies Proprietary Limited shall be held liable or 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 WBHO Shareholder or proxy or representative from attending, participating in, and/or voting at, the General Meeting.

#### **Voting:**

The Chairman of the WBHO Board is of the view that all resolutions to be voted on at the General Meeting should be put to a vote on a poll, rather than being determined on a show of hands, so as to accord with best practice and to reflect more fairly the views of WBHO Shareholders. It follows that an WBHO Shareholder who attends the General Meeting, whether in person or by proxy or representative, will have a total number of votes equal to the total number of WBHO Shares held by that WBHO Shareholder on the Record Date. If voting were by a show of hands, each WBHO Shareholder who attended the General Meeting, whether in person or by proxy or representative, would be entitled to one vote irrespective of the number of WBHO Shares it Held on the Record Date. Accordingly, the Chairman of the WBHO Board has determined that voting will be conducted by way of a poll.

#### **Dematerialised Shareholders other than Own-Name Dematerialised Shareholders**

Dematerialised Shareholders (other than Own-Name Dematerialised Shareholders) who wish to attend, participate in, and/or vote at, the General Meeting, or wish to appoint a representative to attend, participate in, and/or vote at, the General Meeting, must instruct their CSDP or broker to provide them or their representative with the relevant letter of representation to attend, participate in, and/or vote at, the General Meeting. If they do not wish to attend in person or by representative, they must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between them and the CSDP or broker.

Unless you advise your CSDP or broker, in terms of your custody agreement, by the cut-off time stipulated therein, that you wish to attend, participate in, and/or vote at, the General Meeting personally or through a representative, your CSDP or broker will assume that you do not wish to attend, participate in, and vote at, the General Meeting and do not wish to send a representative.

The Company does not accept any responsibility for any failure by a CSDP or broker to adhere to a request from a Dematerialised Shareholder.

### **Own-Name Dematerialised Shareholders and Certificated Shareholders**

An Own-Name Dematerialised Shareholder or Certificated Shareholder is entitled to appoint a proxy or proxies to act in its stead. A proxy need not be an WBHO Shareholder.

The Form of Proxy accompanies this Circular.

The Form of Proxy is only to be completed by Own-Name Dematerialised Shareholders and Certificated Shareholders.

### **Lodgement of Forms of Proxy**

For administrative purposes, it is requested that Forms of Proxy be lodged with the Transfer Secretaries by delivering, posting or emailing them to the Transfer Secretaries' addresses set out below.

It is requested, for administrative ease, that Forms of Proxy are delivered, posted or emailed so as to be received by the Transfer Secretaries by 10:00 (South African Standard Time) on Friday, 2 June 2023; provided that Forms of Proxy can be emailed to the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) so as to be received at any time before the resolutions are first put to a vote at the General Meeting.

An Own-Name Dematerialised Shareholder or Certificated Shareholder who completes and lodges a Form of Proxy will nevertheless be entitled to attend, participate in, and vote at, the General Meeting to the exclusion of the proxy.

### **Transfer Secretaries' addresses:**

Computershare Investor Services Proprietary Limited  
(Registration Number: 2004/003647/07)  
Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196, South Africa  
(Private Bag X9000, Saxonwold, 2132, South Africa)  
[proxy@computershare.co.za](mailto:proxy@computershare.co.za)

By order of the WBHO Board

Donnafeg Msiska  
Company Secretary  
Wynberg

Friday, 5 May 2023







## WILSON BAYLY HOLMES-OVCON LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1982/011014/06)

ISIN: ZAE000009932

JSE share code: WBO

(**WBHO** or the **Company**)

### FORM OF PROXY

**For use by Own-Name Dematerialised Shareholders and Certificated Shareholders at the General Meeting of WBHO to be held at 10:00 (South African Standard Time) on Tuesday, 6 June 2023, including a resumption of an adjourned meeting, and the recommencement of a postponed meeting.**

The definitions and interpretation principles in the "Definitions and Interpretations" section commencing on page 8 of the circular to which this Form of Proxy is attached, and of which it forms part, (**Circular**), and in the "Additional Definitions and Interpretations" section in **Annexure 1** of the Circular, commencing on page 38 of the Circular, apply throughout this Form of Proxy.

Reference in this Form of Proxy to the **General Meeting** includes a resumption of an adjourned meeting, and the recommencement of a postponed meeting.

**Dematerialised Shareholders (other than Own-Name Dematerialised Shareholders) must not complete or submit this Form of Proxy.**

Dematerialised Shareholders (other than Own-Name Dematerialised Shareholders) who wish to attend, participate in, and/or vote at, the General Meeting, or wish to appoint a representative to attend, participate in, and/or vote at, the General Meeting, must instruct their CSDP or broker to provide them or their representative with the relevant letter of representation to attend, participate in, and/or vote at, the General Meeting. If they do not wish to attend in person or by representative, they must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between them and the CSDP or broker.

I/We \_\_\_\_\_ (please PRINT names in full)

of \_\_\_\_\_ (address)

Tel no \_\_\_\_\_ Cell no \_\_\_\_\_

E-mail \_\_\_\_\_

being the Holder(s) of WBHO Shares do hereby appoint (see notes 1 and 2):

1. \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ or failing him/her,

3. the chairman of the General Meeting,

as my/our proxy to attend, participate and vote on my/our behalf at the General Meeting (convened for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat, and to vote for and/or against the resolutions, and/or abstain from voting thereon, in respect of the WBHO Shares Held by me/us, in accordance with the following instructions and otherwise in accordance with the Companies Act, the WBHO MOI and the terms of the attached notes:

Resolution	For	Against	Abstain
<b>SPECIAL RESOLUTION NUMBER 1</b> – Authority for specific issues of shares for cash			
<b>SPECIAL RESOLUTION NUMBER 2</b> – Authority for financial assistance			
<b>SPECIAL RESOLUTION NUMBER 3</b> – Authority for specific repurchases			
<b>SPECIAL RESOLUTION NUMBER 4</b> – Section 164(9) revocation			
<b>ORDINARY RESOLUTION NUMBER 1</b> – Authority to implement			

**\* One vote per WBHO Share held by a WBHO Shareholder. A WBHO Shareholder must insert the relevant number of votes it wishes to vote, or abstain from voting, in the appropriate box provided or "X" should it wish to vote all WBHO Shares Held by it in the same manner or wish to abstain from voting all WBHO Shares Held by it.** If no instruction is provided, the proxy (if not the chairman of the General Meeting) will be entitled to vote or abstain from voting as he/she deems fit, provided that if the proxy is the chairman of the General Meeting, he/she will be deemed to be instructed to vote in favour of the resolutions set out above, in respect of all shares Held by the WBHO Shareholder concerned.

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2023

Signature \_\_\_\_\_

Capacity \_\_\_\_\_ (where applicable):

**Note:** Authority of signatory to be attached – see notes 6 and 7.

Assisted by me \_\_\_\_\_ (where applicable):

Full name \_\_\_\_\_ (please PRINT name)

Signature \_\_\_\_\_

Capacity \_\_\_\_\_

## SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- a shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders meeting on behalf of such shareholder;
- a shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
- a proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder;
- any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, 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 and to the relevant company;
- a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise;
- if the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a shareholder must be delivered by such company to:
  - the relevant shareholder; or
  - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing, and (ii) paid any reasonable fee charged by such company for doing so.

### Notes:

1. Each WBHO Shareholder is entitled to appoint one (or more) proxies (none of whom need be a WBHO Shareholder) to attend, participate and vote in place of that WBHO Shareholder at the General Meeting.
2. A WBHO Shareholder entitled to attend and vote at the General Meeting may insert the name of a proxy or the names of two alternative proxies of the WBHO Shareholder's choice in the space/s provided with or without deleting "the chairman of the General Meeting" but the WBHO Shareholder must initial any such deletion. The person whose name stands first on the Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are indicated, the proxy will be exercised by the chairman of the General Meeting.
3. Completed Forms of Proxy and the authority (if any) under which they are signed must be (i) emailed, delivered, or posted to the Transfer Secretaries at proxy@computershare.co.za, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196, South Africa or Private Bag X9000, Saxonwold, 2132, South Africa to be received by them, for administrative purposes, by no later than 10:00 on Friday, 2 June 2023, or (ii) thereafter emailed to the Transfer Secretaries at proxy@computershare.co.za so as to be received at any time before the resolutions are first put to a vote at the General Meeting.
4. The completion and lodging of this Form of Proxy will not preclude the relevant WBHO Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such WBHO Shareholder wish to do so.
5. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this Form of Proxy, unless previously recorded by the Transfer Secretaries.
6. Where this Form of Proxy is signed under power of attorney, such power of attorney must accompany this Form of Proxy, unless it has been registered by the Transfer Secretaries or waived by the chairman of the General Meeting.
7. Where WBHO Shares are held jointly, all joint holders are required to sign this Form of Proxy.
8. A minor WBHO Shareholder must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity have been registered by the Transfer Secretaries.
9. This Form of Proxy will be valid at a resumption of an adjourned meeting, and the recommencement of a postponed meeting although this Form of Proxy will not be used at the resumption of an adjourned meeting, and the recommencement of a postponed meeting if it could not have been used at the original meeting for any reason other than it was not lodged timeously for the original meeting.
10. This Form of Proxy will in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the General Meeting, subject to any specific direction contained in this Form of Proxy as to the manner of voting.
11. A vote given in accordance with the terms of this Form of Proxy will be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the WBHO Shares in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid will have been received by the Transfer Secretaries before the commencement of the General Meeting.
12. Any proxy appointed pursuant to this Form of Proxy may not delegate her or his authority to act on behalf of the relevant WBHO Shareholder.
13. Any alteration or correction made to this form of proxy, other than the deletion of alternatives, must be initialled by the signatory/ies.
14. The chairman of the General Meeting may accept or reject any Form of Proxy not completed and/or received in accordance with these notes or with the WBHO MOI.