

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this Circular apply *mutatis mutandis* throughout this Circular including this cover page.

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

Action required:

- This document is important and should be read with particular attention to page 3 entitled "Action required by Shareholders", which sets out the action required of Shareholders with regard to this Circular.
- If you have disposed of all your Mettle Shares, then this Circular should be forwarded to the purchaser to whom, or the Broker, agent or CSDP through whom, you disposed of your Shares.

Mettle Investments does not accept any responsibility and will not be held liable for any failure on the part of CSDPs or Brokers of Dematerialised Shareholders to notify such Shareholders of the information set out in this Circular.



Mettle Investments Limited

(Incorporated in the Republic of South Africa)
(Registration number 2008/002061/06)
JSE Share Code: MLE
ISIN ZAE000257622

CIRCULAR TO METTLE INVESTMENTS SHAREHOLDERS

regarding:

- the granting by Mettle Investments of the Drag Along Right and the Exit Right which may, if one or the other is exercised, result in the disposal by Mettle Investments of its interest in the MSI Group,

and incorporating

- a Notice of General Meeting of Mettle Shareholders; and
- a Form of Proxy for Certificated and Own-Name Dematerialised Shareholders

Transaction Designated Advisor



Corporate Advisor



Legal Advisor



Independent reporting accountants to MSI



Independent reporting accountants to Mettle Investments



Independent reporting accountants to MSA



Date of issue: 26 November 2019

This Circular is only available in English. Copies of this Circular may be obtained from the registered office of Mettle Investments and the Designated Advisor, the addresses of which are set out in the "Corporate Information and Advisors" section of this Circular, from the date of issue hereof until the date of the General Meeting. An electronic copy of this Circular will be available on the Company's website www.mettleinvestments.com/Investor-information/Circulars from the issue date of this Circular.

CORPORATE INFORMATION AND ADVISORS

Directors

Executive

Hendrik Frederik Prinsloo (Chief executive officer)

Thomas More Flannery

Justin John Rookledge (Chief financial officer)

Independent Non-Executive

Raymond David Fenner (Lead Independent Director)

Marco Van Zyl Wentzel

Bruce Andrew Chelius

Non-Executive

Friedrich Hans Esterhuyse (Non-independent chairman)

Hendrik Van der Merwe Scholtz

Place and date of incorporation

South Africa, 30 January 2008

Corporate Advisor to Mettle Investments and MSI Group

Mettle Corporate Finance Proprietary Limited
(Registration number 2011/102921/07)

1st Floor, FedGroup Place, Willie van Schoor Avenue
Bellville, 7530

(PO Box 3991, Tygervalley, 7536, Cape Town)

Transaction Designated Advisor

Questco Proprietary Limited

(Registration number 2002/005616/07)

1st Floor, Yellowwood House

Ballywoods Office Park

33 Ballyclare Drive, Bryanston, 2021

Independent reporting accountants to MSA

PKF Octagon Inc.

(Registration number 2018/515503/21)

21 Scott Street

Waverley, 2090

(Private Bag X02 Highlands North, 2037)

Legal Advisor

Cliffe Dekker Hofmeyr Inc.

(Registration number 2008/018923/21)

11 Buitengracht Street

Cape Town, 8001

(PO Box 695, Cape Town, 8000)

Company Secretary

Mettle Corporate Finance Proprietary Limited
(Registration number 2011/102921/07)

1st Floor, FedGroup Place, Willie van Schoor Avenue
Bellville, 7530

(PO Box 3991, Tygervalley, 7536, Cape Town)

Registered office

1st Floor, FedGroup Place

Willie van Schoor Avenue

Bellville, 7530

Transfer secretaries

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

Rosebank Towers

15 Biermann Avenue

Rosebank, 2196

(PO Box 61051, Marshalltown, 2107)

Independent reporting accountants to Mettle Investments

PricewaterhouseCoopers Inc.

(Registration number 1998/012055/21)

5 Silo Square,

V&A Waterfront

Cape Town, 8002

(PO Box 2799, Cape Town, 8000)

Independent reporting accountants to MSI Group

BDO South Africa Inc.

(Registration number 1995/002310/21)

6th Floor,

119–123 Hertzog Boulevard

Cape Town, 8001

(PO Box 2275, Cape Town, 8000)

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IMPORTANT DATES AND TIMES

The definitions and interpretations commencing on page 4 of this Circular apply *mutatis mutandis* to these salient dates and times.

Important dates and times in relation to the General Meeting are set out below:

Record date as determined by the Board in accordance with section 59 of the Companies Act for Mettle Shareholders to be eligible to receive the Circular	Friday, 15 November 2019
Announcement released on SENS relating to the posting of the Circular and including a notice convening the General Meeting	Tuesday, 26 November 2019
Last day to trade in order to be eligible to vote at the General Meeting	Monday, 30 December 2019
Record date in order to vote at the General Meeting	Friday, 3 January 2020
Receipt of Forms of Proxy by 10:00 (note 3)	Thursday, 9 January 2020
General Meeting to be held at 10:00 on	Monday, 13 January 2020
Results of the General Meeting released on SENS	Monday, 13 January 2020

Notes:

1. The above dates and times are subject to amendment and any amendment made will be released on SENS.
2. All times given are South African local times.
3. Forms of Proxy may also be handed to the Chairman up to the commencement of the General Meeting.

ACTION REQUIRED BY SHAREHOLDERS

If you are in any doubt as to what action to take, you should consult your CSDP, Broker, attorney or other professional advisor immediately.

A General Meeting will be held at 10:00 on Monday, 13 January 2020 at 1st Floor, FedGroup Place, Willie van Schoor Avenue, Bellville, 7530, South Africa, to consider, and if deemed fit, approve the Resolutions.

You should read this Circular carefully and decide how you wish to vote on the Resolutions to be proposed at the General Meeting. The Notice is attached to and forms part of this Circular.

If you have Dematerialised your Mettle Shares without Own-Name Registration:

(a) Voting at the General Meeting

- i. Your CSDP/Broker is obliged to contact you in the manner stipulated in the custody agreement concluded between you and your CSDP/Broker to ascertain how you wish to cast your vote at the General Meeting and thereafter to cast your vote in accordance with your instructions.
- ii. If you have not been contacted, it would be advisable for you to contact your CSDP/Broker and furnish it with your voting instructions.
- iii. If your CSDP/Broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your CSDP/Broker.
- iv. You must NOT complete the attached Form of Proxy.

(b) Attendance and representation at the General Meeting

In accordance with the custody agreement between you and your CSDP/Broker, you must advise your CSDP/Broker if you wish to attend the General Meeting in person or if you wish to appoint a proxy to represent you thereat and your CSDP/Broker will issue the necessary letter of representation for you or your proxy to attend the General Meeting.

If you have not Dematerialised your Mettle Shares or you have Dematerialised your Mettle Shares with Own-Name Registration:

(a) Voting, attendance and representation at the General Meeting

- i. You may attend and vote at the General Meeting in person.
- ii. Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Form of Proxy in accordance with the instructions contained therein.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless otherwise stated or the context indicates a contrary intention, the following expressions shall have the meanings set out opposite them. Cognate expressions shall bear corresponding meanings, words denoting one gender shall include the others, natural persons shall include juristic persons and *vice versa* and the singular shall import and include the plural and *vice versa*.

“A Ordinary Shares”	class A no par value ordinary shares in the share capital of MSI having the rights and being subject to the restrictions set out in the MOI;
“A Shareholders”	the holders of A Ordinary Shares after the Re-organisations, being MLE (c.59%), Trigen Group (c.25%), Mstead (c.13%) and MSI Management (c.3%);
“Act” or “Companies Act”	the Companies Act, 2008 (Act 71 of 2008), as amended from time to time;
“Agreements”	the Shareholders’ Agreement and the Subscription Agreement;
“B Ordinary Shares”	class B no par value ordinary shares in the share capital of MSI having the rights and being subject to the restrictions set out in the MOI, and which are identical to the rights and restrictions associated with the A Ordinary Shares with the exception of the Preferential Right;
“B Shareholders”	the holders of B Ordinary Shares, being, initially, the Subscriber;
“Board” or “Directors”	the present board of directors of Mettle Investments as detailed in the “Corporate Information and Advisors” section of this Circular;
“Broker”	any person registered as a “broking member (equities)” in terms of the rules of the JSE made in accordance with the provisions of the FMA;
“CDC”	CDC Group plc (registration number 38777777), a public limited company incorporated in accordance with the laws of England and Wales, having its registered address at 123 Victoria Street, London, England, SW1E 6DE, and the holding company of the Subscriber;
“Certificated Shareholders”	Mettle Shareholders holding Shares represented by a paper share certificate or other physical documents of title, which Shares have not been surrendered for Dematerialisation in terms of the Strate system and which may no longer be traded on the JSE;
“Circular”	this bound document, dated 26 November 2019, which includes the Notice and all annexures hereto;
“Conditions”	the conditions precedent to the Transaction, as set out in the Shareholders’ Agreement;
“CSDP”	a central securities depository participant, as defined in the FMA, appointed by an individual shareholder for purposes of, and in regard to, the Dematerialisation for purposes of incorporation into Strate, and to hold and administer Dematerialised Shares or an interest in Dematerialised Shares on behalf of a Shareholder;
“Dematerialise” or “Dematerialisation”	the process by which securities held by Certificated Shareholders are converted or held in an electronic form as uncertified securities and recorded in a sub-register of security holders maintained by a CDSP or Broker;
“Dematerialised Shareholders”	holders of Dematerialised Shares;
“Dematerialised Shares”	shares which have been Dematerialised;

“Designated Advisor”	Questco Proprietary Limited (registration number 2002/005616/07) a private company incorporated in accordance with the laws of South Africa, full details of which are set out in the “Corporate Information and Advisors” section of this Circular;
“Drag Along Right”	the drag along provisions contained in the Shareholders’ Agreement requiring all MSI shareholders (including Mettle Investments) to transfer their shares to a <i>bona fide</i> third party, in the event that MSI shareholders holding 75% or more of the MSI shares in issue wish to transfer all their shares to the <i>bona fide</i> third party at a price to be determined at the time this entitlement is triggered, as further detailed in paragraph 5 of schedule 8 of the Shareholders’ Agreement, extracted and provided in section 1 of Annexure 1;
“Effective Date”	being the earlier of the date of satisfaction or waiver of the last of the Conditions and the date on which the Subscriber may provide Interim Funding to MSI in accordance with the Shareholders’ Agreement (if applicable);
“ESG Breach”	a breach by MSI or any company which is for the time being a subsidiary of MSI of any ESG Requirements;
“ESG Requirements”	the Environmental, Social and Governance requirements set out in paragraph 8.2 and part 1 and part 2 of schedule 6 of the Shareholders’ Agreement to the extent that they apply to any MSI Group company, extracted and provided in section 3 of Annexure 1;
“Exit”	<p>the completion of one or more agreements for the disposal of MSI Shares and/or Holding Entity Shares (as appropriate) which results in the B Shareholder disposing of its entire holding of MSI Shares:</p> <ul style="list-style-type: none"> • to an independent third party purchaser; • to MSI; and/or • to any of the other MSI shareholders, <p>and, for the purposes of this definition disposal or disposing of shall mean a sale, transfer, assignment, buy back, redemption or other disposition whereby the relevant person ceases to be the absolute beneficial owner of the relevant MSI Share in question;</p>
“Exit Right”	the right granted to the Subscriber that entitles the Subscriber, under certain circumstances, to require all MSI shareholders (including Mettle Investments) to dispose of their interests in MSI in the event that the Subscriber becomes entitled to trigger such right, at a price which, at the time of granting of such right, has not been agreed or determined, as further detailed in paragraph 16 of the Shareholders’ Agreement, extracted and provided in section 2 of Annexure 1;
“First Subscription”	the first subscription of B Ordinary Shares by the Subscriber made pursuant to the Subscription Agreement;
“First Subscription Date”	the date upon which the Subscriber is required to undertake the First Subscription in accordance with the Subscription Agreement;
“FMA”	the Financial Markets Act, 2012 (Act 19 of 2012), as amended from time to time;
“Form of Proxy”	the Form of Proxy forming part of the Notice;

“General Meeting”	the general meeting of Mettle Shareholders to be held at 1st Floor, FedGroup Place, Willie van Schoor Avenue, Bellville, 7530, South Africa at 10:00 on Monday, 13 January 2020 for the purposes of considering and, if deemed fit, to pass the Resolutions, with or without amendment;
“Green Create”	Green Create Holdings Limited (registration number 125078 C2/GBL), a private company limited by shares incorporated in accordance with the laws of Mauritius and an entity independent of and unrelated to Mettle Investments;
“Group”	Mettle Investments and its Subsidiaries;
“Holding Entity Shares”	any shares or securities in the capital of any body corporate, the principal purpose of which is to hold shares in the capital of, or other securities issued by, MSI or an MSI shareholder or any holding company of any such MSI shareholder;
“IFRS”	International Financial Reporting Standards, which comprise standards and interpretations approved by the International Accounting Standards Board, International Financial Reporting Interpretations Committee and International Accounting Standards, and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee;
“Independent Reporting Accountants”	<p>collectively or where applicable:</p> <ul style="list-style-type: none"> • PriceWaterhouseCoopers Inc. (registration number 1998/012055/21), a personal liability company incorporated in accordance with the laws of South Africa, the Independent Reporting Accountants to Mettle Investments; and/or • PKF Octagon Inc. (registration number 2018/515503/21), a personal liability company incorporated in accordance with the laws of South Africa, the Independent Reporting Accountants to MSA; and/or • BDO South Africa Inc. (registration number 1995/002310/21), a personal liability company incorporated in accordance with the laws of South Africa, the Independent Reporting Accountants to MSI, <p>full details of which are set out in the “Corporate Information and Advisors” section of this Circular;</p>
“Individual Promoters”	Dr Christoffel Hendrik Wiese, MSI Management and Mr Louis Norval;
“Irremediable ESG Breach”	an ESG Breach which is not capable of remedy;
“Interim Funding”	any interim funding provided by the Subscriber to MSI by way of subscription for B Ordinary Shares notwithstanding that not all the Conditions have been fulfilled;
“Issue Price”	the amount paid up or credited as paid up on the B Ordinary Shares being ZAR 6,469.411265 per B Ordinary Share;
“JSE”	the Johannesburg Stock Exchange operated by JSE Limited, a public company incorporated in South Africa registration number 2005/022939/06 and licensed as an exchange under the FMA;
“Last Practicable Date”	the last practicable date prior to the finalisation of this Circular, being Friday, 15 November 2019;
“Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;
“MAS”	Mettle Administrative Services Proprietary Limited (registration number 2004/015618/07), a limited liability private company incorporated in accordance with the laws of South Africa, which is wholly-owned by Mettle Investments;
“Mauritius”	the Republic of Mauritius;

“Mettle Investments” or “the Company”	Mettle Investments Limited (registration number 2008/002061/06), a public company incorporated in accordance with the laws of South Africa and listed on the Alternative Exchange of the JSE;
“Mettle Shareholders” or “Shareholders”	the holders of issued Mettle Shares;
“Mettle Shares” or “Shares”	issued ordinary shares of no par value in the share capital of the Company;
“MOI”	the Memorandum of Incorporation of MSI;
“MSA”	Mettle Solar Africa Limited (registration number 126000 C1/GBL), a private company limited by shares incorporated in accordance with the laws of Mauritius and licensed as a Category 1 Global Business Company, wholly-owned by MSI following the Re-organisations;
“MSI”	Mettle Solar Investments Proprietary Limited (registration number 2016/215610/07), a limited liability private company incorporated in accordance with the laws of South Africa, having, following the Re-organisations, A Ordinary Shares in issue, 55% which are held by Mettle Investments and the balance held by Trigen Group and MSI Management;
“MSI Group”	MSI and its Subsidiaries, including MSA following the Re-organisations;
“MSI Management”	Francois Malan Ver Loren van Themaat, identity number 770528 5213 085, the chief executive officer of MSI;
“MSI Shares”	A Ordinary Shares and/or B Ordinary Shares, as the context may require;
“Mstead”	Mstead Limited (registration number 129237 C1/GBL), a private company limited by shares incorporated in accordance with the laws of Mauritius and an entity independent of and unrelated to Mettle Investments;
“Notice”	the notice of General Meeting, inclusive of the Form of Proxy, forming part of this Circular;
“Option Shares”	600 A Ordinary Shares;
“Option Price”	R3,611 per Option Share;
“Own-Name” or Own-Name Registration”	Dematerialised Shareholders who have registered their Shares in their own-name with a CSDP in terms of the FMA;
“Post Balance Sheet Events”	collectively, the Re-organisations and the Transaction;
“Preferential Right”	in respect of the B Ordinary Shares, the right of a B Shareholder to a return of its capital invested in the case of either: <ul style="list-style-type: none"> • a liquidation, dissolution or winding up of MSI within two years of the First Subscription Date, save where such event was caused by a fact, matter or circumstance (a) that was fairly disclosed to the Subscriber or (b) that occurs after the First Subscription Date and is beyond the control of MSI or the holders of the A Ordinary Shares; or • any Exit or other form of sale or disposal of the A Ordinary Shares and B Ordinary Shares or a disposal of all of MSI’s assets or subsidiaries, in each case, within two years of the First Subscription Date where the value at which such Exit or transaction is concluded is at a discount to the Issue Price;
“Register”	the register of Certificated Shareholders maintained by Mettle Investments and the sub-registers of Dematerialised Shareholders maintained by the relevant CSDPs;

“Re-organisations”	the internal re-organisation of the interests of Mettle Investments in MSI and MSA (being a 55% shareholding in each of MSI and MSA) together with those of the minority shareholders in MSI and MSA, such that MSA shall become a wholly-owned subsidiary of MSI and Mettle Investments’ interest in MSI will remain at 55%, in preparation for the implementation of the Transaction;
“Resolutions”	the ordinary resolutions required to be approved by Mettle Shareholders in respect of the Drag Along Right and the Exit Right, respectively, which consists of ordinary resolutions 1, 2 and 3 set out in the Notice;
“Reward”	Reward Investments (No. 2) Limited (registration number 09432546), a private limited liability company duly incorporated in accordance with the laws of England and Wales, which is owned by Mettle Investments (90%) and Tradegro (10%);
“Reward Finance”	Reward Finance Group Limited (registration number 7385919), a private limited liability company duly incorporated in accordance with the laws of England and Wales, which, via its subsidiaries, offers specialised lending facilities to SMEs in the United Kingdom, in which Reward has a 72.5% shareholding;
“SENS”	the Stock Exchange News Service of the JSE;
“Shareholders’ Agreement”	the agreement, dated 24 June 2019, between the MSI and its shareholders, being Gridworks Development, MSI, Trigen Group, Mstead and the Individual Promoters;
“Shareholder Approval Condition”	the passing of all necessary resolutions by the shareholders of the Company approving the Drag Along Right and the Exit Right, respectively;
“SME”	small and medium-sized enterprises;
“SOC”	Statement of Comprehensive Income;
“SOP”	Statement of Financial Position;
“South Africa” or “SA”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a limited liability private company incorporated in accordance with the laws of South Africa, a registered central securities depository in terms of the FMA;
“Subscriber” or Gridworks Development”	Gridworks Development Partners LLP (registration number OC423567), a limited liability partnership duly incorporated in England and Wales, having its registered address at 123 Victoria Street, London, England, SW1E6DE, and wholly-owned by CDC;
“Subscription”	the subscription by the Subscriber for B Ordinary Shares pursuant to, as the context may require, any Interim Funding, the First Subscription or any Subsequent Subscription;
“Subscription Agreement”	the agreement, dated 24 June 2019, between the Company, MSI, Gridworks Development, Trigen Group, Mstead and MSI Management;
“Subscription Shares”	in respect of each Subscription, such number of B Ordinary Shares as specified in the applicable draw down notice or Interim Funding request, issued at the Issue Price, provided the aggregate number of Subscription Shares in respect of all Subscriptions shall not exceed 16 493 B Ordinary Shares, being a maximum of 40% of the aggregate of the A Ordinary Shares and B Ordinary Shares in issue, and the aggregate Issue Price will not exceed R106.7 million;

“Subsequent Subscription”	any further subscription of Subscription Shares by the Subscriber after completion of the First Subscription;
“Subsidiaries”	Mettle Investments, Reward Finance and MSI subsidiaries, as applicable, from time to time as defined in terms of section 3 of the Act;
“Tradegro”	Tradegro S.à.r.l., a limited liability company (<i>société à responsabilité limitée</i>), with registration number B 149.807, duly incorporated in accordance with the laws of Luxembourg, a wholly-owned indirect subsidiary of Tradehold;
“Tradehold”	Tradehold Limited (registration number 1970/009054/06), a public company incorporated in accordance with the laws of South Africa, which is effectively managed from Malta, and the shares of which are listed on the main board of the JSE;
“Transaction”	collectively, the capitalisation of various shareholder loans by the existing shareholders of MSI and the dilution by Mettle Investments of its interests in MSI through the Subscription, which are inter-conditional and which shall both immediately follow the Re-organisations;
“Transfer Secretaries”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company incorporated in accordance with the laws of South Africa, full details of which are set out in the “Corporate Information and Advisors” section of this Circular;
“Trigen Group”	Trigen Group Proprietary Limited (registration number 2003/018462/07), a limited liability private company incorporated in accordance with the laws of South Africa and an entity independent of and unrelated to Mettle Investments;
“Unremedied ESG Breach”	an ESG Breach which is not so remedied within the agreed grace period; and
“VAT”	value added tax as defined in the Value Added Tax Act, 1991 (Act 89 of 1991), as amended from time to time.



Mettle Investments Limited

(Incorporated in the Republic of South Africa)

(Registration number 2008/002061/06)

JSE Share Code: MLE

ISIN ZAE000257622

CIRCULAR TO METTLE INVESTMENTS SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THE CIRCULAR

Shareholders are referred to an announcement issued by the Company on 24 June 2019 (a copy of which is set out in Annexure 6 for easy reference) in which they were advised that Agreements had been entered into which contain details relating to a transaction that would result in the introduction of Gridworks Development as a shareholder of MSI, alongside Mettle Investments, Trigen, Mstead and MSI Management and which would take place after the capitalisation of certain shareholders' loans advanced by Mettle Investments and its fellow shareholders.

The Transaction itself constitutes a category 2 transaction in terms of the Listings Requirements as the net impact of the Subscription and the capitalisation of Mettle Investments' shareholders' loans, which give rise to a disposal and acquisition, respectively, is within the threshold set out in the Listings Requirements for companies listed on the Alternative Exchange. Accordingly, the Transaction is not subject to Mettle Shareholders' approval.

Nonetheless, the Shareholders' Agreement, which will govern the relationship between the shareholders of MSI subsequent to the implementation of the Transaction, includes the Drag Along Right and the Exit Right each of which, if exercised by the relevant party, could result in the disposal, on behalf of Mettle Investments, of its shareholding in MSI for a consideration that, at the present time, has not been agreed or determined. Accordingly, in terms of the Listings Requirements, the Drag Along Right and the Exit Right, which are mutually exclusive, each constitute a category 1 transaction and must be approved by Mettle Shareholders.

The purpose of this Circular is, *inter alia*, to furnish Mettle Shareholders with all the relevant information relating to the Drag Along Right and the Exit Right in accordance with the Listings Requirements and to convene the General Meeting in order for Mettle Shareholders to consider and, if deemed fit, approve, with or without amendment, the Resolutions.

2. THE RE-ORGANISATIONS, THE TRANSACTION AND THE ISSUE OF MANAGEMENT SHARES AND OPTIONS

2.1 The Re-organisations

Prior to the implementation of the Transaction, Mettle Investments' interests in solar power generation businesses were held through a 55% shareholding in each of MSI and MSA, together with co-shareholders who are unrelated to Mettle Investments in any other way. In order to facilitate the Transaction and create a single entry point for Gridworks Development, it was necessary to implement the Re-organisations, which resulted in MSA becoming a wholly-owned subsidiary of MSI and Mettle Investments retaining its 55% effective shareholding in MSA via its 55% shareholding in MSI.

2.2 The Transaction

In anticipation of the Transaction, and subsequent to the Re-organisations, all the MSI ordinary shares have been converted into A Ordinary Shares. In order for MSI to issue the Subscription Shares, it has been necessary for MSI to create the B Ordinary Shares, which will be subscribed for by the Subscriber. The A Ordinary Shares and B Ordinary Shares rank *pari passu* in all material respects, save for the Preferential Right.

In addition, prior to the issue of the Subscription Shares, shareholders' loans to MSI amounting to R111.7 million in aggregate (at the Last Practicable Date) will be capitalised, of which R68.3 million is attributable to Mettle Investments. The capitalisation of Mettle Investments' loan to MSI will result in Mettle Investments' shareholding in MSI increasing from 55% to 59.2%.

The issue of the Subscription Shares subsequent to, and conditional upon, the capitalisation of the aforementioned loans will result in Mettle Investments' interest in MSI diluting to 35.2%.

The Subscription Shares will not all be issued at once, but will be issued in accordance with draw down notices delivered by MSI which draw down notices may be delivered to the Subscriber at any time from the date on which all the Conditions have been fulfilled or the date of the first advance of interim funding as per the Subscription Agreement, whichever occurs first, but by no later than the funding backstop date, being 31 March 2020.

2.3 Issue of shares and options to MSI Management

An agreement has been entered into between MSI and MSI Management in terms of which MSI Management will subscribe for 365 A Ordinary Shares at the Issue Price on the Effective Date. MSI will advance a loan to MSI Management in order for it to settle the Issue Price. Such loan will be settled within three years ("the Management Subscription Shares"). This agreement is subject to the implementation of the Transaction.

Furthermore, MSI has granted MSI Management an option to acquire the Option Shares at the Option Price. The exercise date in respect of half of the Option Shares is the fourth anniversary of the Effective Date and the fifth anniversary of the Effective Date in respect of the balance of the Option Shares, provided that MSI Management is still employed by MSI on such dates.

MSI Management is not a director of Mettle Investments and is not considered a related party to Mettle Investments in terms of the Listings Requirements. The issue of the Management Subscription Shares and the Option Shares has been aggregated when assessing the categorisation of the Transaction as a category 2 transaction.

3. THE DRAG ALONG RIGHT AND THE EXIT RIGHT

3.1 The Drag Along Right

The Shareholders' Agreement contains a Drag Along provision which requires all MSI shareholders (including Mettle Investments) to transfer their shares to a *bona fide* third party, in the event that more than 75% of the MSI shareholders wish to transfer all their shares to the *bona fide* third party. The Drag Along Right applies to the A Ordinary Shares and the B Ordinary Shares.

To the extent that Mettle Investments' interest in MSI remains above 25%, Mettle Investments is able to block the exercise of the Drag Along Right. Should Mettle Investments' interest in MSI drop below 25% for any reason, then Mettle Investments may be required to dispose of its interest in MSI at a price which, at present, has not been agreed or determined. Accordingly, the Drag Along Right requires the approval of Mettle Shareholders.

The full provisions of the Drag Along Right are set out in paragraph 5 of Schedule 8 of the Shareholders' Agreement, which is extracted and provided in section 1 of Annexure 1.

3.2 The Exit Right

The Shareholders' Agreement provides that at any time following the seventh anniversary of the Effective Date, the Subscriber may issue a written notice (an "Exit Notice") to MSI, the Individual Promoters and the A Ordinary Shareholders ("the Parties"), following which the Parties shall determine a suitable process for the Subscriber to realise its investment in MSI ("an Exit") within 12 months of the date the Parties received the Exit Notice ("Target Exit Date").

If a *bona fide* offer is made, in writing, following the Exit Notice but before the Target Exit Date, by one or more of the A Ordinary Shareholders (“the Offeror”) for all the B Ordinary Shares in circumstances which would achieve an Exit, the Subscriber may at their option:

- accept the offer and dispose of all their B Ordinary Shares to the Offeror; or
- decline the offer whereupon such offer shall be deemed a reference offer and the price offered per B Ordinary Share shall be deemed to be the “Reference Price”.

If an Exit has not occurred by the Target Exit Date or if an Irremediable ESG Breach or an Unremedied ESG Breach has occurred after the Effective Date, the B Shareholder may:

- market the MSI Group with a view to a sale of all the MSI Shares, being the A Ordinary Shares and the B Ordinary Shares; and
- if a *bona fide* third party offer (“*Bona Fide* Third Party”) is made, require all the other MSI shareholders to transfer all their MSI Shares to the *Bona Fide* Third Party on the Drag Along Right terms, provided that the price per MSI Share so offered exceeds the Reference Price.

The granting by the Company of the Exit Right affords the Subscriber the right to require the Company to dispose of its interest in MSI at a price which, at present has not been agreed or determined. Accordingly, the Exit Rights require the approval of Mettle Shareholders.

The full provisions of the Exit Right are set out in paragraph 16 of the Shareholders’ Agreement, which is extracted and provided in section 2 of Annexure 1.

3.3 Overview of the Subscriber

The Subscriber is a developer of, and investor in the power transmission projects, distribution and off-grid sectors in Africa. CDC, the holding company of the Subscriber, is the UK Government’s development finance institution and is committed to building businesses, creating jobs and demonstrating successful investments in Africa and South Asia.

3.4 Conditions to the Drag Along Right and the Exit Right

The Drag Along Right and the Exit Right are subject to the fulfilment or waiver (where appropriate) of, *inter alia*, the Transaction becoming unconditional in accordance with the Agreements, the salient condition precedent being the Drag Along Right and the Exit Right being approved by Mettle Shareholders at the General Meeting in accordance with the Listings Requirements.

The Subscriber has the right, notwithstanding that the Shareholder Approval Condition has not been fulfilled, to provide Interim Funding in accordance with the Subscription Agreement. In such case the provisions of the Shareholders’ Agreement, other than the Exit Right and the Drag Along Right, will come into force. The Exit Right and the Drag Along Right will however remain suspended until such time as the Exit Right and the Drag Along Right have been approved by Shareholders at the General Meeting.

3.5 Warranties and undertakings

The warranties, representations and undertakings contained in the Agreements are standard for transactions of this nature.

4. FINANCIAL INFORMATION

4.1 Pro forma financial information

The pro forma financial information has been prepared to illustrate the impact of the Post Balance Sheet Events and the exercise of either the Drag Along Right or the Exit Right on the audited consolidated financial results of the Group for the year ended 28 February 2019, had the Post Balance Sheet Events and the exercise of the Drag Along Right or the Exit Right occurred on 28 February 2019 for SOFP purposes, and on 1 March 2018 for SOCI purposes.

The pro forma financial information has been prepared using accounting policies that comply with IFRS and that are consistent with those applied in the audited annual financial statements of Mettle Investments for the year ended 28 February 2019.

The pro forma financial information, which is the responsibility of the Directors, is provided for illustrative purposes only and, because of its pro forma nature, may not fairly present Mettle Investments' financial position, changes in equity, results of operations, cash flow, nor the effect and impact of the Post Balance Sheet Events and the exercise of either the Drag Along Right or the Exit Right going forward.

The pro forma financial effects have been prepared to illustrate two scenarios pertaining to either the Drag Along Right or the Exit Right, as follows:

- *Scenario 1:* The Drag Along Right or the Exit Right is exercised and Mettle Investments is required to dispose of its interest in MSI at the most likely price that is currently estimable, being an amount derived from the Issue Price; and
- *Scenario 2:* The Drag Along Right or the Exit Right is exercised and Mettle Investments is required to dispose of its interest in MSI for R1 (i.e. presenting a “downside” scenario).

The full pro forma financial effects are set out in Annexure 2 and should be read in conjunction with the Reporting Accountant's report thereon, as set out in Annexure 3.

The pro forma financial effects are set out below:

	Audited “Before” ⁽¹⁾	Pro forma after the Post Balance Sheet Events ⁽²⁾	Pro forma after the Post Balance Sheet Events and the exercise of either the Drag Along Right or the Exit Right	
			Scenario 1 ⁽³⁾	Scenario 2 ⁽⁴⁾
Basic and diluted earnings/(loss) per share (cents)	7.14	5.80	16.83	(26.01)
Basic and diluted headline earnings per share (cents)	14.69	11.84	11.84	11.84
Weighted average number of Shares in issue ('000)	215 868	215 868	215 868	215 868
Net asset value per Share (cents)	198	199	209	172
Tangible net asset value per Share (cents)	196	197	207	169
Total Shares in issue at 28 February 2019 ('000)	247 174	247 174	247 174	247 174

Notes:

Shareholders are referred to the detailed notes contained in Annexure 2. High-level notes on the above pro forma financial effects are set out below:

1. The “Before” column has been extracted from the published audited consolidated financial results of the Group for the year ended 28 February 2019.
2. This column illustrates the financial effects of the Post Balance Sheet Events.
3. This column illustrates the financial effects of the Post Balance Sheet Events and Scenario 1 of the Drag Along Right or Exit Right.
4. This column illustrates the financial effects of the Post Balance Sheet Events and Scenario 2 of the Drag Along Right or Exit Right.

4.2 Historical financial information of MSI and MSA

The audited historical financial information of MSI for the year ended 28 February 2019 is incorporated by reference in this Circular as set out in paragraph 10 and should be read in conjunction with the relevant Independent Reporting Accountant's report thereon as set out in Annexure 4.

The audited historical financial information of MSA, being a substantial acquisition by MSI pursuant to the Re-organisations, for the year ended 28 February 2019 is incorporated by reference in this Circular as set out in paragraph 10 and should be read in conjunction with the relevant Independent Reporting Accountant's report thereon as set out in Annexure 5.

5. INFORMATION RELATING TO METTLE INVESTMENTS

5.1 History and nature of business

The Company was incorporated in 2008 and became a wholly-owned subsidiary of Tradehold when it was acquired in March 2014. In May 2018 the Company became the investment vehicle through which Tradehold held its financial services assets, at which time it was separately listed on the Alternative Exchange of the JSE and unbundled by Tradehold to its shareholders.

Mettle Investments holds 90% of the shares in Reward, a UK focussed asset-backed lending business, and also operates a South African focussed specialist financial services business.

In addition to the above, the Company has investments in incremental housing finance and a number of smaller early-stage financial services orientated opportunities with significant growth potential in market sectors where Mettle Investments can add value.

5.2 Group prospects

Mettle's UK business, Reward, continues to benefit from the ongoing uncertainty in the UK resulting from Brexit, which has resulted in banks being hesitant to lend to smaller businesses. The Directors expect that Reward's contribution to the Group results, which would be for a full 12-month period during the next financial year ending 29 February 2020, will have a positive impact on the Group. The South African businesses are performing in line with expectations and the Directors believe that the Group remains positioned for growth going forward.

5.3 Information relating to the Board

There will be no changes to the Board as a result of the Transaction. Mr Hendrik van der Merwe Scholtz was appointed to the Board as a non-executive Director on 14 August 2019.

Employment contracts have been concluded with all executive Directors. These are standard employment contracts and are reviewed from time to time. Copies of these contracts are available for inspection as set out in paragraph 14.

None of the Directors receive any management, consulting, technical or other fees paid directly or indirectly from the Company or its Subsidiaries.

5.4 Directors' interests in Mettle Shares

At the Last Practicable Date, the Directors' and their associates' interest in Mettle Shares were as follows:

Director	Direct beneficial	Indirect beneficial	Total	Percentage (%)
HF Prinsloo and his associate	-	9 591 972	9 591 972	3.88
TM Flannery	192 634	-	192 634	*
JJ Rookledge	683 622	-	683 622	*
MVZ Wentzel and his associate	-	667 954	667 954	*
BA Chelius and his associate	-	1 371 002	1 371 002	*
FH Esterhuyse and his associate	127 750	3 300 000	3 427 750	1.39
HVdM Scholtz and his associate	-	33 648 344	33 648 344	13.61
Total	1 004 006	48 579 272	49 583 278	20.06

*Less than 1%

There are no non-beneficial direct or indirect interests held by Directors.

The following trading in the Company's Shares by Directors and/or their associates has occurred between the Company's financial year ended 28 February 2019 and the Last Practicable Date:

Name of director	Date	Number of Shares and nature of transaction	Price per Share	Total value
FH Esterhuysen (dealing by associate, Aapstert Investments (Pty) Ltd)	29 August 2019	Off-market purchase 100 000 shares	R1.40	R140 000
BA Chelius (dealing by associate, Bronike Investments (Pty) Ltd)	29 August 2019	On-market sale 350 000 shares	R1.40	R490 000
HvdM Scholtz (dealing by associate, Genfin Holdings (Pty) Ltd)	19 August 2019	On-market purchases 112 363 shares	R1.09	R122 948
	20 August 2019	2 230 shares	R1.00	R2 230
	21 August 2019	2 840 shares	R1.00	R2 840
	26 August 2019	2 019 867 shares	R1.20	R2 510 240
	27 August 2019	8 546 874 shares	R1.40	R11 965 624
	28 August 2019	688 453 shares	R1.39	R957 982
	29 August 2019	3 529 717 shares	R1.40	R4 941 604
MVZ Wentzel (dealing by associate, Metcap 14 (Pty) Ltd)	17 July 2019	On-market purchase 91 000 shares	R1.00	R91 000
TM Flannery	4 July 2019	On-market purchase 120 596 shares	R1.10	R132 348
	9 July 2019	59 404 shares	R1.10	R65 344

5.5 **Directors' remuneration**

There will be no changes to the Directors' remuneration as a consequence of the Transaction.

5.6 **Working capital statement**

The Directors are of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, that is, for at least 12 months following the date of this Circular.

5.7 **Material loans**

There have been no changes to the material loans of the Group since the year end on 28 February 2019 other than a new R44 million unsecured loan from the Mettle Debt Fund *En Commandite* Partnership (represented by MAS, its general partner) accruing interest at 13% and repayable on 30 November 2019.

5.8 Major shareholders

Mettle Shareholders, other than Directors and their associates, who held a 5% or greater direct beneficial shareholding in the issued Shares as at the Last Practicable Date are set out below:

Name	Number of Shares	Percentage of Mettle Investments issued share capital
Granadino Investments (Pty) Ltd	82 369 947	33.32%
Titan Global Investments (Pty) Ltd	28 695 605	11.61%
Cream Magenta 140 (Pty) Ltd	12 951 674	5.24%
Metcap 14 (Pty) Ltd	12 685 834	5.13%
Teez Away Trading (Pty) Ltd	28 586 285	11.57%
Total	165 289 345	66.87%

6. INFORMATION RELATING TO THE MSI GROUP

6.1 Overview and prospects

The MSI Group focuses on the design, installation, financing and maintenance of commercial and industrial solar photovoltaic ("PV") systems. These solutions range from 80kWp to 10MWp systems for private consumption to 5MWp systems for public consumption. The solutions are either grid-connected, hybrid (solar and fuel powered generator) or off-grid (storage) solar PV solutions located across Sub-Saharan Africa and the adjacent Indian Ocean islands. The terms on which these systems are provided range from turn-key engineer, procure and construct solutions with full performance warranties to fully funded solar PV systems that are leased by the client.

The Directors believe that the Transaction will help to strengthen the balance sheet of MSI, enabling it to develop its business at a faster pace, and align it with an experienced strategic partner with considerable networks and experience in investing on the African continent.

6.2 Material changes

Other than pursuant to the Transaction, there has been no material change in the financial or trading position of MSI between the date of its last financial year end, being 28 February 2019, and the Last Practicable Date.

MSA's results for the year ending 29 February 2020 are materially impacted by guarantee fees. MSA shareholders now guarantee the repayment of the USD 5 million facility from Investec Bank (Mauritius) Ltd. MSA is charged a fee of 1% per month.

6.3 Material contracts

Other than the Agreements dealt with in this Circular, neither the Group nor the MSI Group have either verbally or in writing entered into any agreements which are material, being restrictive funding arrangements and/or a contract entered into otherwise than in the ordinary course of business:

- within the two years prior to the Last Practicable Date;
- at any time where the agreement contains an obligation or settlement that is material to the Group. MSI or MSA, respectively.

6.4 Material borrowings

The table below sets out a summary of the material loans of the MSI Group at 28 February 2019:

Name of lender	Facility amount	Balance at 28 February 2019	Security provided/Unsecured	Terms and conditions of repayment		Interest rate	Purpose of loan
				28 February 2019	Security provided/Unsecured		
Investec Bank Ltd	ZAR 100 million	ZAR 52 014 734	Pledge of shares in Mettle Solar Finance (RF) (Pty) Ltd and its subsidiaries, special notarial bonds over panels and inverters, cession of the equipment rental agreements, cession of the service and maintenance agreements and cession of insurance receipts linked to all funded projects.	Repayable quarterly until 28 February 2029	3-month JIBAR plus 3.1% until 28 February 2022; portfolio which increases to 3-month JIBAR plus 3.9% until 28 February 2029	Senior debt facility for rooftop PV	
Investec Bank (Mauritius) Ltd	USD 5 million	USD 3 548 845	Shareholder guarantees secured by cash deposits	Repayable on 29 November 2019	US 3-month LIBOR plus 2.75%	Development loan	

The Investec Bank (Mauritius) Ltd USD 5 million facility will be refinanced with a USD 3.5 million third party facility and USD 1.5 million shareholder facility.

6.5 Litigation statement

As at the Last Practicable Date, there are no legal or arbitration proceedings, including any proceedings that are pending or threatened, of which the Group or the MSI Group are aware that, may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's or the MSI Group's financial position.

7. DIRECTORS' INTERESTS IN TRANSACTIONS

None of the Directors (or Directors who have resigned in the 18 months preceding the Last Practicable Date) of the Company, or directors of its major subsidiaries, have had any material beneficial interests, whether direct or indirect, in the Transaction or the Drag Along Right or the Exit Right.

8. EXPENSES

Mettle Investments did not incur any preliminary expenses (within the meaning of the Listings Requirements) within the three years preceding the Last Practicable Date.

The following expenses have been provided for in connection with the preparation of this Circular. All the fees payable to the parties below are exclusive of VAT (where payable).

Service	Service provider	Rand
Transaction Designated Advisor	Questco (Pty) Ltd	390 000
Independent reporting accountants to Mettle	PwC	290 000
Independent reporting accountants to MSI	BDO	75 000
Independent reporting accountants to MSA	PKF	130 000
Legal advisor	Cliffe Dekker Hofmeyr Inc.	60 000
JSE	JSE	86 696
Printing, publication and distribution	Ince	80 000
Transfer Secretaries	Computershare	5 000
Settlement services	Strate	5 000
Contingency costs	Various	45 000
Total		1 166 696

9. CONSENTS

Each of the Transaction Designated Advisor, the Transfer Secretaries, Mettle Corporate Finance Proprietary Limited, the legal advisor and the Independent Reporting Accountants have given and have not, prior to the Last Practicable Date, withdrawn their consents to the inclusion of their names, their stated capacities and, where applicable, their reports being included in this Circular.

10. DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which are incorporated by reference into this Circular, are available on the Company's website as well as being available for inspection at the registered offices of Mettle Investments and its Designated Advisor at no charge:

Document	Website link
Historical financial information of MSI for the year ended 28 February 2019	www.mettleinvestments.com/Investor-information/financial-results/MSI2019AFS
Historical financial information of MSA for the year ended 28 February 2019	www.mettleinvestments.com/Investor-information/financial-results/MSA2019AFS

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are given in the "Corporate Information and Advisors" section of this Circular, collectively and individually, accept full responsibility for the accuracy of the information contained herein and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listings Requirements.

12. DIRECTORS' OPINION AND RECOMMENDATION

The Board is of the opinion that by concluding the Transaction, MSI's balance sheet will be strengthened significantly, thereby enabling it to increase the speed at which it can develop its business independent of its current shareholders. The introduction of a strategic partner such as the Subscriber will improve MSI's access to viable projects and greatly assist it to achieve its strategy of becoming the leading pan-African provider of renewable energy to the corporate and industrial market. The Board is of the opinion that adequate protective measures, such as the ability to establish a "Reference Price" on the exercise

of the Exit Right, have been put in place to protect the Company's shareholders against any significant downside risk arising from the either the exercise of the Drag Along Right or the Exit Right.

Consequently, the Board is satisfied that the inclusion of the Drag Along Right and the Exit Right as terms of the Transaction are in the best interests of the Company's shareholders and should be supported, and unanimously recommends that Mettle Shareholders vote in favour of the Resolutions at the General Meeting. Each of the Directors who hold Mettle Shares and is permitted to vote intends to vote his Mettle Shares in favour of the Resolutions as set out in the Notice.

13. IRREVOCABLE UNDERTAKING

An irrevocable undertaking in respect of 146 939 404 Mettle Shares (constituting 59.44% of the issued share capital of Mettle Investments) has been issued by the Mettle Shareholders set out below, in terms of which they undertake to vote in favour of the Resolutions:

Registered holder/beneficial owner	Number of Mettle Shares	Percentage of voting rights
Granadino Investments (Pty) Ltd	82 369 947	33.32%
Titan Global Investments (Pty) Ltd	28 695 605	11.61%
Titan Share Dealers (Pty) Ltd	10 236 344	4.14%
Cream Magenta 140 (Pty) Ltd	12 951 674	5.24%
Metcap 14 (Pty) Ltd	12 685 834	5.13%
Total	146 939 404	59.44%

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered offices of the Company and the Designated Advisor from the date of this Circular until the date of the General Meeting:

- the Agreements;
- the Memorandum of Incorporation of the Company and its major subsidiaries and of MSI;
- Directors' service contracts;
- the reports of the respective Independent Reporting Accountants which are included as Annexures 3, 4 and 5;
- the written consents of each of the advisors detailed in paragraph 9;
- the irrevocable undertaking set out in paragraph 13;
- audited consolidated financial statements of Mettle Investments for the year ended 28 February 2019; and
- audited consolidated financial statements of MSI and MSA for the year ended 28 February 2019.

SIGNED AT CAPE TOWN ON 15 NOVEMBER 2019 FOR AND ON BEHALF OF THE DIRECTORS OF METTLE INVESTMENTS IN TERMS OF A DIRECTORS' ROUND ROBIN RESOLUTION SIGNED BY ALL THE DIRECTORS

Hendrik Frederik Prinsloo
Chief Executive Officer

EXTRACTS FROM THE SHAREHOLDERS' AGREEMENT

SECTION 1 – Extracts from paragraph 5 of Schedule 8 of the Shareholders' Agreement

Note: The reference to "Shares" herein relates to the MSI Shares.

5. DRAG ALONG

- 5.1 Subject to the prior satisfaction of the Shareholder Approval Condition in accordance with the terms of this Agreement, if the holders of more than 75% of the Shares (together the **Dragging Shareholders**) wish to transfer all their Shares to a bona fide third party purchaser on arm's-length terms (**Buyer**), they will:
- (a) be required also to transfer any other Share(s) that are issued by the Company to them after the date of the Drag Along Notice to the Buyer; and
 - (b) have the right to require all other Shareholders (**Dragged Shareholders**) to transfer all their Share(s) to the Buyer or as such purchaser may direct for the Drag Sale Price (i.e. a price not less than the price per Share to be paid to the Dragging Shareholders), conditional upon the transfer by the Dragging Shareholders being completed, by giving notice to that effect to the Dragged Shareholders (**Drag Along Notice**). A copy of the Drag Along Notice will, for information only, also be given to the Company at its registered office.
- 5.2 A Drag Along Notice will:
- (a) identify the Buyer;
 - (b) specify that the Dragged Shareholders are required to transfer all the Share(s), including any Share(s) that are issued by the Company to the Dragged Shareholders after the date of the Drag Along Notice (**Dragged Interests**), pursuant to paragraph 5.1 above to the Buyer;
 - (c) set out the Drag Sale Price and the proposed date for completion of the Drag Sale; and
 - (d) be accompanied by copies of all documents required to be executed by the Dragged Shareholders to give effect to the Drag Sale (which may include a sale agreement or other documentation in a form agreed by the Dragging Shareholders under which the Dragged Shareholder will provide warranties and covenants with respect to its title to, and ownership of, the relevant Dragged Interests).
- 5.3 A Drag Along Notice may be revoked by the Dragging Shareholders at any time prior to completion of the sale of the Dragged Interests. Following any such revocation, the holders of more than 75% of the Shares shall be entitled to serve further Drag Along Notices from time to time in accordance with this paragraph 5.
- 5.4 Subject always to the provisions set out in this paragraph 5, the Dragged Shareholders will be required to sell the Dragged Interests on the same terms as those agreed by the Dragging Shareholders with the Buyer.
- 5.5 Each Dragged Shareholder will pay its Relevant Percentage of the costs incurred by the Dragging Shareholders in connection with the proposed Drag Sale.
- 5.6 Upon receipt of the Drag Along Notice, each Dragged Shareholder will:
- (a) be obliged to sell the legal and beneficial title to all of their Dragged Interests to the Buyer free from encumbrances with full title guarantee on the terms set out in this paragraph 5;
 - (b) deliver the relevant share certificate(s) or other evidence of title (as applicable) in respect of the Dragged Interests (or, in the case of lost or defaced certificates, an indemnity in respect thereof in a form acceptable to the Board) to the Company; and

- (c) be deemed to have irrevocably appointed any Director and each of the Dragging Shareholders by way of security to be his attorney to execute any stock transfer form, indemnity for lost share certificate, sale agreement, other instruments of transfer or acceptance forms relating to the Dragged Interests held by such Dragged Shareholder, and to execute such other documents and do such other things as the Company or the Dragging Shareholders considers reasonably necessary or desirable in order to complete the Drag Sale.
- 5.7 If following the 90th day after the date of the Drag Along Notice the sale by the Dragging Shareholders of their Shares to the Buyer has not completed:
- (a) the Drag Along Notice will cease to be of effect;
 - (b) each Dragged Shareholder will irrevocably be released from its obligations under such Drag Along Notice;
 - (c) the Company and/or the Buyer will promptly return to the Dragged Shareholders all documents (if any) previously delivered by them; and
 - (d) the rights of the holders of more than 75% of the Shares pursuant to this paragraph 5 will be reinstated and they will be entitled to issue further Drag Along Notices from time to time,
- provided that if completion of the sale by the Dragging Shareholders of their Shares to the Buyer is subject to the satisfaction of any conditions, the 90-day period referred to in this paragraph 5.7 will be extended until the date that is 20 Business Days after any longstop date by which such conditions must be satisfied as specified in any sale agreement entered into, or as otherwise agreed, between the Dragging Shareholders and the Buyer.
- 5.8 Completion of the transfer of the Dragged Interests by the Dragged Shareholders to the Buyer shall take place on the same date and at the same place as completion of the sale by the Dragging Shareholders of their Shares to the Buyer.
- 5.9 Any restrictions on transfer contained in this Agreement will not apply to any Drag Sale or to any sale and transfer of Shares by any other Shareholder to the Buyer named in a Drag Along Notice.
- 5.10 If, after a:
- (a) Transfer Notice has been given by a Seller in terms of paragraph 3.1 above and before the sale of any Sale Shares referred to in such Transfer Notice takes place or is implemented in terms of paragraph 3;
 - (b) Tag Offer has been given by a Tag Buyer in terms of paragraph 4.1 above and before the Control Sale relating to such Tag Offer takes place or is implemented in terms of paragraph 4; or
 - (c) Partial Tag Offer has been given by a Tag Buyer in terms of paragraph 4.2 above and before the Partial Sale relating to such Partial Tag Offer takes place or is implemented in terms of paragraph 4,
- a Drag Along Notice is served pursuant to paragraph 5.1, then the sale process or the sales, as the case may be, under paragraphs 3.1, 4.1 or 4.2, in relation to such Shares, Control Sale or Partial Sale, respectively, shall be deemed to have been abandoned or cancelled and instead this paragraph 5 shall apply.
- 5.11 For so long as the Dragged Interests of a Dragged Shareholder is available for purchase pursuant to this paragraph 5, such Dragged Interests shall not be offered for sale in terms of paragraphs 3 or 4.

SECTION 2 – Extracts from paragraph 16 of the Shareholders’ Agreement

Definitions used in this Extract:

“CDC”	Gridworks Development Partners LLP (No. OC423567), a limited liability partnership incorporated under the laws of England and Wales whose registered office is at 123 Victoria Street, London SW1E6DE;
“Norval”	Louis Norval;
“Trigen Persons”	Norval and his Affiliates;
“Trigen Vehicle”	Trigen, Mstead and any other persons through which the Trigen Persons hold direct or indirect interests in the Group;
“Wiese”	Dr Christoffel Hendrik Wiese;
“Wiese Persons”	Wiese and his Affiliates; and
“Wiese Vehicle”	Mettle and any other persons through which the Wiese Persons hold direct or indirect interests in the Group.

Note: The reference to “Promoters” herein means:

Mettle Investments, Trigen Group, Mstead, Dr Hendrik Christoffel Wiese and any Wiese Vehicle, Mr Louis Norval and any Trigen Vehicle and MSI Management.

16. EXIT

Facilitating an Exit

- 16.1 The parties acknowledge that it is their intention to achieve an Exit for the B Shareholders during the period commencing on the seventh and ending on 10th anniversary of the Effective Date.
- 16.2 Subject to clause 16.3, the Company, the Promoters and the A Shareholders shall use their reasonable endeavours to facilitate an Exit for the B Shareholders on terms acceptable to the B Shareholders by no later than the seventh anniversary of the Effective Date (or such later date as CDC may agree).
- 16.3 At any time following the seventh anniversary of the Effective Date, the B Shareholders may issue a notice (an **Exit Notice**) to the Company, the Promoters and the A Shareholders, following which the parties shall consult together from time to time to determine a suitable timetable, process and an action plan for an Exit and the Company, the Promoters and the A Shareholders agree to use all reasonable efforts to achieve an Exit within 12 months of the date the Company, the Promoters and the A Shareholders receive the Exit Notice (**Target Exit Date**) including taking the following actions, *inter alia*, to assist in achieving an Exit by the Target Exit Date:
- (a) appointing, on terms acceptable to the B Shareholders, an independent financial advisor nominated by the B Shareholders to advise the Company, the Promoters and the other Shareholders on an Exit;
 - (b) assisting in the preparation of any information memoranda or prospectuses necessary or desirable to achieve the Exit; and
 - (c) providing normal commercial, financial and other customary warranties on the Exit.
- 16.4 If, following the service of an Exit Notice but before the Target Exit Date, a bona fide offer is made by one or more A Shareholders in writing for all the Shares held by the B Shareholders in circumstances which would achieve an Exit, the B Shareholders may either (at their option) (i) accept the offer and dispose of all their Shares to the offeror(s) or (ii) decline such *bona fide*, whereupon such offer shall be deemed a **Reference Offer** and the price per Share of the Reference Offer shall be deemed to be the **Reference Price**.

16.5 If an Exit has not occurred by the Target Exit Date or if an Irremediable ESG Breach or an Unremedied ESG Breach (in each case that is not the fault of a B Shareholder) has occurred after the Effective Date:

- (a) the B Shareholders may market the Group with a view to a sale of all of the Shares; and
- (b) subject to the prior satisfaction of the Shareholder Approval Condition in accordance with the terms of this Agreement, if a *bona fide* third party (**Bona Fide Third Party**) wishes to acquire all of the Shares, the B Shareholders will have the right to require all the other Shareholders to transfer all their Shares to the Bona Fide Third Party (or as the *Bona Fide* Third Party may direct) on the same terms in accordance paragraph 5 of schedule 8 will be able to exercise the drag-along right notwithstanding that it does not hold 75% or more of the Shares),

provided that, where the B Shareholder seeks to exercise the drag-along right in (b) above and an Exit has not occurred by the Target Exit Date and such exercise is to take place within 12 months of the date of the Reference Offer, the B Shareholder shall only be entitled to exercise the same where the price per Share offered by the Bona Fide Third Party exceeds the Reference Price.

16.6 The net proceeds from an Exit shall be paid to Shareholders in accordance with paragraph 5 of schedule 9.

16.7 Any Shareholders or the holders of Holding Entity Shares who sell any of their Shares or Holding Entity Shares (as applicable) as part of an Exit process following receipt of an Exit Notice or pursuant to clause 16.5 above shall bear their Relevant Percentage of any advisory fees in relation to such Exit process.

16.8 The Company, the Promoters and the A Shareholders acknowledge and agree that on any disposal of Shares and/or Holding Entity Shares, the B Shareholders when selling their Shares shall not be required to give any warranty or indemnity to any party except a warranty as to title to its own Shares.

SECTION 3 – ESG Requirements

Paragraph 8.2 of the Shareholders' Agreement

The Company must and must ensure that each other Group Company (whether acquired before or after the date of this Agreement) will:

- (a) comply with the ESG Requirements, subject to any period permitted to achieve compliance with an ESG Requirement set out in the Action Plan;
- (b) take all reasonable steps in anticipation of known or expected future changes to the ESG Requirements; and
- (c) implement all actions set out in the Action Plan within the timeframes set out in that plan unless a consultant, appointed by mutual consent of the A Shareholders and the B Shareholders, suggests different actions and timeframes if in his reasonable opinion such timings prove not to be possible.

Part 1 and 2 of Schedule 6 of the Shareholders' Agreement

Note: Reference to "Group Company" herein means any MSI Group company

Part 1 - E&S Requirements

1. COMPLIANCE WITH LAW

Each Group Company must comply with E&S Laws.

2. E&S ACTION PLAN

The Company must implement all actions set out in the E&S Action Plan within the time-frames set out in that plan.

3. WORKING CONDITIONS AND LABOUR RIGHTS

3.1 Each Group Company must:

- (a) not employ or make use of forced labour in accordance with ILO Convention No. 29 (Forced Labour) and ILO Convention No. 105 (Abolition of Forced Labour);
- (b) not employ or make use of child labour in accordance with ILO Convention No. 138 (Minimum Age) and ILO Convention No. 182 (Worst Forms of Child Labour);
- (c) pay wages which meet or exceed industry or legal national minima;
- (d) not discriminate in terms of recruitment, progression, terms and conditions of work and representation, on the basis of personal characteristics unrelated to inherent job requirements, including gender, race, colour, caste, disability, political opinion, sexual orientation, age, religion, social or ethnic origin, marital status, membership of workers' organisations, legal migrants, or HIV status (unless positive discrimination is permitted by law and is intended to address a historical imbalance);
- (e) adopt an open attitude towards workers' organisations and respect the right of all workers to join or form workers' organisations of their own choosing, to bargain collectively and to carry out their representative functions in the workplace in accordance with ILO Convention No. 87 (Freedom of Association and Right to Organise) and ILO Convention No. 98 (Right to Organise and Collective Bargaining);
- (f) provide reasonable working conditions including a safe and healthy work environment, working hours that are not excessive in accordance with ILO Convention No. 1 (Hours of Work (Industry)) and clearly documented terms of employment, respecting any collective bargaining agreements that are in place or (where these do not exist or do not address working conditions) or conditions established, by collective agreement or otherwise, for work in the trade or industry concerned in the area where the work is carried out;
- (g) provide an appropriate grievance mechanism that is available to all workers and where appropriate other stakeholders, and which includes grievances brought by those affected by the operation of the Group; and
- (h) implement policies and procedures for, and encourage, the reporting of wrongdoing and misconduct (including breaches of E&S Laws and Business Integrity Laws) by staff, employees and contractors in their dealings with each other or with third parties that includes protection for the reporter and appropriate disciplinary action for anyone found to harass the reporter.

4. ACTIVITIES WITH GREATER ENVIRONMENTAL OR SOCIAL IMPACT

4.1 If, in CDC's judgement, the activities of a Group Company involve or could be reasonably expected to involve any of the activities or matters listed in paragraph 4.2, then:

- (a) the requirements of the relevant IFC Performance Standards should be met;
- (b) an appropriate stakeholder engagement plan should be developed in line with the applicable IFC Performance Standard (including, as appropriate, the application of Free Prior Informed Consent as part of the investment process); and

- (c) an effective and appropriate assessment of E&S Matters should be undertaken (depending on circumstances this may include an impact assessment, audit or other process) and an issue-specific action plan (e.g. a resettlement action plan) should be developed for the activities.

Free Prior Informed Consent means agreement, reached with affected communities of indigenous peoples established through good faith, which documents: (i) the mutually accepted process between the client and the affected communities of indigenous peoples, and (ii) evidence of agreement between the parties as the outcome of the negotiations. This agreement does not necessarily require unanimity and may be achieved even when individuals or groups within the community explicitly disagree.

4.2 The activities and matters to which paragraph 4.1 applies are:

- (a) significant risks to the health and safety of workers;
- (b) significant air emissions (including of greenhouse gases), use of water or generation of liquid effluents, generation of hazardous or other solid wastes; or resource use inefficiencies;
- (c) adverse community health and safety impacts (including risks to health, welfare and economic opportunity);
- (d) the acquisition or use of land that could affect the livelihoods and well-being of local communities (including as a result of increased food insecurity, bring about loss of access to natural resources (especially water) or traditional rights and practices) or result in economic displacement or involuntary resettlement;
- (e) activities in conflict and post-conflict areas where the company's presence or activities could exacerbate an already sensitive local circumstances which might lead to further or renewed conflict;
- (f) negative impacts on biodiversity, habitats or ecosystem services;
- (g) impacts on indigenous peoples (or other marginalised and vulnerable groups);
- (h) restricted opportunities for women and girls or otherwise increased gender inequality;
- (i) impacts on cultural heritage;
- (j) business activities in fragile or conflict affected areas;
- (k) significant cumulative impacts or impacts that would be represented via supply chains; or
- (l) other significant negative environmental or social impacts.

4.3 If, in CDC's judgement, the activities of a Group Company could reasonably be expected to involve:

- (a) coal-fired thermal power, then the Group Company must take such steps as CDC may require to enable CDC to comply with its Policy on coal-fired power generation:
[http://www.cdcgroup.com/Documents/Coal%20Fired%20Power%20Generation%20Policy%20\(2014\).pdf](http://www.cdcgroup.com/Documents/Coal%20Fired%20Power%20Generation%20Policy%20(2014).pdf);
- (b) significant emissions of greenhouse gases, then the Group Company must engage with CDC to identify opportunities to mitigate climate change in line with CDC's Climate change policy:
[http://www.cdcgroup.com/Documents/Transparency%20and%20reporting/Climate%20Change%20Policy%20\(September%202014\).pdf](http://www.cdcgroup.com/Documents/Transparency%20and%20reporting/Climate%20Change%20Policy%20(September%202014).pdf); and
- (c) human rights risks which are not E&S Matters, then the Group Company must assess and manage those risks in accordance with the UN Guiding Principles on Business and Human Rights.

5. **E&S MANAGEMENT SYSTEM**

- 5.1 The Company must appoint senior operational officer(s) or other appropriate personnel satisfactory to CDC to be responsible for the implementation, operation and maintenance of the E&S Management System and must notify CDC in writing immediately of the removal or replacement (for whatever reason) of that person. Different officers or personnel may be responsible for different aspects of the E&S Management System.
- 5.2 The Company must implement, maintain and continuously improve the E&S Management System, including deploying employees of sufficient expertise and seniority as is necessary for this purpose.
- 5.3 The E&S Management System must be supervised by the senior operational officer(s). Supervision of the E&S Management System must include:
- (a) overseeing implementation of the E&S Action Plan;
 - (b) quarterly reports to the Board on any material issue that has arisen as a result of the operation of the E&S Management System since the last meeting and an explanation as to how it is being dealt with;
 - (c) ensuring that the Group has the systems and resources (including employees of sufficient expertise and seniority) to understand and determine the applicability of the E&S Requirements to the Group and monitor the underlying E&S Laws, IFC Performance Standards and ILO Conventions for applicable changes;
 - (d) examining policies and procedures relating to the E&S Requirements and their implementation and making recommendations for their improvement to the Board;
 - (e) considering quarterly reports from management on the implementation of the E&S Action Plan;
 - (f) reviewing and approving the report to the Board and the CDC Related Parties required under paragraph 1 of part 4 of this schedule 6;
 - (g) considering E&S impact assessment reports on new projects or acquisitions; the senior operational officer(s) shall be empowered to veto project bids where the reports advise that in CDC's reasonable opinion there is a material risk that the transaction, if consummated, would cause the Group to be in breach of the E&S Requirements; and
 - (h) appointing consultants to investigate alleged breaches of the E&S Requirements or the related policies and procedures of the Group.

6. **OPPORTUNITIES FOR IMPROVEMENT**

Each Group Company should consider the potential for positive environmental, social and governance impact from their activities and, where appropriate to that Group Company, it should consider adopting, developing or marketing:

- (a) products, services, skills or employment opportunities that could benefit community stakeholders;
- (b) a working environment and terms of employment that provide opportunities for work that are productive and deliver a fair income, security in the workplace, good prospects for personal development and social integration, freedom for people to express their concerns, organise and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men;
- (c) employment practices that promote gender equality and women's economic empowerment; and
- (d) resource efficient, greenhouse gas reducing or low carbon technologies or working practices.

Part 2 - Business Integrity Requirements

1. COMPLIANCE WITH LAW

- 1.1 Each Group Company must comply with Business Integrity Laws.
- 1.2 Notwithstanding any other provision in this Agreement or any other agreement between the parties, no B Shareholder shall be obliged to make any payment or take any other action which, in the B Shareholder's reasonable opinion, could cause that B Shareholder to breach any Business Integrity Law.

2. BI ACTION PLAN

The Company must implement all actions set out in the BI Action Plan within the time-frames set out in that plan.

3. AVOIDING FINANCIAL MALPRACTICE

- 3.1 The Company must not commit (and the Company must ensure that no other Group Company or any agent or delegate commits) any Financial Malpractice or direct or knowingly permit any person to commit any Financial Malpractice on its behalf.
- 3.2 The Company must procure that the Group:
 - (a) adopts and implements policies and practical procedures to prevent extortion, fraud, bribery, corruption and financial crime in accordance with Business Integrity Laws and relevant internationally recognised practices, including:
 - (i) the adoption on or prior to the First Draw Down Date and periodic review of the implementation of the CDC Code of Responsible Investing; and
 - (ii) employee training programmes on the operation of the policies and procedures; and
 - (b) properly records, reports and reviews financial and tax information and adopt internationally recognised accounting standards satisfactory to the B Shareholders.
- 3.3 At least once every three years, the Company must undertake a review (by internal or external auditors) of the following and share the outcome of that review with the B Shareholders:
 - (a) the assessment of the bribery and financial crime risks faced by the Group;
 - (b) the systems, policies and procedures for managing such risks; and
 - (c) the implementation and effectiveness of those policies and procedures.

4. INTEGRITY REQUIREMENTS FOR NEW SHAREHOLDERS AND DIRECTORS

- 4.1 Notwithstanding any other provision of this agreement or the MOI, no Prohibited Person shall, in relation to any Group Company, be:
 - (a) registered as a shareholder or member; or
 - (b) appointed as director or officer (if applicable).
- 4.2 The Company shall carry out KYC Checks on any proposed shareholder, member, director or officer of a Group Company and send the information received for that purpose to the B Shareholders.

5. **USE OF OFFSHORE FINANCIAL CENTRES**

No Group Company may be formed without the B Shareholders' prior written consent in any jurisdiction:

- (a) who has not undergone a peer review as part of the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes (the **Global Forum**); or
- (b) following a phase 1 review has not been permitted by the Global Forum to proceed to a phase 2 review; or
- (c) has undergone a phase 2 review and has not received an overall rating from the Global Forum of "compliant" or "largely compliant".

6. **SANCTIONS**

The Group shall institute and maintain internal procedures, consistent with its business and customer profile, to ensure that no member of the Group will enter into any transaction:

- (a) with, or for the benefit of, any person or entity listed on any Sanctions List; or
- (b) related to any activity prohibited by any Sanctioning Body.

PRO FORMA FINANCIAL INFORMATION OF METTLE INVESTMENTS

The pro forma financial information has been prepared to illustrate the impact of the Post Balance Sheet Events and the exercise of either the Drag Along Right or the Exit Right on the audited consolidated financial results of the Group for the year ended 28 February 2019 had the Post Balance Sheet Events and the exercise of either the Drag Along Right or the Exit Right occurred on 28 February 2019 for SOFP purposes and on 1 March 2018 for SOCI purposes. Due to its nature, the pro forma financial information may not fairly present the financial position, changes in equity, results of operations or cash flow after the exercise of either the Drag Along Right or the Exit Right.

The pro forma financial information set out below, has been prepared in terms of IFRS, the accounting policies of Mettle Investments and The South African Institute of Chartered Accountants' Guide on pro forma Financial Information. The report of the independent reporting accountants, which is included as Annexure 3, should be read in conjunction with this annexure.

The Directors are responsible for the preparation of the pro forma financial information.

SOPP AT 28 FEBRUARY 2019 OF METTLE INVESTMENTS

	Post Balance Sheet Events									
	Audited February 2019 ¹	Exchange of MSA Shares and loan claims for MSI Shares ²	Capitalis- ation of the MSI share- holder loan ³	Trans- action costs ⁴	Disposal of MSI shares due to issue of Sub- scrip- tion Shares ⁵	Pro forma after the Post Balance Sheet Events ⁶	Scenario ¹⁷	Scenario ¹⁸	Scenario ²⁹	Pro forma after Scenario ²¹⁰
R'000										
Assets										
Non-current assets										
Property, plant and equipment	1 693					1 693		1 693		1 693
Goodwill	5 595					5 595		5 595		5 595
Deferred taxation	1 644					1 644		1 644		1 644
Investments in joint ventures	29 020					29 020		29 020		29 020
Investments in associates	37 111	21 041	47 647		(25)	105 774	(68 663)	37 111	(68 663)	37 111
Loans due from joint ventures	24 768	(16 507)				8 261		8 261		8 261
Loans due from associates	47 647		(47 647)			-		-		-
Financial assets at fair value through profit or loss	10 932					10 932		10 932		10 932
Loan receivables	36 421					36 421		36 421		36 421
Total non-current assets	194 831	4 534			(25)	199 340	(68 663)	130 677	(68 663)	130 677
Current assets										
Taxation	11					11		11		11
Loans due from associate	21					21		21		21
Loan receivables	25 991					25 991		25 991		25 991
Trade and other receivables	1 209 389					1 209 389		1 209 389		1 209 389
Cash and cash equivalents	109 648					109 648	92 518	202 166		109 648
Total current assets	1 345 060					1 345 060	92 518	1 437 578		1 345 060
Total assets	1 539 891	4 534			(25)	1 544 400	23 855	1 568 255	(68 663)	1 475 737

Post Balance Sheet Events										
R'000	Audited February 2019 ¹	Exchange of MSA Shares and loan claims for MSI Shares ²	Capitalis- ation of the MSI share- holder loan ³	Trans- action costs ⁴	Disposal of MSI shares due to issue of Sub- scription Shares ⁵	Pro forma after the Post Balance Sheet Events ⁶	Scenario ¹⁷	Pro forma after Scenario ¹⁸	Scenario ²⁹	Pro forma after Scenario ²¹⁰
Equity and liabilities										
Equity										
Stated capital	545 828					545 828	545 828	545 828	545 828	545 828
Retained income/(accumulated loss)	38 765	4 534		(1 342)	(25)	41 932	23 831	65 763	(68 663)	(26 731)
Foreign currency translation reserve	584 593	4 534		(1 342)	(25)	587 760	23 831	611 591	(68 663)	519 097
Common control reserve	28 572					28 572		28 572		28 572
	(123 560)					(123 560)		(123 560)		(123 560)
Capital and reserves attributable to owners	489 605	4 534		(1 342)	(25)	492 772	23 831	516 603	(68 663)	424 109
Non-controlling interests	60 317					60 317		60 317		60 317
Total equity	549 922	4 534		(1 342)	(25)	553 089	23 831	576 920	(68 663)	484 426
Non-current liabilities										
Deferred taxation	771					771		771		771
Borrowings	731 098					731 098		731 098		731 098
Borrowings due to related parties	194 824					194 824		194 824		194 824
Other financial liability	2 611					2 611		2 611		2 611
Total non-current liabilities	929 304					929 304		929 304		929 304
Current liabilities										
Borrowings	2 658					2 658		2 658		2 658
Bank overdrafts	19 241			1 342		20 583		20 583		20 583
Taxation	7 800					7 800	24	7 824		7 800
Provisions	4 884					4 884		4 884		4 884
Trade and other payables	26 082					26 082		26 082		26 082
Total current liabilities	60 665			1 342		62 007	24	62 031		62 007
Total equity and liabilities	1 539 891	4 534			(25)	1 544 400	23 855	1 568 255	(68 663)	1 475 737
Net asset value	489 605					492 772		516 603		424 109
Net tangible asset value	484 010					487 177		511 602		418 514
Number of shares in issue ('000)	247 174					247 174		247 174		247 174
Net asset value per share (cents)	198					199		209		172
Net tangible asset value per share (cents)	196					197		207		169

Notes to the pro forma consolidated SOFP of Mettle Investments

1. Extracted, without adjustment, from the audited consolidated SOFP of Mettle Investments as at 28 February 2019.
2. Mettle Investments concludes an exchange agreement with MSI in terms whereof it exchanges its 55% shares in MSA and loan claim of R17.7 million (net of equity accounted losses of R1.3 million) against MSA for 3,188 A Ordinary Shares (valued at R21.0 million).
3. Mettle Investments capitalises its loan claim of R62.9 million (net of equity accounted losses of R15.2 million) against MSI for 10,349 A Ordinary Shares, being balances recorded in the audited consolidated SOFP of Mettle Investments as at 28 February 2019.
4. Represents the transaction costs incurred.
5. Loss on Mettle Investments' disposal of MSI due to the Subscriber subscribing for the 16,493 B Ordinary Shares in MSI for R106.7 million by 31 March 2020, calculated as follows (in R'000):

Carrying value of interest in MSI at 28 February 2019	47 647
Exchange agreement (refer to note 2)	21 041
Carrying value of interest in MSI prior to disposal	68 688
MSI pro forma net asset value at 28 February 2019	195 121
Shareholding in MSI post the issue of the Subscription Shares and Management Subscription Shares	35.19%
Value of investment in MSI	68 663
Loss on disposal	(25)

6. Represents the pro forma consolidated SOFP of Mettle Investments after the Post Balance Sheet Events.
7. The Drag Along Right or the Exit Right is exercised and Mettle Investments is required to dispose of its interest in MSI at the most likely price that is currently estimable, being an amount derived from the Issue Price, calculated as follows (in R'000):

Valuation of MSI based on the Issue Price	266 700
Shareholding in MSI assuming the issue of the Option Shares	34.69%
Proceeds on disposal	92 518
Carrying value of investment in MSI (refer to note 5)	68 663
Profit on disposal	23 855
Carrying value of investment in MSI (refer to note 5)	68 663
Add back equity accounted losses	23 747
Tax base of investment in MSI	92 410
Consideration	92 518
Capital gain	108
Capital gains tax rate	22.4%
Capital gains tax payable	24

8. Represents the pro forma consolidated SOFP of Mettle Investments after either the Drag Along Right or Exit Right is exercised in terms of scenario 1 (refer to note 7).
9. The Drag Along Right or the Exit Right is exercised and Mettle Investments is required to dispose of its interest in MSI for R1 (i.e. presenting a "downside" scenario), calculated as follows (in R'000):

Proceeds on disposal	Nil
Carrying value of investment in MSI (refer to note 5)	68 663
Loss on disposal	(68 663)

10. Represents the pro forma consolidated SOFP of Mettle Investments after either the Drag Along Right or Exit Right is exercised in terms of scenario 2 (refer to note 9).

SOCI FOR THE YEAR ENDED 28 FEBRUARY 2019 OF METTLE INVESTMENTS

	Post Balance Sheet Events										
	Audited 28 February 2019 ¹	Exchange of MSA Shares and loan claims for MSI Shares ²	Capitalisation of the MSI shareholder loan ³	Increased MSI equity accounted loss ⁴	Transaction costs ⁵	Disposal of MSI shares due to issue of Subscription Shares ⁶	Pro forma after the Post Balance Sheet Events ⁷	Scenario 1 ⁸	Pro forma after Scenario 1 ⁹	Scenario 2 ¹⁰	Pro forma after Scenario 2 ¹¹
R'000											
Revenue	226 977	(1 108)	(6 423)				219 446	219 446			219 446
Other income	12 708	3 259				(25)	15 942	39 797	(68 663)		(52 851)
Loss allowance	(11 565)						(11 565)	(11 565)			(11 565)
Operating expenses	(95 409)				(1 342)		(96 751)	(96 751)			(96 751)
Profit from operations	132 711	2 151	(6 423)		(1 342)	(25)	127 072	150 927	(68 663)		58 409
Interest expense	(56 975)						(56 975)	(56 975)			(56 975)
Fair value loss on other financial liability	(2 611)						(2 611)	(2 611)			(2 611)
Impairment of goodwill	(1 880)						(1 880)	(1 880)			(1 880)
Impairment of investment in joint venture	(2 341)						(2 341)	(2 341)			(2 341)
Impairment of investment in associates	(12 860)						(12 860)	(12 860)			(12 860)
Profit from joint ventures	1 379	1 275		(652)			2 654	2 654			2 654
Loss from associates	(8 114)						(8 766)	(8 766)			(8 766)
Profit/(loss) before taxation	49 309	3 426	(6 423)	(652)	(1 342)	(25)	44 293	68 148	(68 663)		(24 370)
Taxation	(17 270)	310	1 798				(15 161)	(15 185)			(15 161)
Profit/(loss) after taxation before non-controlling interest	32 039	3 736	(4 625)	(652)	(1 342)	(25)	29 132	52 963	(68 663)		(39 531)
Exchange differences on translation of foreign operation	33 807						33 807	33 807			33 807
Total comprehensive income/(loss)	65 846	3 736	(4 625)	(652)	(1 342)	(25)	62 939	86 770	(68 663)		(5 724)

Post Balance Sheet Events											
	Audited 28 February 2019 ¹	Exchange of MSA Shares and loan claims for MSI Shares ²	Capitalisation of the MSI shareholder loan ³	Increased MSI equity accounted loss ⁴	Transaction costs ⁵	Disposal of MSI shares due to issue of Subscription Shares ⁶	Pro forma after the Post Balance Sheet Events ⁷	Scenario 1 ⁸	Pro forma after Scenario 1 ⁹	Scenario 2 ¹⁰	Pro forma after Scenario 2 ¹¹
R'000											
Profit attributable to:											
Equity holders of the parent	15 417	3 736	(4 625)	(652)	(1 342)	(25)	12 510	23 831	36 341	(68 663)	(56 153)
Non-controlling interest	16 622						16 622		16 622		16 622
	32 039	3 736	(4 625)	(652)	(1 342)	(25)	29 132	23 831	52 963	(68 663)	(39 531)
Total comprehensive income attributable to:											
Equity holders of the parent	43 989	3 736	(4 625)	(652)	(1 342)	(25)	41 082	23 831	64 913	(68 663)	(27 581)
Non-controlling interest	21 857						21 857		21 857		21 857
	65 846	3 736	(4 625)	(652)	(1 342)	(25)	62 939	23 831	86 770	(68 663)	(5 724)
Basic and diluted earnings (R'000)											
Weighted average number of shares in issue ('000)											
Basic and diluted earnings per share (cents)											
Reconciliation to headline earnings											
Headline earnings as previously reported	31 701						31 701	31 701	31 701	31 701	31 701
Pro forma adjustments							(2 907)	20 924	20 924	(71 570)	(71 570)
Profit on disposal of investment in joint venture	31 701						31 701	28 794	52 625	(39 869)	(39 869)
Loss on disposal of investment in associate							(3 259)	(3 259)	(3 259)	(3 259)	(3 259)
(Profit)/loss on disposal of investment in associate							25	25	25	25	25
Tax impact of adjustment							(23 855)	(23 855)	(23 855)	68 663	68 663
							24	24	24		
Headline earnings	31 701						25 560	25 560	25 560	25 560	25 560
Weighted average number of shares in issue ('000)	215 868						215 868	215 868	215 868	215 868	215 868
Headline earnings per share (cents)	14.69						11.84	11.84	11.84	11.84	11.84

Notes to the pro forma consolidated SOCI

1. Extracted, without adjustment, from the audited consolidated SOCI of Mettle Investments for the year ended 28 February 2019.
2. A profit of R3.3 million is recognised on the exchange of all its shares in MSA and loan claim of R17.7 million (net of equity accounted losses of R1.3 million) against MSA for 3,188 A Ordinary Shares (valued at R21.0 million) which will not have a continuing effect. The R1.3 million equity accounted loss from the investment in MSA is reversed and will have a continuing effect. There is no deferred tax expense adjustment as Mettle Investments has sufficient unrecognised unutilised capital losses.

In addition, the R1.1 million interest income earned on the loan advanced to MSA as well as the related income tax expense have been reversed. These adjustments will have a continuing effect.

3. The R6.4 million interest income earned on the loan advanced to MSI, which has now been capitalised, as well as the related income tax expense have been reversed. These adjustments will have a continuing effect.
4. The equity accounted loss from the investment in MSI will increase as follows (in R'000):

Loss per MSI financial statements	(13 953)
Loss per MSI pro forma statement of comprehensive income	(15 138)
<hr/>	
Increase in MSI loss	(1 185)
Shareholding in MSI	55%
<hr/>	
Increased equity accounted loss	(652)

This adjustment will have a continuing effect.

5. The transaction costs are capital in nature and not tax deductible. This adjustment will not have a continuing effect.
6. Loss on Mettle Investments' disposal of MSI due to the Subscriber subscribing for the 16,493 B Ordinary Shares in MSI for R106.7 million by 31 March 2020 (refer to note 5 in the Mettle Investments SOFP section).
7. Represents the pro forma consolidated SOCI of Mettle Investments after the Post Balance Sheet Events.
8. The Drag Along Right or the Exit Right is exercised and Mettle Investments is required to dispose of its interest in MSI at the most likely price that is currently estimable, being an amount derived from the Issue Price (refer to note 7 in the Mettle Investments SOFP section).
9. Represents the pro forma consolidated SOCI of Mettle Investments after either the Drag Along Right or the Exit Right is exercised in terms of scenario 1.
10. The Drag Along Right or the Exit Right is exercised and Mettle Investments is required to dispose of its interest in MSI for R1 (i.e. presenting a "downside" scenario) (refer to note 9 in the Mettle Investments SOFP section).
11. Represents the pro forma consolidated SOCI of Mettle Investments after either the Drag Along Right or the Exit Right is exercised in terms of scenario 2.

MSI: Consolidated SOFP as at 28 February 2019

	Audited 28 February 2019 ¹	Sub- scription by Trigen ²	Sub- scription by MSI Management ³	Acquisition of Green Create and Berchid Trust's MSA Shares and loan claims ⁴	Exchange of Mettle Invest- ment's MSA Shares and loan claims for MSI Shares ⁵	Consoli- dation of MSA ⁶	Capital- isation of all share- holders loans ⁷	Issue of Manage- ment Sub- scription Shares and Manage- ment Share Options ⁸	Trans- action costs ⁹	Sub- scrip- tion Shares issued to the Sub- scriber ¹⁰	Pro forma after the Re-organi- sations ¹¹
R'000											
Assets											
Non-current assets											
Equipment	58 865					34 759					93 624
Deferred taxation	1 752					754					2 506
Investment in subsidiary					11 196	(11 196)					–
Equity accounted investments	13 300			7 931	(7 931)						13 300
Loans to equity accounted investments	40 684										40 684
Trade and other receivables	1 357										1 357
Total non-current assets	115 958			7 931	3 265	24 317					151 471
Current assets											
Loan to subsidiary					27 060	(27 060)					–
Loans to equity accounted investments	2 221			9 284	(9 284)	20 945					2 221
Loan receivables						9 055					20 945
Trade and other receivables	2 850					1 663					11 905
Cash and cash equivalents	7 187	13 390	3 825	(17 215)					(4 358)	106 700	111 192
Total current assets	12 258	13 390	3 825	(7 931)	17 776	4 603			(4 358)	106 700	146 263
Total assets	128 216	13 390	3 825		21 041	28 920			(4 358)	106 700	297 735

	Audited 28 February 2019 ¹	Sub- scription by Trigen ²	Sub- scription by MSI Management ³	Acquisition of Green Create and Berchid Trust's MSA Shares and loan claims ⁴	Exchange of Mettle Invest- ment's MSA Shares and loan claims for MSI Shares ⁵	Consoli- dation of MSA ⁶	Capital- isation of all share- holders ¹ loans	Issue of Manage- ment Sub- scription Shares and Manage- ment Share Options ⁸	Trans- action costs ⁹	Sub- scription Shares issued to the Sub- scriber ¹⁰	Pro forma after the Re-organi- sations ¹¹
R'000											
Equity											
Stated capital	13 201	13 390	3 825		21 041		103 804			106 700	261 961
Accumulated loss	(36 146)								(4 358)		(40 504)
Common control reserve	(5 210)					(21 127)					(26 337)
Shareholders' (deficit)/ equity	(28 155)	13 390	3 825		21 041	(21 127)	103 804		(4 358)	106 700	195 121
Non-current liabilities											
Borrowings due to shareholders	103 804						(103 804)				-
Borrowings	49 819										49 819
Total non-current liabilities	153 623						(103 804)				49 819
Current liabilities											
Borrowings	2 196					49 684					51 880
Trade and other payables	552					363					915
Total current liabilities	2 748					50 047					52 795
Total equity and liabilities	128 216	13 390	3 825		21 041	28 920			(4 358)	106 700	297 735

Notes to pro forma consolidated SOFP of MSI

1. Extracted, without adjustment, from the audited consolidated SOFP of MSI at 28 February 2019.
2. Trigen subscribes for 2,028 A Ordinary Shares for R13.4 million.
3. MSI Management subscribes for 580 A Ordinary Shares for R3.8 million.
4. MSI uses the proceeds from the subscriptions by Trigen and MSI Management to acquire all the shares in, and loan claims against, MSA held by Green Create and the trustees of the Berchid Trust for R17.2 million. The acquisition of this 45% shareholding in MSA is accounted for as an equity accounted investment in terms of IAS 28 *Investments in Associates and Joint Ventures* as MSI will not yet control MSA. All MSA director and shareholder resolutions can only be approved with a 70% majority.
5. Mettle Investments concludes an exchange agreement with MSI in terms whereof it exchanges its 55% shares in MSA and loan claim of R17.7 million against MSA for 3,188 A Ordinary Shares (valued at R21.0 million). MSA becomes a 100% owned subsidiary of MSI.
6. Extracted from the audited consolidated SOFP of MSA at 28 February 2019. The balances are translated at a year-end exchange rate of ZAR 14: USD 1. The acquisition of MSA has been brought into MSI by applying predecessor accounting as a result of a business combination under common control and applied prospectively. MSA was owned by Mettle Investments, Green Create and MSI Management at 28 February 2019. MSA is now 100% owned by MSI. MSI is still owned by Mettle Investments, Trigen and MSI Management. As a result, MSA remains controlled (indirectly) by the same shareholders. IFRS 3 *Business Combinations* was not applicable as common control transactions fall outside of the scope of IFRS 3.
7. Mettle Investments and Trigen capitalise their loan claims against MSI for 16,935 A Ordinary Shares.
8. MSI advances a loan to MSI Management to subscribe for the Management Subscription Shares. MSI Management will receive a bonus after 3 years if still employed. This bonus will fund the repayment of the loan. As a result, this share loan is treated as an option for IFRS purposes and has no impact on the SOFP.

The issue of the Management Option Shares also has no impact on the SOFP when initially granted.

The IFRS 2 *Share-based Payment* expense relating to the Management Subscription Shares and Management Option Shares is recognised over the respective vesting periods.
9. Represents the transaction costs incurred.
10. Subscriber subscribes for 16,493 B Ordinary Shares (40.01% shareholding) for R106.7 million.
11. Represents the pro forma consolidated SOFP of MSI after the Re-organisations.

MSI Consolidated SOCI for the year ended 28 February 2019

	Audited 28 February 2019 R'000 ¹	Capitalisa- tion of all share- holders' loans R'000 ²	Consolida- tion of MSA R'000 ³	Issue of Manage- ment Sub- scription Shares R'000 ⁴	Issue of Manage- ment Share Options R'000 ⁵	Transaction costs R'000 ⁶	Pro forma after the Re-organis- ations R'000 ⁷
Equipment lease rental income	8 753		5 212				13 965
Interest income	7 567		15				7 582
Other income	235						235
Interest expense	(16 452)	10 572	(4 245)				(10 125)
Operating expenses	(11 650)		(4 832)	(791)	(867)	(4 358)	(22 497)
Loss from operations	(11 547)	10 572	(3 850)	(791)	(867)	(4 358)	(10 840)
Loss from equity accounted investments	(2 593)						(2 593)
Loss before taxation	(14 140)	10 572	(3 850)	(791)	(867)	(4 358)	(13 433)
Taxation	187	(2 445)	553				(1 705)
Loss after taxation	(13 953)	8 127	(3 297)	(791)	(867)	(4 358)	(15 138)

Notes to the pro forma SOCI

1. Extracted, without adjustment, from the audited consolidated SOCI of MSI for the year ended 28 February 2019.
2. The R10.6 million interest expense incurred on the shareholders' loans advanced by Mettle Investments and Trigen to MSI, which has now been capitalised, has been reversed. This adjustment will have a continuing effect. The tax adjustment takes into account an unutilised unrecognised tax loss at 28 February 2019 of R1.8 million. As a result, this portion of the tax adjustment will not have a continuing effect.
3. Extracted, without adjustment, from the audited consolidated SOCI of MSA for the year ended 28 February 2019. The results are translated at an average exchange rate of ZAR 13.54: USD 1.
4. MSI advances a loan to MSI Management to subscribe for the Management Subscription Shares. MSI Management will receive a bonus after 3 years if still employed. This bonus will fund the repayment of the loan. This share loan is treated as an option for IFRS purposes. The adjustment reflects the IFRS 2 expense spread over the 3-year vesting period. This adjustment will have a continuing effect.
5. The adjustment reflects the IFRS 2 expense as MSI has granted MSI Management an option to acquire the Option Shares at the Option Price. The exercise date in respect of half of the Option Shares is the 4th anniversary of the Effective Date and the 5th anniversary of the Effective Date in respect of the balance of the Option Shares, provided that MSI Management is still employed by MSI on such dates. This adjustment will have a continuing effect.
6. The transaction costs are capital in nature and not tax deductible. This adjustment will not have a continuing effect.
7. Represents the pro forma consolidated SOCI of MSI after the Re-organisations.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE PRO FORMA FINANCIAL INFORMATION OF METTLE INVESTMENTS

The definitions and interpretations commencing on page 4 of this Circular apply to this Annexure 3

To the Directors of Mettle Investments Limited
1st Floor,
FedGroup Place
Willie van Schoor Avenue
Bellville
7530

Report on the Assurance Engagement on the Compilation of Pro Forma Financial Information included in a Circular

We have completed our assurance engagement to report on the compilation of the pro forma Financial Information of Mettle Investments Limited (the "Company") by the Directors. The pro forma financial information, as set out in the Circular in Annexure 2, consists of a statement of financial position as at 28 February 2019, statement of comprehensive income for the year then ended, related notes and pro forma financial effects ("pro forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the pro forma Financial Information are specified in the JSE Limited (JSE) Listings Requirements and described in Annexure 2 of this Circular.

The pro forma Financial Information has been compiled by the directors to illustrate the impact of the granting by Mettle Investments Limited of either the Drag Along Right or the Exit Right which may, if one or the other is exercised, result in the disposal by Mettle Investments Limited of its interest in the Mettle Solar Investments Group. As part of this process, information about the Company's financial position has been extracted by the Directors from the Company's financial statements for the year ended 28 February 2019, on which an audit report has been published.

Directors' responsibility

The directors of the Company 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 2 of this Circular.

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors*, issued by the Independent Regulatory Board for 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 International Standard on Quality Control 1 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 accountant's 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 of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 2 of this Circular 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* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our 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 is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Company as if the event had occurred or the transaction 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 event or transaction 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 by the Directors in the compilation of the pro forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, 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.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the event or transaction 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 by the JSE Listings Requirements and described in Annexure 2 of this Circular.

PricewaterhouseCoopers Inc.

Director: JR de Villiers

Registered Auditor

Cape Town

15 November 2019

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF MSI FOR THE YEAR ENDED 28 FEBRUARY 2019

The Directors

Mettle Solar Investments Proprietary Limited and its subsidiaries

1st Floor,
FedGroup Place,
Willie van Schoor Avenue,
Bellville,
7530

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF METTLE SOLAR INVESTMENTS PROPRIETARY LIMITED (THE "COMPANY")**Report on the Financial Statements****Opinion**

The holding company of Mettle Solar Investments Proprietary Limited has entered into a transaction in terms of the JSE Listing Requirements, as announced on 24 June 2019.

We have audited the consolidated historical financial statements (the "Financial Statements") of Mettle Solar Investments Proprietary Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 28 February 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the Financial Statements present fairly, in all material respects the financial position of Mettle Solar Investments Proprietary Limited as at 28 February 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Reporting Accountant's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act. The other information does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors' for the Financial Statements

The directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting and the requirements of the Companies Act, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the directors are responsible for assessing Mettle Solar Investments Proprietary Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to sell / liquidate Mettle Solar Investments Proprietary Limited or to cease operations, or have no realistic alternative but to do so.

Reporting Accountant's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mettle Solar Investments Proprietary Limited's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Mettle Solar Investments Proprietary Limited's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Mettle Solar Investments Proprietary Limited's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Consent

We consent to the inclusion of this report, which will form part of the Circular to the Shareholders of Mettle Investments Limited in the form and context in which it appears.

BDO South Africa Incorporated

Registered Auditors

Bernard van der Walt

Director

15 November 2019

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF MSA FOR THE YEAR ENDED 28 FEBRUARY 2019

The Directors
Mettle Solar Africa Limited
1st Floor,
FedGroup Place
Willie van Schoor Avenue
Bellville
7530

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE CONSOLIDATED HISTORICAL FINANCIAL INFORMATION OF METTLE SOLAR AFRICA LIMITED (THE "COMPANY" OR "MSA") INCLUDED IN THE CIRCULAR**Opinion**

Mettle Shareholders are referred to an announcement issued by Mettle Investments, dated 24 June 2019, in which they were advised that the Agreements had been entered into which contain details relating to a transaction that would result in the introduction of Gridworks Development as a shareholder of MSI, alongside Mettle Investments, Trigen and MSI Management.

In our opinion, the consolidated historical financial information of MSA for the year ended 28 February 2019 (the "Consolidated Historical Financial Information") presents fairly, in all material respects, the consolidated financial position of MSA and its subsidiaries (together "the Group") as at 28 February 2019 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the JSE Limited Listings Requirements.

What we have audited

At your request and solely for the purpose of the Circular, we have audited the Consolidated Historical Financial Information, which comprises:

- the consolidated statement of financial position as at 28 February 2019;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statement of cash flows for the years then ended; and
- the notes to the Consolidated Historical Financial Information, which include a summary of significant accounting policies.

Basis for opinion

- We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Reporting Accountant's responsibilities for the audit of the Consolidated Historical Financial Information section of our report.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

Purpose of this report

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

Responsibilities of the directors for the Consolidated Historical Financial Information

The directors of MSA are responsible for the preparation and fair presentation of the Consolidated Historical Financial Information in accordance with International Financial Reporting Standards and the requirements of

the JSE Limited Listings Requirements, and for such internal control as the directors of MSA determine is necessary to enable the preparation of Consolidated Historical Financial Information that is free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Historical Financial Information, the directors of MSA are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of MSA either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting accountant's responsibilities for the audit of the Consolidated Historical Financial Information

Our objectives are to obtain reasonable assurance about whether the Consolidated Historical Financial Information as a whole are free from material misstatement, whether due to fraud or error, and to issue a reporting accountant's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Consolidated Historical Financial Information.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Historical Financial Information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the MSA directors.
- Conclude on the appropriateness of the MSA directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our reporting accountant's report to the related disclosures in the Consolidated Historical Financial Information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our reporting accountant's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Historical Financial Information, including the disclosures, and whether the Consolidated Historical Financial Information represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Historical Financial Information. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of MSA regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors of MSA with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

PKF Octagon Inc.

Registered Auditors

Practice number: 944351

H Schalekamp

Director

Registered Auditor

15 November 2019

COPY OF SENS ANNOUNCEMENT DATED 24 JUNE 2019

SUBSCRIPTION OF METTLE SOLAR INVESTMENTS SHARES BY THE CDC GROUP AND WITHDRAWAL OF CAUTIONARY

1. BACKGROUND

Further to the detailed cautionary announcement and the renewal of cautionary announcements published by MLE on the Stock Exchange News Service of the JSE, the latest being on 31 May 2019, the board of directors of MLE ("Board") is pleased to announce that agreements ("the Agreements") have been entered into between, amongst others, Mettle Solar Investments Proprietary Limited ("MSI"), Gridworks Development Partners LLP (the "Subscriber"), a limited liability partnership wholly owned by CDC Group plc ("CDC"), MLE, Trigen Group Proprietary Limited ("Trigen"), MStead Limited ("Mstead") and Francois Malan Ver Loren Van Themaat, the CEO of MSI ("Management") (these parties, collectively, the "A Ordinary Shareholders"). The Agreements contemplate the subscription by the Subscriber for a maximum of 16 493 class "B" ordinary shares ("B Ordinary Shares") in MSI ("Subscription Shares") for an aggregate consideration of R106.7 million ("the Equity Funding") ("the Transaction") over a period of time but by no later than 31 March 2020 (the "Funding Backstop Date"). After the issue of the Subscription Shares, the Subscriber will hold approximately 40% of the issued share capital of MSI.

2. STRUCTURE OF THE TRANSACTION

MLE currently holds 55% of the issued ordinary share capital of MSI, with Trigen holding 35% and Management holding 10%, all of which ordinary shares will be converted into class "A" ordinary shares ("A Ordinary Shares") in MSI.

In order for MSI to issue the Subscription Shares, it will be necessary for MSI to create "B" Ordinary Shares, which will be subscribed for by the Subscriber. The A Ordinary Shares and B Ordinary Shares will rank *pari passu* in all material respects save for a preferential right to a return to the B Ordinary Shareholder of its capital invested in the event of:

- a liquidation, dissolution or winding up of MSI within two years of the date of the first subscription by the Subscriber ("the First Subscription Date") save where such event was caused by a fact, matter or circumstance (a) that was fairly disclosed to the Subscriber or (b) that occurs after the First Subscription Date and is beyond the control of MSI or the holders of the A Ordinary Shares; or
- any exit or other form of sale or disposal of the A Ordinary Shares and B Ordinary Shares or a disposal of all of MSI's assets or subsidiaries, in each case, within two years of the First Subscription Date where the value at which such exit or transaction is concluded is at a discount to the price paid per B Ordinary Share by the Subscriber for its investment.

Prior to the Agreements becoming effective:

- Trigen and Management will subscribe for A Ordinary Shares in MSI;
- MSI will use the proceeds of such subscription to acquire all the shares in and loan claims against Mettle Solar Africa Limited ("MSA") held by Green Create Limited and the trustees of the Berchid Trust;
- MSI will simultaneously issue A Ordinary Shares to MLE in exchange for the acquisition of all the shares in and loan claims against MSA owned by MLE;
- thereafter MSI will capitalise all loans from the A Ordinary Shareholders amounting to R135.6 million, through the issue of further new A Ordinary Shares; and
- thereafter Trigen will sell one third of its shares in MSI to Mstead;

all of which actions are collectively referred to as the "Reorganisation". Following the implementation of the Reorganisation, the shareholders of MSI will be MLE (c.59%), Trigen (c.25%), Mstead (c.13%), and Management (c.3%).

MSI will deliver draw down notices to the Subscriber any time from the date on which all the conditions precedent listed in the Agreements have been fulfilled or the date of the first advance of interim funding as per the Agreements, whichever occurs first, but by no later than the Funding Backstop Date, in terms of which it will require the Subscriber to provide the Equity Funding and MSI will issue to the Subscriber the relevant number of Subscription Shares.

In addition, the Agreements also contain provisions regarding the establishment of a management incentivisation plan in terms whereof inter alia MSI will grant Management a loan to acquire an additional c.1% of MSI ("the Management Subscription").

After the issue of all of the Subscription Shares in connection with the Equity Funding and the Management Subscription, MLE will own c.35% of the total issued shares of MSI, Trigen will own c.15%, Mstead will own c.7%, Management will own c.3% and the Subscriber will own c.40% thereof.

3. **BRIEF OVERVIEW OF MSI AND THE SUBSCRIBER**

MSI focuses on the design, installation, financing and maintenance of commercial and industrial solar photovoltaic ("PV") systems. These solutions range from 80kWp to 10MWp systems for private consumption to 5MWp systems for public consumption. The solutions are either grid-connected, hybrid (solar and fuel powered generator) or off-grid (storage) solar PV solutions located across Sub-Saharan Africa and the adjacent Indian Ocean islands. The terms on which these systems are provided range from turn-key engineer, procure and construct solutions with full performance warranties to fully funded solar PV systems that are leased by the client.

The Subscriber is a developer and investor in the transmission, distribution and off-grid sectors in Africa. CDC is the UK Government's development finance institution and is committed to building businesses, creating jobs and demonstrating successful investments in Africa and South Asia.

4. **RATIONALE FOR THE TRANSACTION**

The Board believes that the Transaction will help to strengthen the balance sheet of MSI, enabling it to develop its business at a faster pace, and align MSI with an experienced strategic partner with considerable networks and experience in investing on the African continent.

5. **USE OF PROCEEDS**

MSI will use the Equity Funding to implement its pipeline of solar projects across the African continent and the adjacent Indian Ocean islands.

6. **CONDITIONS PRECEDENT**

The Transaction is subject to the fulfilment or waiver (where appropriate) of, inter alia, the following suspensive conditions:

- a. approval of the Transaction by applicable competition authorities;
- b. the approval of the Reorganisation by the financiers of MSI and MSA and the South African Reserve Bank; and
- c. the signature by MSI of documentation in respect of a resource efficiency loan from CDC.

7. **WARRANTIES AND OTHER SIGNIFICANT TERMS**

The warranties, representations and undertakings contained in the Agreements are standard for transactions of this nature. The Agreements contain, inter alia, certain "drag along" provisions (collectively referred to as the "Exit Rights") in favour of the Subscriber, which are subject to MLE shareholder approval prior to such rights becoming enforceable against MLE. MLE will distribute a circular to MLE shareholders convening a meeting of the MLE's shareholders to approve the granting by MLE of the Exit Rights in due course.

8. **FINANCIAL INFORMATION**

As at 28 February 2019 the net liability value of MSI was R27.6 million and the net liability value of MSA was R10 467 300 (i.e., prior to the capitalisation of shareholders' loans of R135.6 million). For the 12-month period ended 28 February 2019, MSI incurred a net loss after tax of R14.4 million and MSA incurred a net loss of R3 966 978.

The unadjusted financial information of MSI and MSA as set out above have been extracted from the unaudited management accounts of MSI and MSA. MLE is satisfied with the quality of those management accounts referred to above. The unadjusted financial information of MSI and MSA as set out above have been extracted from unpublished management accounts of MSI and MSA, the amounts of which have been calculated in accordance with IFRS.

9. **CATEGORISATION**

In terms of the JSE Listings Requirements, other than the granting by MLE of the Exit Rights, the Transaction is regarded as a Category 2 transaction and accordingly the Transaction (other than the granting of the Exit Rights) is not subject to approval by MLE shareholders. The granting by MLE of the Exit Rights constitutes a Category 1 transaction by MLE as it affords a third party the right to require MLE to dispose of its shares in MSI at a price which, at the time of granting the Exit Rights, has not been agreed or determined. As indicated in paragraph 7 above, a circular convening a general meeting and providing full information on the Exit Rights will be sent to MLE shareholders in due course. Shareholders entitled to vote at such shareholders' meeting controlling not less than 59% of MLE's shares have irrevocably undertaken to the Subscriber that they will vote in favour of a resolution to approve the granting of the Exit Rights. A mechanism to proceed with the Transaction without the Exit Rights being enforceable against MLE has been incorporated into the Agreements to enable the parties to proceed with the Transaction and secure certain interim Equity Funding for MSI prior to the approval of the Exit Rights by MLE shareholders, which mechanism ensures that the Exit Rights will not apply against MLE until such shareholder approval has been obtained.

10. **BOARD RESPONSIBILITY**

The Board accepts responsibility for the information contained in this announcement. To the best of its knowledge and belief, the information contained in this announcement is true and nothing has been omitted which is likely to affect the importance of the information included.

11. **WITHDRAWAL OF CAUTIONARY**

Following the release of this announcement, shareholders of MLE no longer need to exercise caution when dealing in MLE's securities.

Cape Town
24 June 2019

Corporate Advisor to MLE, MSI and MSA

Mettle Corporate Finance (Pty) Ltd

Designated Advisor to MLE

Questco Corporate Advisory (Pty) Ltd

Legal Advisor

Cliffe Dekker Hofmeyr Inc.



Mettle Investments Limited

(Incorporated in the Republic of South Africa)

(Registration number 2008/002061/06)

JSE Share Code: MLE

ISIN ZAE000257622

NOTICE OF GENERAL MEETING OF METTLE SHAREHOLDERS

All the terms defined in the Circular, to which this Notice is attached, shall bear the same meaning when used in this Notice.

NOTICE IS HEREBY GIVEN THAT A GENERAL MEETING OF METTLE SHAREHOLDERS WILL BE HELD AT 1ST FLOOR, FEDGROUP PLACE, WILLIE VAN SCHOOR AVENUE, BELLVILLE, 7530, SOUTH AFRICA ON MONDAY, 13 JANUARY 2020 AT 10:00 TO CONSIDER AND, IF THOUGHT FIT, PASS THE ORDINARY RESOLUTIONS SET OUT BELOW WITH OR WITHOUT MODIFICATION:

The following record dates apply to the General Meeting:

Record date to receive the Notice in terms of section 59(1) of the Companies Act	Friday, 15 November 2019
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Last day to trade in order to be eligible to participate in and vote at the General Meeting	Monday, 30 December 2019
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Record date in order to participate and vote at the General Meeting	Friday, 3 January 2020
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Identification of meeting participants

In terms of section 63(1) of the Companies Act, any person attending or participating in a meeting of shareholders must present reasonably satisfactory identification and the person presiding at the General Meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as shareholder or as proxy for a shareholder) has been reasonably verified.

Appointment of proxy

Any Mettle Shareholders entitled to attend and vote at the General Meeting are entitled to appoint proxies to attend, speak and vote at the General Meeting in their stead. The proxies so appointed need not be shareholders of the Company.

If you have not Dematerialised your Mettle Shares and are unable to attend the General Meeting, but wish to be represented thereat, you should, for administrative purposes, complete the attached Form of Proxy in accordance with the instructions therein and lodge it with the Transfer Secretaries at the address given below by Thursday, 9 January 2020. Alternatively, Forms of Proxy may be handed to the Chairman at the commencement of the General Meeting up until voting on the specific resolution.

If you have already Dematerialised your Mettle Shares and such Dematerialised Shares are recorded in the electronic sub-register of Mettle in your own name and are unable to attend the General Meeting, but wish to be represented thereat, you should, for administrative purposes, complete the attached Form of Proxy in accordance with the instructions therein and lodge it with the Transfer Secretaries at the address given below by Thursday, 9 January 2020. Alternatively, Forms of Proxy may be handed to the Chairman at the commencement of the General Meeting up until voting on the specific resolution.

Where such Dematerialised Shares are not recorded in the electronic sub-register of Mettle Investments in your own name, you should notify your duly appointed CSDP or Broker, as the case may be, in the manner

and cut-off time stipulated in the custody agreement governing your relationship with your CSDP or Broker of your instructions as regards voting your Shares at the General Meeting.

Electronic participation in the General Meeting

Mettle Shareholders or their proxies may participate in the General Meeting by way of a teleconference call, provided that if they wish to do so:

- they should contact the company secretary by email at the address: cosec@mettle.net by no later than Monday, 6 January 2020 in order to obtain a pin number and dial-in details for that conference call;
- they will be required to provide reasonably satisfactory identification in the form of copies of identity documents and share certificates (in the case of Certificated Shareholders), and (in the case of Dematerialised Shareholders) written confirmation from the Mettle Shareholder's CSDP confirming the Mettle Shareholder's title to the Dematerialised Shares; and
- they will be billed separately by their own telephone service providers for their telephone call to participate in the General Meeting.

Ordinary resolution number 1: Approval of the Drag Along Right

"**RESOLVED**, as an ordinary resolution, that the Drag Along Right, as further detailed in the Shareholders' Agreement and paragraph 3.1 of the Circular, be and is hereby approved as a category 1 transaction as contemplated in the Listings Requirements."

Ordinary resolution number 2: Approval of the Exit Right

"**RESOLVED**, as an ordinary resolution, that the Exit Right, as further detailed in the Shareholders' Agreement and paragraph 3.2 of the Circular, be and is hereby approved as a category 1 transaction as contemplated in the Listings Requirements."

Ordinary resolution number 3: Authority for Directors or company secretary to sign and act

"**RESOLVED** that any one of the Directors or the secretary of the Company be authorised to do all such things and sign all documents (including company forms) and take all such actions as they consider necessary to give effect to and implement the abovementioned ordinary resolutions numbered 1 to 2."

Voting Requirements:

In terms of the Company's Memorandum of Incorporation, in order for ordinary resolutions to be approved by Mettle Shareholders, such resolutions must each be supported by more than 50% of the voting rights exercised thereon.

By order of the Board

Company Secretary
26 November 2019

Registered office

1st Floor, FedGroup Place,
Willie van Schoor Avenue,
Bellville, 7530
South Africa

Transfer secretaries

Computershare Investor Services Proprietary Limited,
Rosebank Towers,
15 Biermann Avenue,
Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)



Mettle Investments Limited

(Incorporated in the Republic of South Africa)
(Registration number 2008/002061/06)
JSE Share Code: MLE
ISIN ZAE000257622

FORM OF PROXY

All the terms defined in the Circular, to which this Form of Proxy is attached, shall bear the same meaning when used in this Form of Proxy.

For use by Certificated Shareholders and Dematerialised Shareholders with Own-name Registration, at the General Meeting of Mettle Shareholders to be held at 1st Floor, FedGroup Place, Willie van Schoor Avenue, Bellville, 7530, **South Africa** on Monday, 13 January 2020 at 10:00.

Shareholders who have Dematerialised their Shares with a CSDP or Broker, other than with Own-name Registration, must arrange with the CSDP or Broker concerned to provide them with the necessary letter of representation to attend the General Meeting or the Shareholders concerned must instruct them as to how they wish to vote in this regard. This must be done in terms of the custody agreement entered into between the Shareholder and the CSDP or Broker concerned.

I/We

(please print)

of address

(please print)

Telephone number:

Cellphone number:

Email:

being the holder/s of Shares, do hereby appoint

1. _____ or failing him/her

2. _____ or failing him/her

3. the Chairman of the General Meeting;

as my/our proxy to act for me/us and on my/our behalf at the General Meeting which will be held for the purposes of considering and, if deemed fit, for the passing, with or without modification, the ordinary resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against such resolutions and/or abstain from voting in respect of the Shares registered in my/our name(s), in accordance with the following (see note 4 of the Notes to the Form of Proxy):

Ordinary resolutions	In favour of	Against	Abstain
Ordinary resolution number 1: Approval of the Drag Along Right			
Ordinary resolution number 2: Approval of the Exit Right			
Ordinary resolution number 3: Directors' authority			

Shareholders entitled to attend and vote at the General Meeting may, in terms of section 58 of the Companies Act, appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a Shareholder of the Company.

Signed at _____ on _____ 2019/2020

Signature

Assisted by me (where applicable):

Name

Capacity

Signature

Please see notes on the reverse hereof.

NOTES:

- If a Form of Proxy, duly signed, is lodged without specific directions as to which way the proxy is to vote, the proxy will be deemed to have been authorised to vote as s/he thinks fit.
- If the Form of Proxy is signed under power of attorney or on behalf of a company, such power or authority, unless previously registered with the Company, must accompany it.
- Shareholders who have Dematerialised their Shares with a CSDP or Broker, other than Own-Name Registration, must arrange with the CSDP or Broker concerned to provide them with the necessary authorisation to attend the General Meeting or the Shareholders concerned must instruct them as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the Shareholder and the CSDP or Broker concerned.
- Any alteration to the Form of Proxy must be signed, not initialled.
- Where there are joint holders of Shares and if more than one of such joint holders is present or represented, any 1 of such persons may exercise all of the voting rights attached to that Share at the General Meeting, either personally or by proxy, as if he/she were solely entitled thereto. If more than one of such joint holders is present at the General Meeting, personally or by proxy, then the person whose name appears first in the Register in respect of such Shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
- A Shareholder who has appointed more than one person concurrently as proxies as set out in section 58(3)(a) of the Act ("Concurrent Proxies"), must clearly state in the Form of Proxy the order in which the votes of the Concurrent Proxies are to take precedence in the event that both or all of the Concurrent Proxies are present, and vote, at the General Meeting.
- The completion and lodging of this Form of Proxy will not preclude the signatory from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such signatory wish to do so.
- For administrative purposes, Forms of Proxy should be deposited at Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa (PO Box 61051, Marshalltown, 2107, South Africa) so as to arrive by no later than 48 hours before the commencement of the General Meeting. The chairman of the General Meeting is obliged to accept the Form of Proxy to be effective for purposes of voting at the General Meeting if the Form of Proxy is validly executed and received after this time but before the commencement of the General Meeting.

Summary of rights established by section 58 of the Companies Act, as required in terms of sub-section 58(8)(b) (i):

1. A Shareholder entitled to attend and vote at the General Meeting may at any time appoint any individual, including a non-shareholder of the Company, as a proxy to participate in, speak and vote at a shareholders' meeting on his/her behalf (section 58(1)(a)), or to give or withhold consent on behalf of the Shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (section 58(1)(b)).
2. A proxy appointment must be in writing, dated and signed by the Shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 below or expires earlier in terms of paragraph 10.4 below (section 58(2)).
3. 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 (section 58(3)(a)).
4. A proxy may delegate his/her authority to act on behalf of the Shareholder to another person, subject to any restriction set out in the Form of Proxy (section 58(3)(b)).
5. A copy of the Form of Proxy instrument must be delivered to the Company, or to any other person acting on behalf of the Company, before the proxy exercises any rights of the Shareholder at the General Meeting (section 58(3)(c)) and in terms of the Memorandum of Incorporation ("MOI") of the Company.
6. Irrespective of the form of instrument used to appoint a proxy:
 - 6.1 the appointment is suspended at any time and to the extent that the Shareholder chooses to act directly and in person in the exercise of any rights as a Shareholder (section 58(4)(a));
 - 6.2 the appointment is revocable unless the proxy appointment expressly states otherwise (section 58(4)(b)); and
 - 6.3 if the appointment is revocable, a Shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company (section 58(4)(c)).
7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 above (section 58(5)).
8. If the Form of Proxy has been delivered to the Company, as long as that appointment remains in effect, any notice required by the Companies Act or the MOI to be delivered by the Company to the Shareholder must be delivered by the Company to the Shareholder (section 58(6)(a)), or the proxy or proxies, if the Shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so (section 58(6)(b)).
9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI or Form of Proxy provides otherwise (section 58(7)).
10. If a Company issues an invitation to Shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of proxy instrument:
 - 10.1 the invitation must be sent to every Shareholder entitled to notice of the meeting at which the proxy is intended to be exercised (section 58(8)(a));
 - 10.2 the invitation or form of proxy instrument supplied by the Company must:
 - 10.2.1 bear a reasonably prominent summary of the rights established in section 58 of the Companies Act (section 58(8)(b)(i));
 - 10.2.2 contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a Shareholder to write the name, and if desired, an alternative name of a proxy chosen by the Shareholder (section 58(8)(b)(ii)); and
 - 10.2.3 provide adequate space for the Shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting (section 58(8)(b)(iii));
 - 10.3 the Company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and
 - 10.4 the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to paragraph 7 above (section 58(8)(d)).
11. Paragraphs 10.2 and 10.4 do not apply if the Company merely supplies a standard form of proxy appointment on the request of a Shareholder.