

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this Circular apply, *mutatis mutandis*, to his cover and throughout the Circular.

ACTION REQUIRED BY TRUSTCO SHAREHOLDERS

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

If you have disposed of all of your Shares, please forward this Circular, together with the attached form of proxy (*blue*), to the purchaser to whom, or the CSDP or Broker or agent through whom, the disposal was effected.

Shareholders who hold Dematerialised Shares through a CSDP or Broker who wish to attend the General Meeting must request their CSDP or Broker to provide them with a letter of representation to attend the General Meeting or must instruct their CSDP or Broker to vote on their behalf in terms of their respective agreements with their CSDP or Broker.

Shareholders should note that, whilst the entire Circular is important and should be read in its entirety, particular attention should be paid to the section entitled "Action required by Shareholders" commencing on page 2 of this Circular.

Trustco does not accept any responsibility and will not be held liable for any failure on the part of the CSDP or Broker of any holder of Dematerialised Shares to notify such Shareholder of the action required by them in respect of the Specific Issue set out in this Circular.



TRUSTCO GROUP HOLDINGS LIMITED

Incorporated in the Republic of Namibia and registered as an external company in South Africa

(Registration number 2003/058)

(External registration number: 2009/002634/10)

JSE share code: TTO NSX share code: TUC ISIN: NA000A0RF067

("Trustco" or "the Company")

CIRCULAR TO TRUSTCO SHAREHOLDERS

regarding

- **the specific issue of shares for cash to Riskowitz Value Fund, a related party to Trustco as defined in the JSE Listings Requirements, by way of the conversion of their Nam 250 million loan to Trustco into Trustco Shares at a conversion price of NAD4.25 per Trustco Share being at a 3.16% premium to the 30-day VWAP up to the Riskowitz Agreement Signature Date;**

and incorporating

- **a notice convening the General Meeting; and**
- **a form of proxy (*blue*) only for use by Certificated Shareholders and Dematerialised Shareholders with "Own-name Registration".**

Transaction Advisor

DEA-RU

Transaction Sponsor



Reporting Accountant

IBDO

NSX Sponsor



Independent Expert

**Effortless
Corporate
Finance
(Pty) Ltd**

Date of issue: 26 September 2017

This Circular is available in English only. Copies of the Circular in its printed form, may be obtained during normal business hours from the registered office of Trustco and the offices of the JSE Transaction Sponsor at their respective addresses set out in the Corporate information and advisors section of this Circular from the date of this Circular up to and including the date of the General Meeting. Electronic copies of this Circular are available on the Company's website, www.tgh.na from 26 September 2017.

CORPORATE INFORMATION AND ADVISORS

Place of incorporation: Namibia**Date of incorporation in Namibia:** 4 February 2003**Date of registration as external company in****South Africa:** 11 February 2009**Company Secretary and Registered Office of Trustco**

Amanda Bruyns (Admitted as an attorney of The High Court of South Africa)

Trustco House

2 Keller Street

Windhoek Namibia

(PO Box 11363, Windhoek, Namibia)

Website: www.tgh.na

JSE Sponsor

Sasfin Capital, a division of Sasfin Bank Limited

(Registration number 1951/002280/06)

29 Scott Street

Waverley, 2090

(PO Box 9510, Grant Park, 2051)

NSX Sponsor

Simonis Storm Securities Proprietary Limited

(Registration number 96/421)

4 Koch Street

Klein Windhoek, Namibia

(PO Box 3970 Windhoek, Namibia)

Namibian Transfer Secretaries

Transfer Secretaries Proprietary Limited

(Registration number 93/713)

(Burg Street entrance opposite Chateau Street)

4 Robert Mugabe Avenue

Windhoek

(PO Box 2401, Windhoek, Namibia)

Indepent Expert

Effortless Corporate Finance Proprietary Limited

(Registration number 2010/004734/07)

23 Nicholi Avenue, Kommetjie, Cape Town, 7975

(Postal address same as above)

Auditor

BDO Namibia

61 Bismarck Street Windhoek

PO Box 2184

Windhoek

Namibia

(PO Box 2184, Windhoek, 9000)

Reporting Accountant

BDO South Africa Incorporated

(Registration number 1995/002310/21)

22 Wellington Road

Parktown, 2193

Johannesburg

(Private Bag X60500, Houghton, 2041)

JSE Transaction Sponsor

Arbor Capital Sponsors Proprietary Limited

(Registration number 2006/033725/07)

20 Stirrup Lane

Woodmead Office Park, Woodmead, 2191

(Suite #439, Private Bag X29, Gallo Manor, 2052)

Transaction Advisor

DEA-RU Proprietary Limited

(Registration number 2004/018276/07)

7 Sun Place, Sharonlea

Olivedale, 2158

(Postal address same as above)

South African Transfer Secretaries

Computershare Investor Services

Proprietary Limited

(Registration number 2004/003647/07)

Rosebank Towers,

15 Biermann Avenue, Rosebank, 2196

(PO Box 61051, Marshalltown, 2107)

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ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 4 of this Circular apply, *mutatis mutandis*, to the following section on action required by Trustco Shareholders.

Please take careful note of the following provisions regarding the action required by Shareholders.

THE GENERAL MEETING

The implementation of the Specific Issue is subject to, *inter alia*, Trustco Shareholders passing the requisite resolutions at a general meeting of Trustco Shareholders to be held at 09:00 on Thursday, 26 October 2017 at the Trustco registered offices at Trustco House No. 2 Keller Street, Windhoek, Namibia.

A notice convening the General Meeting is attached hereto and forms part of this Circular.

1. IF YOU HOLD DEMATERIALISED SHARES:

1.1 "Own-name" Registration

You are entitled to attend in person, or be represented by proxy, at the General Meeting. If you are unable to attend the General Meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*blue*), in accordance with the instructions contained therein, to be received by the South African Transfer Secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107) by no later than 09:00 on Tuesday, 24 October 2017, or the Namibian Transfer Secretaries, Transfer Secretaries Proprietary Limited, 4 Robert Mugabe Avenue (Burg Street entrance opposite Chateau Street) (PO Box 2401, Windhoek, Namibia), by no later than 09:00 on Monday, 23 October 2017.

1.2 Other than "Own-name" Registration

If your CSDP or Broker does not contact you, you are advised to contact your CSDP or Broker and provide them with your voting instructions. If your CSDP or Broker does not obtain instructions from you, they will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your CSDP or Broker. You must **not** complete the attached form of proxy (*blue*). In accordance with the custody agreement between you and your CSDP or broker you must advise your CSDP or Broker timeously if you wish to attend, or be represented at the General Meeting. Your CSDP or Broker will be required to issue the necessary letter of representation to you to enable you to attend or to be represented at the General Meeting.

2. IF YOU HOLD CERTIFICATED SHARES

You are entitled to attend, or be represented by proxy, at the General Meeting. If you are unable to attend the General Meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*blue*), in accordance with the instructions contained therein, to be received by the South African Transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107) by no later than 09:00 on Tuesday, 24 October 2017, or the Namibian Transfer Secretaries, Transfer Secretaries Proprietary Limited, 4 Robert Mugabe Avenue (Burg Street entrance opposite Chateau Street) (PO Box 2401, Windhoek, Namibia), by no later than 09:00 on Monday, 23 October 2017.

Trustco does not accept responsibility and will not be held liable for any failure on the part of the CSDP or Broker of a Dematerialised Shareholder to notify such Shareholder of the General Meeting or any business to be conducted thereat.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 4 of this Circular apply, *mutatis mutandis*, to this Salient Dates and Times section.

2017

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| Record date to determine which Shareholders are eligible to receive the Circular | Friday, 15 September |
| Circular containing notice of General Meeting and form of proxy (<i>blue</i>) posted to Shareholders and announced on SENS on | Tuesday, 26 September |
| Last Day to Trade in order to be eligible to vote at the General Meeting ² | Tuesday, 17 October |
| Record Date to be eligible to vote at the General Meeting | Friday, 20 October |
| Last day to lodge forms of proxy for Trustco shareholders recorded in the Namibian Share Register to be received by the Namibian Transfer Secretaries by 09:00 on | Monday, 23 October |
| Last day to lodge forms of proxy for Trustco shareholders recorded on the South African Register to be received by the South African Transfer Secretaries by 09:00 on ⁵ | Tuesday, 24 October |
| General Meeting of Trustco Shareholders to be held at 09:00 on | Thursday, 26 October |
| Results of General Meeting released on SENS on | Thursday, 26 October |

Notes:

1. The above dates and times are subject to amendment. Any such amendment will be published on SENS.
2. Shareholders should note that, as transaction in Shares are settled in the electronic settlement system used by Strate, the settlement of the trade takes place three business days after such trade. Therefore, Shareholders who acquire Shares after the Last Day to Trade will not be eligible to vote at the General Meeting.
3. All times given in this Circular are specified as either local time in Namibia or South Africa, any reference to local times, will apply to the country in which the action is required.
4. If the General Meeting is adjourned or postponed, forms of proxy (*blue*) submitted in respect of the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.
5. Shareholders may hand in their proxy form to the Chairman at the General Meeting, but no later than the commencement of the General Meeting.

DEFINITIONS AND INTERPRETATIONS

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

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| “Arbor Capital” | Arbor Capital Sponsors Proprietary Limited, (Registration number 2006/033725/07), a private company duly incorporated under the laws of South Africa, being the transaction sponsor to the Riskowitz Issue of Shares for Cash; |
| “Board” or “Directors” | the board of directors of Trustco as at the Last Practicable Date whose names are set out on page 10 of this Circular; |
| “Broker” | any person registered as a “broking member (equities)” in terms of the Rules of the JSE and in accordance with the provisions of the Financial Markets Act; |
| “Buckley Advisors” | Buckley Capital Advisors LLC, a Florida foreign limited liability company (Registration number L10000037662) incorporated in accordance with the laws of the United States of America. Buckley Advisors is held 50% by Zachary Buckley and 50% by Kenneth Walsh; |
| “Buckley Agreement” | the agreement dated Friday, 14 October 2016 and the addendum to the agreement dated Wednesday, 23 November 2016 as detailed in the Buckley Circular; |
| “Buckley Circular” | the circular to Trustco Shareholders containing details of the Buckley Transaction dated Thursday, 12 January 2017. Trustco shareholders approved the specific repurchase of Shares at a general meeting held on Tuesday, 14 February 2017; |
| “Buckley Partners” | Buckley Capital Partners LP, a Florida foreign limited partnership (Registration number B10000000068) incorporated in accordance with the laws of the United States of America. Buckley Partners is held 50% by Zachary Buckley and 50% by Kenneth Walsh; |
| “Buckley Transaction” | the specific repurchase by Trustco or a Trustco subsidiary of 41 806 778 Trustco Shares from Buckley Partners and Buckley Advisors at a price of NAD4.80 per Trustco share for an aggregate purchase consideration of NAD200 672 534.40. The implementation of the share repurchase is subject to meeting the Buckley Transaction Implementation Conditions; |
| “Buckley Transaction Implementation Conditions” | the implementation conditions as set out in detail in the Buckley Circular of which the only outstanding term is the payment of the amount of NAD200 672 534.40 at any time on or before 31 January 2018; |
| “Business Day” | any day other than a Saturday, Sunday or official public holiday in South Africa or Namibia; |
| “cents” | South African and Namibian cents; |
| “Certificated Shareholders” | Trustco Shareholders who hold Certificated Shares; |
| “Certificated Shares” | Trustco Shares which have not been Dematerialised, title to which is represented by a share certificate or other Document of Title; |
| “Companies Act” or the “Act” | The Namibian Companies Act No 288 of 2004, as amended; |
| “Circular” | this bound document, dated Tuesday, 26 September 2017, incorporating annexures, the notice of General Meeting and a form of proxy (<i>blue</i>) and distributed to Trustco shareholders; |

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| “CSDP” | a central securities depository participant registered in terms of the Financial Markets Act, with whom a beneficial holder of Trustco shares holds a Dematerialised Share account; |
| “Custody Agreement” | the custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker governing their relationship in respect of Dematerialised Shares held by the CSDP or Broker; |
| “DEA-RU” | DEA-RU Proprietary Limited, (Registration number 2004/018276/07), a private company duly incorporated under the laws of South Africa; |
| “Dematerialise” | the process whereby share certificates or other physical Documents of Title are replaced with electronic records evidencing ownership of shares for the purpose of Strate; |
| “Dematerialised own-name Shareholders” | Trustco Shareholders who hold Dematerialised Shares who have instructed their CSDP to hold their Trustco Shares in their own name on the sub-register; |
| “Dematerialised Shareholders” | Trustco Shareholders who hold Dematerialised Shares; |
| “Dematerialised Shares” | Trustco Shares which have been Dematerialised and incorporated into the Strate system; |
| “Documents of Title” | share certificates, certified transfer deeds, balance receipts or any other physical documents of title pertaining to the Trustco Shares in question acceptable to the Board; |
| “Dr Q van Rooyen” | Dr Quinton van Rooyen, the managing director and controlling shareholder of Trustco; |
| “Eps” | basic earnings per Share; |
| “Financial Effects” | the <i>pro forma</i> financial effects of the Specific Issuance of Shares details of which have been set out in paragraph 4 of this Circular; |
| “Financial Markets Act” | the Financial Markets Act, No. 19 of 2012, as amended; |
| “Financial Year” | the financial year of Trustco which commences on 1 April of each year and ends on 31 March of the following year; |
| “General Meeting” | the general meeting of Trustco Shareholders to be held at 09:00 on Thursday, 26 October 2017 at the registered office of Trustco, 2 Keller Street, Windhoek, Namibia, to consider and if deemed fit, to approve, with or without modification, the Resolutions proposed in the Notice; |
| “Group” | Trustco and its Subsidiaries; |
| “Heps” | headline earnings per Share; |
| “Huso” | Huso Investments Proprietary Limited (Registration number 2006/443), a private company incorporated in accordance with the laws of Namibia, owned by Dr Q van Rooyen; |
| “Huso Agreement” | the agreement dated 14 July 2015 and the addendum to the agreement dated 17 November 2016; |
| “Huso Circular” | the circular to Trustco Shareholders dated 11 May 2017 containing, <i>inter alia</i> , the details regarding the Huso Transaction. The Huso Transaction was approved by Trustco shareholders in general meeting on Tuesday, 13 June 2017; |
| “Huso Deferred Consideration Shares” | a maximum of 628.8 million new Trustco Shares to be issued to Dr Q van Rooyen at NAD4.69 per Trustco Share based on the future earnings contribution formula to be issued as and when the future earnings contribution targets are met as set out in detail in the Huso Circular and as approved by shareholders in general meeting on 13 June 2017; |

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| “Huso Initial Consideration Shares” | 143.3 million new Trustco Shares to be issued to Dr Q van Rooyen on the Closing Date of the Huso Transaction at an issue price of NAD4.69 per Trustco Share as set out in detail in the Huso Circular; |
| “Huso Implementation Conditions” | the implementation is deferred to the date upon which a mining licence is issued to NNDC in terms of the Minerals Act and the conditions precedent have been fulfilled as set out in detail in the Huso Circular; |
| “Huso Transaction” | the circular to Trustco Shareholders dated 11 September 2015 containing, <i>inter alia</i> , the details of the Huso Transaction which was approved by Trustco Shareholders at a general meeting on Monday, 5 October 2015 and the circular to Trustco Shareholders dated Thursday, 11 May 2017 containing, <i>inter alia</i> , the details regarding the amendments to the Huso Transaction, which was approved by Trustco Shareholders at a general meeting on Tuesday, 13 June 2017; |
| “IFRS” | International Financial Reporting Standards formulated by the International Accounting Standards Board, from time to time; |
| “Independent Expert” | Effortless Corporate Finance Proprietary Limited (Registration number 2010/004734/07), the independent expert appointed by Trustco; |
| “Independent Shareholders” | Trustco Shareholders, other than Riskowitz Value Fund and Riskowitz Associates, being associates of Riskowitz Value Fund as defined in the Listings Requirements; |
| “Irrevocable Undertaking” | the irrevocable undertaking provided by Dr Q van Rooyen dated 6 July 2017 to vote in favour of the Transaction as detailed in this Circular; |
| “JSE” | JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act; |
| “Last Day to Trade” | Tuesday, 17 October 2017, being the last day to trade in Shares in order to be reflected in the Register on the Record Date; |
| “Last Practicable Date” | the last practical date before finalisation of this Circular, being Friday, 15 September 2017; |
| “Listings Requirements” | the Listings Requirements, as amended by the JSE and the NSX from time to time; |
| “Minerals Act” | the Namibian Minerals (Prospecting and Mining) Act No. 33 of 1992, as amended from time to time; |
| “NAD” | Namibian dollar which is equivalent to one Rand; |
| “Namibia” | the Republic of Namibia; |
| “Namibian Companies Act” | the Namibian Companies Act, 2004 (Act 28 of 2004), as amended; |
| “Namibian Share Register” | the register of Trustco Shareholders maintained in Namibia by Namibian Transfer Secretaries; |
| “Namibian Transfer Secretaries” | Transfer Secretaries Proprietary Limited (Registration number 93/713), a private company incorporated in accordance with the laws of Namibia; |
| “Navps” | net asset value per Share; |
| “Next Investments” | Next Investments Proprietary Limited (Registration number 2005/396), a private company duly incorporated on 4 August 2005 in accordance with the laws of Namibia and 100% owned by Dr van Rooyen; |
| “NNDC” | Northern Namibia Development Company Proprietary Limited (Registration number 90/439), a diamond mining and exploration company incorporated on 20 August 1990 in accordance with the laws of Namibia, and a wholly-owned subsidiary of Huso; |

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| “Ntavps” | net tangible asset value per Share; |
| “Notice” | the notice of General Meeting forming part of this Circular in terms of which the General Meeting is convened; |
| “NSX” | Namibian Stock Exchange, licensed as an exchange and regulated by the Stock Exchanges Control Act of Namibia (1985, as amended in 1992) and overseen by the Namibian Financial Institutions Supervisory Authority; |
| “NSX Sponsor” or “Simonis Storm” | Simonis Storm Securities Proprietary Limited (Registration number 96/421), a private company incorporated in accordance with the laws of Namibia |
| “Parties” | collectively Trustco and Riskowitz Value Fund; |
| “Rand” or “R” | South African Rand; |
| “Record Date” | Friday, 20 October 2017, being the date on which a Trustco Shareholder must be recorded in the Register in order to vote at the Trustco General Meeting; |
| “Register” | collectively the Namibian Share Register and the South African Share Register maintained by the respective Transfer Secretaries; |
| “Reporting Accountant” or “BDO” | BDO South Africa Incorporated, (Registration number: 1995/002310/21) a partnership incorporated in accordance with the laws of South Africa; |
| “Resolutions” | the resolutions contained in the Notice, which will be tabled at the General Meeting and in terms of which Shareholders will, <i>inter alia</i> , subject to the passing thereof, approve the Riskowitz Issue of Shares for Cash; |
| “Riskowitz Agreement” | the loan and loan conversion agreement resulting in the Riskowitz Issue of Shares for Cash between the Parties concluded on the Riskowitz Agreement Signature Date; |
| “Riskowitz Agreement Closing Date” | means the date upon which the terms and conditions of the Riskowitz Issue of Shares for Cash as contained in the Riskowitz Agreement is approved by 75% of Shareholders entitled to vote at the General Meeting; |
| “Riskowitz Agreement Signature Date” | Thursday, 6 July 2017; |
| “Riskowitz Associates” | means associates of the Riskowitz Value Fund, having the same general partner namely Riskowitz Capital Management LLC controlled by Mr Sean Riskowitz who is also the Chief Executive Officer of Conduit Capital Limited. The respective Trustco shares listed below are held through: <ul style="list-style-type: none"> • Ithuba Investments LP, holding 128 354 869 (16.62%) Shares, an US based limited partnership which is controlled by Riskowitz Capital Management LLC. The limited partnerships are comprised almost exclusively of premier USA university endowments and pension funds with no single controlling partner within the partnership; and • Conduit Capital Limited, a JSE listed company with its single biggest shareholder Khrom Capital Management LLC holding 16.71% of the shares, with the following three wholly-owned subsidiaries holding the respective shareholdings in Trustco: <ul style="list-style-type: none"> – Snowball Wealth Proprietary Limited, holding 12 646 937 (1.64%) Shares; – Constantia Insurance Company Limited, holding 10 331 040 (1.34%) Shares; and – Midbrook Lane Proprietary Limited, holding, 30 604 785 (3.96%) Shares; |

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| “Riskowitz Cession and Pledge Agreement” | the cession and pledge agreement entered into between Dr Q van Rooyen and Riskowitz Value Fund dated 6 July 2017; |
| “Riskowitz Issue of Shares for Cash” or “Riskowitz Transaction” or “Transaction” | the conversion of the Riskowitz Loan into 58 823 529 new Trustco shares at an issue price of NAD4.25 per Trustco Share in terms of the Riskowitz Agreement; |
| “Riskowitz Loan” | the NAD250 million loan granted by Riskowitz to Trustco in terms of the Riskowitz Agreement; |
| “Riskowitz Irrevocable Undertaking” | the irrevocable undertaking to vote in favour of the Transaction provided by Dr van Rooyen with regard to 392 554 120 Shares he beneficially owns and controls dated 6 July 2017; |
| “Riskowitz Loan Interest” | 9% interest per annum, calculated daily and compounded monthly in arrears on the basis of the actual number of days elapsed and a 365-day year, whether or not it is a leap year; |
| “Riskowitz Pledged Shares” | 50 million Trustco Shares held by Dr Q van Rooyen pledged as security to the Riskowitz Value Fund; |
| “Riskowitz Value Fund” | Riskowitz Value Fund LP, a New York-based Delaware Limited Partnership; |
| “Riskowitz Conversion Shares” | 58 823 529 Shares; |
| “SAICA Guide” | the Guide on <i>Pro Forma</i> Financial Information issued by the South African Institute of Chartered Accountants; |
| “Sasfin” | Sasfin Capital, a division of Sasfin Bank Limited (Registration number 1951/002280/06), a public company incorporated in accordance with the laws of South Africa, the sponsor to Trustco; |
| “Segment” | a division or a of business unit within the Trustco Group; |
| “SENS” | the Stock Exchange News Service operated by the JSE; |
| “Shareholder(s)” | a holder of Shares or holders of Shares, respectively; |
| “Share(s)” | an ordinary share or ordinary shares of Trustco with a par value of NAD0.23 each in the issued share capital of Trustco of which there were 772 142 090 in issue at the Last Practicable Date, respectively; |
| “South Africa” | the Republic of South Africa; |
| “South African Companies Act” | the Companies Act, 2008 (Act 71 of 2008), as amended; |
| “South African Share Register” | the register of Shareholders maintained in South Africa; |
| “South African Transfer Secretaries” or “Computershare” | Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07) a private company incorporated in terms of the laws of South Africa; |
| “Strate” | Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated in accordance with the laws of South Africa and which is a registered central depository responsible for the electronic custody and settlement system used by the JSE; |
| “Subsidiary” or “Subsidiaries” | a subsidiary or subsidiaries as defined in the Namibian Companies Act, respectively; |
| “Transfer Secretaries” | collectively the Namibian Transfer Secretaries and the South African Transfer Secretaries; |

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| “Trustco” or “the Company” | Trustco Group Holdings Limited (Registration number 2003/058), a public company incorporated in accordance with the laws of Namibia, the Shares of which are dual-listed with the primary listing on the JSE and a secondary listing on the NSX; |
| “Trustco Resources” | Trustco Resources Proprietary Limited (Registration number 2015/0081), a private company incorporated in accordance with the laws of Namibia and a Subsidiary of Trustco; |
| “VWAP” | volume weighted average traded price; and |
| “Year-End Results” | the reviewed provisional consolidated Trustco Group condensed financial results for the year ended 31 March 2017, published on SENS on Friday, 30 June 2017 including the results clarification announcement published on SENS on Monday, 3 July 2017 together with the audited Trustco Group condensed financial results for the year ended 31 March 2017 published on Tuesday, 25 July 2017. |



TRUSTCO GROUP HOLDINGS LIMITED

Incorporated in the Republic of Namibia and registered as an external company in South Africa

(Registration number 2003/058)

(External registration number: 2009/002634/10)

JSE share code: TTO NSX share code: TUC ISIN: NA000A0RF067

("Trustco" or "the Company")

Directors

Executive

Dr Q van Rooyen (*Group Managing Director*)

Mr F J Abrahams (*Chief Financial Officer*)

Non-executive

* Advocate R Heathcote SC (*Chairman*)

* Mr W J Geysler

* Mr R J Taljaard

* Mr J Mahlangu

* *Independent*

All directors are Namibian citizens with the exception of Mr J Mahlangu who is a South African citizen.

CIRCULAR TO TRUSTCO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE

1.1 Introduction

Shareholders are referred to the announcement published on Friday, 7 July 2017, wherein they were advised that the Parties had entered into the Riskowitz Agreement to convert the Riskowitz Loan into the Riskowitz Issue of Shares for Cash.

1.2 Purpose

The purpose of this Circular is to convene the General Meeting by way of the Notice and to provide Shareholders with the requisite information in accordance with the Listings Requirements regarding the Transaction for the purposes of considering and, if deemed fit, approving the Resolutions to authorise the issue of the Riskowitz Conversion Shares.

1.3 Notice

The Notice containing the Resolutions required to implement the Riskowitz Issue of Shares for Cash is attached to and forms part of this Circular.

1.4 Date

The General Meeting will be held at the registered offices of Trustco House, 2 Keller Street, Windhoek, Namibia at 09:00 on Thursday, 26 October 2017, at which meeting Independent Shareholders will vote on the Resolutions contained in the Notice, which is attached to and forms part of this Circular.

THE PROPOSED RISKOWITZ ISSUE OF SHARES FOR CASH

2. TERMS OF THE TRANSACTION

2.1 Terms of the Riskowitz Loan

- 2.1.1 In terms of the Riskowitz Agreement the Riskowitz Value Fund advanced Trustco an amount of NAD250 million on the Riskowitz Agreement Signature Date.
- 2.1.2 The Riskowitz Loan Interest is payable to Riskowitz Value Fund on the outstanding capital balance of the Riskowitz Loan from time to time at a rate of 9% per annum from the Riskowitz Agreement Signature Date up to the date upon which the loan capital converts into Shares in terms of the proposed Riskowitz Issue of Shares for Cash. The Riskowitz Loan will retrospectively from the Riskowitz Agreement Signature Date attract interest of 15% per annum if Trustco Shareholders does not approve the Resolutions.

2.2 Terms of the Riskowitz Cession and Pledge Agreement

- 2.2.1 Dr van Rooyen ceded and pledged 50 million of his personal shares in Trustco to Riskowitz Value Fund as security for the proper and timeous performance by Trustco of its obligations in terms of the Riskowitz Agreement, where after the Riskowitz Cession and Pledge Agreement will be cancelled. However, the parties will agree that the pledge will be reduced *pro rata* on the Riskowitz Agreement Closing Date.
- 2.2.2 Dr van Rooyen retains the right to vote and receive dividends and interest on the Riskowitz Pledged Shares whilst the Riskowitz Cession and Pledge agreement is in force.
- 2.2.3 Trustco is not a party to the Riskowitz Cession and Pledge Agreement but the implementation of the Riskowitz Agreement between the Parties and the resulting Riskowitz Loan was subject to the execution of the Riskowitz Cession and Pledge Agreement.

2.3 The conversion of the Riskowitz Loan into Trustco Shares

The Riskowitz Loan will be settled through the issue of 58 823 529 new Shares in Trustco (the Riskowitz Conversion Shares) in terms of the provisions of the Riskowitz Agreement.

- 2.3.1 55 000 000 of the Riskowitz Conversion Shares will be issued, immediately after obtaining Trustco Shareholders' approval of the Resolutions, to Riskowitz Value Fund but the voting rights on these shares will be transferred to the Chairman of the Trustco Board in terms of the Riskowitz Agreement until the earlier of:

- 2.3.1.1 the implementation of the Buckley Transaction; or

- 2.3.1.2 the issuance of the Huso Initial Consideration Shares on implementation of the Huso Transaction;

upon which the voting rights to the 55 000 000 Shares will transfer to Riskowitz Value Fund. The rationale for this requirement is to ensure that the equity interest of Dr Q van Rooyen does not dilute below 50 percent plus 1 share and that there is no change in the voting control of Trustco.

- 2.3.2 The balance of 3 823 529 Riskowitz Conversion Shares will remain authorised (should Trustco Shareholders approve the Transaction) but unissued until the issue of the Huso Initial Consideration Shares. As stated earlier, the Riskowitz Conversion Shares issuance is subject to the provision that the equity interest of Dr Q van Rooyen does not dilute below 50 percent plus 1 share. As a result the issuance of some of the Riskowitz Conversion Shares will be deferred if necessary.

- 2.3.3 The Parties agreed that the Riskowitz Issue of Shares for Cash will be done at a price of NAD4.25 per Trustco Share which price represents a **3.16% premium** to NAD4.12 being Trustco's 30-day VWAP on the exchange operated by the JSE up to and immediately prior to the Riskowitz Agreement Signature Date.

- 2.3.4 The Parties agreed that under no circumstances should the implementation of the Riskowitz Issue of Shares for Cash result in a change of control in the Company, where the majority shareholder, being Dr Q Van Rooyen, at any time and for any reason fails to beneficially own and control 50% plus one Trustco Share of both the total economic and voting interest of Trustco. Dr Q van Rooyen is currently the majority shareholder (from date of listing on the JSE Limited in 2009) and it is the intention that Dr Q van Rooyen remain the majority shareholder. The interest to retain Dr Q van Rooyen as the majority shareholder is for the benefit of Trustco as the financing agreements that Trustco entered into stipulate that Dr Q van Rooyen may not beneficially own less than 50% plus 1 shareholding in Trustco. Should this occur then Trustco would trigger an event of default in terms of the IFC funding agreement and this might then trigger a cross default throughout all financial agreements with external financiers of Trustco. Should this occur, it would be detrimental to the business of Trustco. Similar conditions are entrenched in other financing agreements entered into between Trustco and various funders. The financing agreements have various repayment terms ranging from one to seven years. A default may trigger cross defaults and the current long term debt might become due and payable immediately.
- 2.3.5 In the event that Independent Shareholders do not approve the Riskowitz Issue of Shares for Cash Resolutions, then the Riskowitz Loan Interest rate payable will automatically increase to 15% per annum and shall be applied retroactively from the Riskowitz Agreement Signature Date. The Riskowitz Loan outstanding capital balance from time to time shall continue to accrue interest at 15% per annum until such a time that the outstanding balance has been repaid to Riskowitz Value Fund.

2.4 Warranties and undertakings

The Parties have given each other warranties, indemnities and undertakings that are usual to transactions of this nature.

- 2.4.1 More particular, Trustco has given the following warranties to the Riskowitz Value Fund:
- 2.4.1.1 that all the information supplied by Trustco to Riskowitz Value Fund is true, complete and accurate in all material respects;
 - 2.4.1.2 no litigation or arbitration or administrative or other proceedings before or of any judicial, administrative, governmental or other authority or of any arbitrator is taking place, pending or, to the best of Trustco's knowledge and belief, is threatened against Trustco or any of its assets which would or might, either directly or indirectly, materially affect Trustco's ability to repay the Riskowitz Loan if necessary or perform any of the obligations of Trustco in an pursuant to the Riskowitz Agreement; and
 - 2.4.1.3 the execution of and the performance and observance of the terms of Riskowitz Agreement, to the extent necessary, have been validly authorised by all appropriate legislative and regulatory bodies and by Trustco, and all obligations assumed by Trustco in or pursuant to the Riskowitz Agreement are legal, valid and binding obligations of Trustco and enforceable in accordance with their respective terms.
- 2.4.2 Trustco has given the following undertaking in favour of Riskowitz Value Fund, in addition to other undertakings that are usual in transactions of this nature:
- 2.4.2.1 Trustco indemnifies Riskowitz Value Fund against any losses, liabilities, damages (including consequential damages) and expenses (including all legal expenses incurred by Riskowitz Value Fund) that Riskowitz Value Fund may suffer or incur arising out of or in connection with a breach of the terms of the Riskowitz Agreement.

2.5 **Categorisation of the Transaction**

The Riskowitz Issue of Shares for Cash is classified as a related party transaction in terms of the Listings Requirements, as Riskowitz Value Fund is a related party as defined by paragraph 10.1(b) (i) of the JSE Listings Requirements being a material Shareholder. Accordingly, the Transaction requires the approval of 75% of Shareholders by way of ordinary resolution in terms of the Listings Requirements. The related party and their associates will be taken into account in determining the quorum at the General Meeting but they are excluded from voting on the Resolutions.

The Riskowitz Issue of Shares for Cash results in Advocate R Heathcote, by virtue of being the Trustco chairman, in his capacity as chairman, acquiring unusual, vested or other interest(s) or rights being the right to vote 55 000 000 Riskowitz Conversion Shares in terms of paragraph 2.3.1 of the Circular. An independent expert was appointed so as to advise Independent Shareholders whether the Riskowitz Issue of Shares for Cash is fair to Independent Shareholders. As a result of potentially acquiring a potential vested interest the Trustco Chairman cannot vote his shares in Trustco as reflected in paragraph 9.2 of the Circular on the Resolutions.

No options to convert the Riskowitz Loan into Shares are granted to Riskowitz Value Fund or Riskowitz Associates as provided for in paragraph 5.53 of the JSE Listings Requirements.

Please refer to paragraph 8 of this Circular for the detail regarding Riskowitz Value Fund's interest in Trustco Shares.

2.6 **The irrevocable undertaking**

Dr Q van Rooyen provided the Riskowitz Irrevocable Undertaking to vote in favour of and approve the Riskowitz Issue of Shares for Cash. The Transaction is believed to be in the best interest of Trustco and its Shareholders and the interest of Dr Q van Rooyen as a Shareholder is far greater in value than his interest in the Transaction and also that the interest of Trustco outweighs his interest and that it would be in the best interest of Trustco that Dr Q van Rooyen be entitled to vote on the Resolutions.

BUSINESS INFORMATION AND PROSPECTS

3. OVERVIEW AND PROSPECTS OF THE TRUSTCO GROUP

Trustco is a diversified financial services company incorporated in Namibia. The business commenced in 1992 and its operations have grown substantially since its inception. The Group operates in Namibia and South Africa and was listed on the NSX and the Africa Board of the JSE in 2006 and 2009, respectively. The listing was moved to the Main Board of the JSE in 2012.

3.1 Business of the Group

The Group operates subsidiaries in four main business Segments:

3.1.1 *Insurance Segment*

The short-term insurer of the Insurance Segment continues to be the leader in providing legal insurance to a very large portion of the middle to low income groups in Namibia. The launch of the Next Generation Legal Shield product offers quality legal insurance to customers, with added benefits that suit the individual customer's insurance needs. Add-on benefits are underwritten by Trustco Life, the long-term insurance company of the Segment, and include funeral benefits, dread disease cover, health insurance and income protection cover. The most innovative benefit option on the Trustco 4 Life Plus, a whole life product available since June 2016, being that a customer may claim all premium contributions back after 15 claim-free years. The South African entities predominantly operate as registered financial services providers offering comprehensive intermediary services to customers benefiting from its own unique bouquet of insurance products through binder arrangements with registered insurers.

3.1.2 *Investment Segment*

The investment portfolio, historically created by excess returns in the insurance operations, has given rise to a diversified portfolio of active investments. The Investment Segment consists of property development assets, education, air services and strategic media services.

Properties:

The division remains active in mixed-use land development. The current land bank consists of four developments known as Elisenheim Property Development, Lafrenz Industrial Park, Northern Industrial Estate and Farm Herboth. Ultimately the developments will supply industrial, commercial and residential serviced stands.

Education:

The education arm of the Segment is committed to providing quality accredited and value-adding educational programmes. This has enabled the Group to contribute to the educational, economic and social advancement of Namibians. With skills acquired through studying with The Institute for Open Learning, students not only enhance their own net income, but plough their experience and knowledge back into the community.

Air Services:

The unit provides a unique private charter company which specialises in flexible luxury charter flights catering for both business and leisure travellers to the destination of choice.

Strategic Media Services

The media services unit encompasses a newspaper publication, a fully-fledged television department and a brand new radio station.

3.1.3 **Banking and Finance Segment**

On 1 September 2014, the Group acquired all the shares of Fides Bank Namibia Ltd. The name was subsequently changed to Trustco Bank Namibia Ltd and operates under one of only seven commercial banking licenses in Namibia.

Trustco Finance was acquired in 2005 with an initial loan portfolio of NAD5 million and has grown during the past 12 years to become the preferred student loan lender in Namibia. The total loan portfolio exceeds NAD770 million.

3.1.4 **Resources Segment**

Trustco recently established the Resources Segment aiming to utilise and develop the minerals portfolio of Namibia and the emerging markets. The focus of the resources segment over the medium term planning horizon remains on the diamond sector, with two resources identified as the Huso Transaction and the Meya Mine in Sierra Leone.

3.1.5 **Shared Services**

The abovementioned business Segments are supported by the shared services segment which provides services like HR, Fleet, Legal, Company Secretarial and Information Technology to the segments.

3.2 **Prospects**

The Riskowitz Issue of Shares for Cash will facilitate further growth within the Group. The NAD250 million will be used to deleverage the Group specifically in terms of funders where loan covenants have not kept pace with the change in Group's operations. The reduction in debt will stimulate future growth within the Banking and Finance and Resources Segments.

FINANCIAL INFORMATION

4. PRO FORMA FINANCIAL INFORMATION

- 4.1 The *pro forma* financial effects of the Riskowitz Issue of Shares for Cash, as set out below, have been prepared in terms of the Listings Requirements and the Guide on *Pro Forma* Financial Information issued by the South African Institute of Chartered Accountants. These *pro forma* financial effects are the responsibility of the Directors.
- 4.2 The Independent Reporting Accountant's report on the *pro forma* financial information of the Trustco Group is contained in **Annexure 2**.
- 4.3 The *pro forma* financial effects, as fully detailed in **Annexure 1** are presented in a manner consistent with the basis on which the historical financial information of the Trustco Group has been prepared and in terms of the Trustco Group accounting policies as at 31 March 2017. The *pro forma* financial effects have been presented for illustrative purposes only and, because of their nature may not give a fair reflection of Trustco Group's financial position, changes in equity, results of operations or cash flows post the implementation of the Riskowitz Issue of Shares for Cash.

| Description | Before the Transaction ^{1,6} | <i>Pro forma</i> adjustments for the Transaction ^{2,5} | <i>Pro forma</i> after the Transaction ³ | Change ⁴ |
|--|---------------------------------------|---|---|---------------------|
| Eps (cents) | 69.11 | (2.77) | 66.34 | (4.00)% |
| Diluted Eps (cents) | 68.67 | (2.72) | 65.95 | (3.96)% |
| Heps (cents) | 70.75 | (2.88) | 67.87 | (4.08)% |
| Diluted Heps (cents) | 70.30 | (2.83) | 67.47 | (4.03)% |
| Navps (cents) | 322.80 | 7.17 | 329.97 | 2.22% |
| Ntavps (cents) | 262.24 | 11.46 | 273.70 | 4.37% |
| Number of Shares in issue at 31 March 2017 | 772 142 090 | 58 823 529 | 830 965 619 | 7.62% |
| Weighted average number of Shares in issue as at 31 March 2017 | 766 785 000 | 58 823 529 | 825 608 529 | 7.67% |
| Fully diluted number of Shares in issue as at 31 March 2017 | 771 707 000 | 58 823 529 | 830 530 529 | 7.62% |

Notes and assumptions:

- The "Before the Transaction" column information is unadjusted financial information as extracted from the Trustco Group reviewed, published consolidated results for the year ended 31 March 2017.
- The "*Pro forma* adjustments for the Transaction" column represents the Riskowitz Specific Issue of Shares for Cash, assuming 58 823 529 new Trustco Shares are issued. The effect of the Riskowitz Specific Issue of Shares for Cash is based on the terms set out in the Circular whereby a total of NAD250 million will be used for the repayment of interest-bearing liabilities. It is assumed that once of transaction costs of NAD500 000 will be paid and set off against the NAD250 million. The adjustments represent the after taxation interest paid reduction assuming an interest rate of 10.5% per annum being the actual interest paid by Trustco in the financial period on outstanding that will be reduced with the proceeds of the Transaction and an effective taxation rate of 32% to calculated the after taxation effects on the numbers.
- The "*Pro forma* after the Transaction" column illustrates the effect of the Transaction.
- Measured as the "*Pro forma* adjustments for the Transaction" as a percentage of the "Before the Transaction" column.
- All of the adjustments are of a continuing nature except for the once-off transaction costs.
- Other than the *pro forma* adjustments made as a result of the Riskowitz Loan as illustrated in **Annexure 1** of the Circular there are no other post-balance sheet events which necessitate adjustment to the *pro forma* financial information as at the Last Practicable Date.

5. EXPENSES RELATING TO THE RISKOWITZ ISSUE OF SHARES FOR CASH

- 5.1 The estimated costs of preparing and distributing the Circular, convening the General Meeting and implementing the Transaction, including the fees payable to professional advisors, are approximately NAD 500 000, are payable in cash and include the following:

| Description | Recipient | Amount (NAD)¹ |
|---|------------------|-------------------------------------|
| Transaction Advisor | DEA-RU | 155 000.00 |
| Transaction Sponsor | Arbor Capital | 25 000.00 |
| Reporting Accountants | BDO | 40 500.00 |
| Listing fees of new securities | JSE | 117 233.43 |
| Documentation fee | JSE | 19 526.32 |
| Printing costs, publication, distribution and advertising | INCE | 90 000.00 |
| General | Various | 52 740.25 |
| Total | | 500 000.00 |

Note:

1. No VAT is payable in South Africa because Trustco is a Namibian Company.

- 5.2 Trustco has not incurred any preliminary expenses during the 3 (three) years preceding the date of this Circular.

6. MATERIAL CHANGES

As at the Last Practicable Date, there have been no material changes in the financial or trading positions of Trustco since the publication of the Year-End Results.

SHARE CAPITAL AND DIRECTORS

7. AUTHORISED AND ISSUED SHARE CAPITAL

- 7.1 The authorised and issued share capital of Trustco before the Riskowitz Issue of Shares for Cash is as follows:

| Authorised share capital | NAD'000 |
|---|----------------|
| 2 500 000 000 ordinary shares of NAD0.23 each | 575 000 |
| Issued share capital | |
| 772 142 090 ordinary shares of NAD0.23 each | 177 595 |
| Share premium | 46 300 |
| Total | 223 895 |

- 7.2 The authorised and issued share capital of Trustco subsequent to the issue of the maximum number of the Riskowitz Conversion Shares, being 58 823 529 Shares, will be as follows:

| Authorised share capital | NAD'000 |
|---|----------------|
| 2 500 000 000 ordinary shares of NAD0.23 each | 575 000 |
| Issued share capital | |
| 830 965 619 ordinary shares of NAD0.23 each | 191 124 |
| Share premium | 282 271 |
| Total | 473 395 |

- 7.3 The Shares to be issued in terms of the Riskowitz Issue of Shares for Cash will be of a class of shares already in issue. Riskowitz Value Fund and the Riskowitz Associates are invested in more than 10% of the Shares in issue and Riskowitz Value Fund is regarded as a non-public shareholder as defined in paragraph 4(25)(e) of the JSE Listings Requirements.

- 7.4 The carrying value of treasury shares as at 31 March 2017 is NAD178 million (2016: null). In September 2016 the Group purchased 225 675 shares in treasury at an average price of NAD3.43 per share. The settlement consideration of NAD775 000 was paid in cash. In February 2017, the Group acquired 41 806 778 Shares in terms of the Buckley Transaction as set out in detail in the Buckley Circular. The settlement of the purchase consideration of NAD200 672 534 was deferred to 31 January 2018. At year-end the fair value of the unsettled amount was included in Trustco Group trade and other payables. The aggregate number of Trustco Shares held in treasury as at the Last Practicable Date is 42 733 274. These treasury shares will not be used for the Riskowitz Issue of Shares for Cash and cannot be voted on the Resolutions.

- 7.5 The authorised and issued share capital of Trustco assuming that the maximum number of the Riskowitz Conversion Shares are issued and also that the maximum number of the Huso Initial Consideration Shares and Huso Deferred Consideration shares of 143.3 million and 628.8 million, respectively, are issued at an issue price of NAD4.69 per Share as set out in the Huso Circular will be as follows:

| Authorised share capital | NAD'000 |
|---|------------------|
| 2 500 000 000 ordinary shares of NAD0.23 each | 575 000 |
| Issued share capital | |
| 1 603 065 619 ordinary shares of NAD0.23 each | 368 707 |
| Share premium | 3 725 837 |
| Total | 4 094 544 |

8. MAJOR SHAREHOLDERS

8.1 Major Shareholders before the Riskowitz Issue of Shares for Cash

At the Last Practicable Date before the implementation of the Riskowitz Issue of Shares for Cash insofar as is known to Trustco, no Shareholders, other than as set out below, were, directly or indirectly, beneficially interested in 5% or more of the issued share capital of Trustco.

| Shareholder | Number of shares before the Riskowitz Issue of Shares for Cash | Interest ¹ |
|--|--|-----------------------|
| Dr Q van Rooyen | 392 554 120 | 50.84% ² |
| Riskowitz Value Fund | 83 877 346 | 10.86% |
| Riskowitz Associates | 181 937 631 | 23.56% |
| Trustco Shares held in treasury ³ | 42 733 274 | 5.53% |
| Total | 701 102 371 | 90.79% |

Notes:

1. Percentage shareholding calculated based on the total shares in issue of 772 142 090 as at the Last Practicable Date. This is before any Shares are issued in terms of the Huso Transaction as the implementation is still subject to the Huso Implementation Conditions.
2. Dr Quinton van Rooyen has been for the preceding five years and still remains the only controlling shareholder of Trustco.
3. 41 806 778 of the Shares held in Treasury relate to the Shares repurchased in terms of the Buckley Transaction. The voting rights of these Shares were transferred to the Trustco Chairman as explained in the Buckley Circular whilst the Buckley Transaction Implementation Conditions remain outstanding.

8.2 Major Shareholders after the Transaction assuming that the Riskowitz Issue of Shares for Cash is implemented and the provision that Dr Q van Rooyen cannot dilute below 50.0% plus 1 share is not applied

At the Last Practical date assuming that the Riskowitz Issue of Shares for Cash of 58 823 529 Shares is implemented the Shareholders who directly or indirectly, will be beneficially interested in 5% or more of the issued share capital of Trustco are reflected in the table below.

| Shareholder | Number of shares after the Riskowitz Issue of Shares for Cash | Interest |
|---------------------------------|---|---------------------|
| Dr Q van Rooyen | 392 554 120 | 47.24% ¹ |
| Riskowitz Value Fund | 142 700 875 ¹ | 17.17% |
| Riskowitz Associates | 181 937 631 | 21.89% |
| Trustco shares held in treasury | 42 733 274 | 5.14% |
| Total | 759 925 900 | 91.44% |

Notes:

1. The Riskowitz Conversion Shares issuance is subject to the provision that the equity interest of Dr Q van Rooyen does not dilute below 50 percent plus 1 share as set out in detail in paragraph 2.3 of this Circular. As a result the issuance of some of the Riskowitz Conversion Shares will be deferred, if necessary. The table illustrates what the effect will be if the control provision was not applied resulting in the 58 823 529 Shares being issued to Riskowitz Value Fund before the Huso Initial Consideration Shares are issued.

8.3 Major Shareholders assuming the Huso Transaction and the Riskowitz Issue of Shares for Cash are implemented

At the last practical date assuming that the Riskowitz Issue of Shares for Cash is implemented resulting in the Riskowitz Conversion Shares being issued and that the Huso Transaction is implemented resulting in the Huso Initial Consideration Shares and the Huso Deferred Consideration Shares being issued, then the Shareholders who will directly or indirectly, be beneficially interested in 5% or more of the issued share capital of Trustco are reflected in the table below.

| Shareholder | Number of shares after the Riskowitz Issue of Shares for Cash | Interest |
|----------------------|---|---------------|
| Dr Q van Rooyen | 1 164 654 120 ¹ | 72.65% |
| Riskowitz Value Fund | 142 700 875 ² | 8.90% |
| Riskowitz Associates | 181 937 631 | 11.34% |
| Total | 1 489 292 626 | 92.90% |

Notes:

1. The shareholding assumes that both the 143.3 million shares issued as Huso Initial Consideration Shares and the 628.8 million Huso Deferred Consideration Shares have been issued.
2. The shareholding assumes that maximum of 58 823 529 Riskowitz Conversion Shares has been issued.

9. DIRECTORS

9.1 Directors' remuneration

There will be no changes to the remuneration and benefits paid to the Directors as a direct result of the Riskowitz Issue of Shares for Cash.

9.2 Directors' interest in Shares

As at the Last Practicable Date, the direct and indirect beneficial interests of the Directors (including any associates of the Directors and any director of the Board who resigned during the 18 months preceding the Last Practicable Date) in the share capital of the Company are reflected below:

| Director ^{4,6,7} | Total Shares held before the Riskowitz Transaction ⁶ | Percentage shareholding before Riskowitz Transaction | Total Shares held after the Riskowitz Transaction | Percentage shareholding after the Riskowitz Transaction ⁵ |
|-----------------------------------|---|--|---|--|
| Executive | | | | |
| Dr Q van Rooyen | 392 554 120 | 50.84 | 392 554 120 | 50.01 |
| Mr FJ Abrahams | 1 422 726 | 0.18 | 1 422 726 | 0.18 |
| Non-executive | | | | |
| Mr W Geysen | 97 915 | 0.01 | 97 915 | 0.01 |
| Adv R Heathcote | 1 336 167 | 0.17 | 1 336 167 | 0.17 |
| Mr R Taljaard | 22 802 | 0.00 | 22 802 | 0.00 |
| Mr J Mahlangu | – | 0.00 | – | 0.00 |
| Alternate/former directors | | | | |
| Mr R McDougall ¹ | 35 165 | 0.00 | 35 165 | 0.00 |
| Mr S Pienaar ² | 530 922 | 0.07 | 530 922 | 0.07 |
| Mr J Jones ³ | 41 350 | 0.01 | 41 350 | 0.01 |
| | 396 041 167 | 51.28 | 396 041 167 | 50.45 |

Notes:

1. Mr R McDougall resigned as the financial director with effect from 31 December 2016.
2. Mr S Pienaar resigned as an alternate director to Mr R McDougall with effect from 15 June 2016.
3. Mr J Jones resigned as an alternate director to Dr Q van Rooyen with effect from 16 March 2016.
4. There were no changes in any interests of any of the Directors between the end of the preceding financial year and the Last Practicable Date.
5. On the assumption that only a portion of the Riskowitz Conversion Shares are issued in terms of the provisions of the Riskowitz Agreement as explained in paragraph 2.3 of this Circular.
6. All shareholdings held before and after the Riskowitz Transaction were held directly by the respective Directors and alternate Directors, save for Mr J Jones who held his shares indirectly.
7. There has been no change in the beneficial interest of any of the directors listed above or any of their associates as defined in the JSE Listings Requirements between the date of the financial year end being 31 March 2017 and the Last Practicable Date other than the following trades:
 - 7.1 Mr F J Abrahams on 28 July 2017 acquired 5 822 Shares at a price of NAD4.20 per Share;
 - 7.2 Mr W Geysers on 10 July 2017 acquired 57 790 Shares at a price of NAD4.30 per Share; and
 - 7.3 Mr R J Taljaard on 10 July 2017 acquired 3 794 Shares and 836 Shares at a price of NAD4.29 and NAD4.30 per Share, respectively.

9.3 Directors' interest in transactions

- 9.3.1 None of the Directors, including those who resigned in the 18 months preceding the Last Practical Date or promoters of Trustco, have any material beneficial, direct or indirect interest in the Riskowitz Transaction. The Directors respective equity interest in Trustco will not change as a result of the Riskowitz Issue of Shares for Cash.
- 9.3.2 Paragraph 9.3.3 below explains the interest of Dr Q van Rooyen in the Riskowitz Cession and Pledge Agreement. Other than the guarantee fee that is not material in relation to the value of Dr Q van Rooyen's shareholding in Trustco as explained in paragraph 9.3.3 below and the Huso Transaction in which Dr Q van Rooyen has an interest as detailed in the Huso Circular, no Director or any director of Trustco who resigned in the last 18 months, has or had any material beneficial interest, directly or indirectly, in any transaction which is, or was, material to the business of Trustco and which was effected by Trustco during the current financial year, or in the previous financial year, which remains in any respect outstanding or unperformed.
- 9.3.3 The management agreement between Next Investments and Trustco provides that a surety fee is payable to Next Investments based on all sureties provided by Dr Q van Rooyen on behalf of the Trustco Group. Dr Q van Rooyen is the sole shareholder of Next Investments. For more information please peruse the Director's Report section of the Trustco Group audited financial statements for the financial year ended 31 March 2016. The surety fee is calculated at 2% per annum of all outstanding suretyships measured on a quarterly basis. Please note that the granting of the Riskowitz Loan and the Riskowitz Cession and Pledge Agreement, in terms of which Dr Q van Rooyen provided personal security by way of the Riskowitz Pledged Shares so as to secure the Riskowitz Loan to the benefit of all Trustco Shareholders, is **not** subject to Trustco Shareholders' approval and is **not** the subject matter of this Circular. Trustco Shareholders approval is sought in this Circular so as to convert the Riskowitz Loan into Trustco Shares in terms of the Riskowitz Issue of Shares for Cash. The surety fee payable to Next Investments falls away the moment the Riskowitz Loan converts into Trustco Shares. Dr Q van Rooyen's rights as a Trustco Shareholder and the rights and benefits and obligations of all other Trustco Shareholders, other than Riskowitz Value Fund and Riskowitz Associates, in voting in the General Meeting on the proposed Resolutions is exactly the same.

9.4 The full name, ages, business addresses and capacities of the Directors of Trustco and major subsidiaries are set out below:

| Name¹ | Age | Designation | Business address |
|----------------------------|------------|-------------------------|--|
| Dr Quinton van Rooyen | 52 | Managing director | 2 Keller Street, Windhoek |
| Mr Floors Jacobus Abrahams | 42 | Chief Financial Officer | 2 Keller Street, Windhoek |
| Advocate Raymond Heathcote | 52 | Chairman | Namlex Chambers, 333 Independence Avenue, Windhoek |
| Mr Winton Geysler | 57 | Non-executive director | 27 Kallie Roodt Street, Windhoek |
| Mr Renier Taljaard | 56 | Non-executive director | c/o Sam Nujoma and Robert Mugabe Avenue, Windhoek |
| Mr Jabulani Mahlangu | 50 | Non-executive director | 4 Mahai Close, Waterfall Park, Midrand, South Africa |

Notes:

1. All directors are Namibian citizens with the exception of Mr J Mahlangu who is a South African citizen. Mr J Mahlangu is a non-executive director of a subsidiary of a company that is a Riskowitz Associate.

GENERAL INFORMATION

10. GENERAL MEETING

10.1 Notice of General Meeting

The General Meeting will be held at 09:00 on Thursday, 26 October 2017 at the registered office of Trustco, Trustco House, 2 Keller Street, Windhoek, Namibia in order to consider the Resolutions required to implement the Riskowitz Transaction.

The Notice convening the General Meeting and a form of proxy for use by Certificated Shareholders and Dematerialised Own-Name Shareholders who are unable to attend the general meeting, are attached hereto and form part of this Circular.

Details of the action required to be taken by Trustco Shareholders in respect of the General Meeting are set out on page 2 of this Circular.

10.2 Approval and Voting rights

As noted in paragraph 2.5 of the Circular, Riskowitz Value Fund and the Riskowitz Associates and also the Trustco chairman Advocate R Heathcote will be excluded from voting on Ordinary Resolution Number 1. The presence of Riskowitz Value Fund and his associates and the Trustco chairman will, however, form part of the quorum at the General Meeting. The approval of the Riskowitz Issue of Shares for cash is subject to achieving a 75% majority of votes cast in favour of the Resolutions, on which Riskowitz Value Fund and Riskowitz Associates have not voted or whose votes have not been counted.

All Shares rank *pari passu* with each other and at the General Meeting, every Shareholder present or represented by proxy shall have one vote for every Share held.

11. REPORT OF THE INDEPENDENT EXPERT

The Independent Expert has been appointed by the Directors other than Advocate R Heathcote and Mr Jabulani Mahlangu to provide an independent expert opinion on the Transaction as required in terms of the JSE Listings Requirements. The Independent Expert concluded that the Transaction is fair to Trustco Shareholders other than Riskowitz Value Fund, Riskowitz Associates and the Trustco chairman Advocate R Heathcote. A copy of the Independent Expert's opinion is contained in Annexure 3 of this Circular.

12. DIRECTORS' RECOMMENDATION

12.1 The independent members of the Board is of the opinion that the Riskowitz Issue of Shares for Cash is beneficial to Trustco and recommends that Trustco Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

12.2 Mr J Mahlangu is a non-executive director of a subsidiary of a Riskowitz Associate and has recused himself from all Board discussions regarding the Riskowitz Transaction. He does not hold any Trustco shares as indicated in paragraph 9.2 of this Circular.

12.3 Other than Advocate R Heathcote who cannot vote on the Transaction as explained in paragraph 2.5 of the Circular all the Directors intend to vote the Trustco Shares held by them in favour of the Resolutions to be proposed at the General Meeting.

12.4 Shareholders are also referred to the Riskowitz Irrevocable Undertaking as noted in paragraph 2.6 of the Circular that Dr Q van Rooyen provided in support of the Riskowitz Transaction. Dr Q van Rooyen is not deriving any material benefit from the Riskowitz Issue of Shares for Cash that other Trustco Shareholders other than Riskowitz and Riskowitz Associates is not getting. Dr Q van Rooyen is in the same position as other independent Trustco Shareholders and can vote his shares. Please also see paragraph 9.3.2 of the Circular for more information.

13. LITIGATION STATEMENT

There are no legal or arbitration proceedings which may have, or have, during the 12 (twelve) months preceding the date of this Circular, had a material effect on the financial position of the Group. Trustco is not aware of any proceedings that would have a material effect on the financial position of the Group or which are pending or threatened against the Group.

14. MATERIAL CONTRACTS

No material contracts, other than the Riskowitz Transaction, the Huso Transaction and the Buckley Transaction, or restrictive funding arrangements have been entered into by the Trustco Group, being a contract entered into otherwise than in the ordinary course of business, within the two years preceding the date of this Circular or entered into at any time and containing any obligation or settlement that is material to Trustco at the date of this Circular.

15. ADVISORS' CONSENTS

Each of the JSE Transaction Sponsor, NSX Sponsor, Independent Expert, Reporting Accountant and Transaction Advisor have consented in writing to act in the capacities stated and to the inclusion of their names and, where applicable, reports in this Circular in the form and context they appear, and have not withdrawn their consents prior to the publication of this Circular.

16. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names appear on page 10 of this Circular, collectively and individually accept full responsibility for the accuracy of the information given relating to Trustco 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.

17. INCORPORATION OF DOCUMENTS BY REFERENCE

In accordance with the JSE Listings Requirements, the following documentation is incorporated by reference and may be obtained at the Company's registered office and on the Company's website at www.tgh.na:

| Document | Paragraph Reference |
|--|----------------------------|
| Huso Circular | 7.5, 9.3.2 |
| Buckley Circular | 7.4, 8.1 |
| Audited consolidated financial statements of the Trustco Group for the financial years ended 31 March 2014, 31 March 2015 and 31 March 2016. | 4.1 – 4.3, Annexure 1 |

18. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by Trustco Shareholders during normal business hours at the registered office of Trustco and at the offices of the JSE Transaction Sponsor, from Friday, 22 September 2017 until Thursday, 26 October 2017 (both days inclusive):

- 18.1 the Riskowitz Agreement;
- 18.2 a copy of the Reporting Accountant's Report on the *pro forma* financial information;
- 18.3 the Riskowitz Irrevocable Undertaking;
- 18.4 the report of the Independent Expert;
- 18.5 the Huso Circular and the Huso Agreement;
- 18.6 the Buckley Circular and the Buckley Agreement;
- 18.7 the audited consolidated financial statements of the Trustco Group for the financial years ended 31 March 2014, 31 March 2015 and 31 March 2016;

18.8 the Trustco Group reviewed provisional financial results for the financial year ended 31 March 2017;
and

18.9 a signed copy of this Circular.

Signed by Mr FJ Abrahams and Dr Q van Rooyen on behalf of all of the Directors of Trustco in terms of powers of attorney signed by such directors.

F J Abrahams
Executive Director

Dr Q van Rooyen
Managing Director

26 September 2017
Windhoek

PRO FORMA FINANCIAL INFORMATION

The *pro forma* financial information set out below is the responsibility of the Directors of Trustco and is prepared for illustrative purposes only to illustrate the financial effects of the Transaction.

Due to the nature of the *pro forma* financial effects have been presented for illustrative purposes only and, because of their nature may not give a fair reflection of Trustco Group's financial position, changes in equity, results of operations or cash flows post the implementation of the Riskowitz Issue of Shares for Cash.

An independent reporting accountant's limited assurance report on the *pro forma* financial information is included in **Annexure 2** of the Circular.

The *pro forma* financial information has been compiled using accounting policies that are consistent with IFRS and those applied in the Trustco condensed consolidated reviewed provisional results for the financial year ended 31 March 2017.

The *pro forma* financial information has been prepared in accordance with the JSE Listings Requirements.

Pro forma consolidated statement of financial position

| | Unadjusted financial information as at 31 March 2017 NAD'000 ¹ | Pro forma adjustments for the Riskowitz Loan NAD'000 ² | Pro forma adjustments for the Riskowitz Loan NAD'000 ³ | Pro forma total after Riskowitz Loan before the Riskowitz Issue of Shares for Cash NAD'000 ⁴ | Pro forma adjustments for the Riskowitz Issue of Shares for Cash NAD'000 ⁵ | Pro forma financial information after the Transaction NAD'000 ⁶ |
|-------------------------------|---|--|--|--|--|---|
| ASSETS | | | | | | |
| Cash and cash equivalents | 46 017 | 250 000 | (250 000) | 46 017 | (500) | 45 517 |
| Advances | 1 818 811 | | | 1 818 811 | | 1 818 811 |
| Trade and other receivables | 762 225 | | | 762 225 | | 762 225 |
| Current income tax assets | 7 534 | | | 7 534 | | 7 534 |
| Inventories | 339 278 | | | 339 278 | | 339 278 |
| Property, plant and equipment | 609 416 | | | 609 416 | | 609 416 |
| Investment property | 1 010 812 | | | 1 010 812 | | 1 010 812 |
| Intangible assets | 467 579 | | | 467 579 | | 467 579 |
| Deferred income tax assets | 94 718 | | | 94 718 | | 94 718 |
| Total assets | 5 156 390 | 250 000 | (250 000) | 5 156 390 | (500) | 5 155 890 |

| | Unadjusted financial information as at 31 March 2017 NAD'000¹ | <i>Pro forma</i> adjustments for the Riskowitz Loan NAD'000² | <i>Pro forma</i> adjustments for the Riskowitz Loan NAD'000³ | <i>Pro forma</i> total after Riskowitz Loan before the Riskowitz Issue of Shares for Cash NAD'000⁴ | <i>Pro forma</i> adjustments for the Riskowitz Issue of Shares for Cash NAD'000⁵ | <i>Pro forma</i> financial information after the Transaction NAD'000⁶ |
|-------------------------------------|---|--|--|--|--|---|
| EQUITY AND LIABILITIES | | | | | | |
| Liabilities | | | | | | |
| Bank overdraft | 12 640 | | | 12 640 | | 12 640 |
| Borrowings | 1 657 445 | 250 000 | (250 000) | 1 657 445 | (250 000) | 1 407 445 |
| Trade and other payables | 477 513 | | | 477 513 | | 477 513 |
| Current income tax liabilities | 28 018 | | | 28 018 | | 28 018 |
| Other liabilities | 85 287 | | | 85 287 | | 85 287 |
| Deferred income tax liabilities | 308 687 | | | 308 687 | | 308 687 |
| Insurance provisions | 94 350 | | | 94 350 | | 94 350 |
| Total liabilities | 2 663 940 | 250 000 | (250 000) | 2 663 940 | (250 000) | 2 413 940 |
| Capital and reserves | | | | | | |
| Share capital | 177 595 | | | 177 595 | 13 529 | 191 124 |
| Share premium | 46 300 | | | 46 300 | 235 971 | 282 271 |
| Deemed treasury shares | (178 358) | | | (178 358) | | (178 358) |
| Other reserves | 47 875 | | | 47 875 | | 47 875 |
| Retained earnings | 2 399 031 | | | 2 399 031 | | 2 399 031 |
| Non-controlling interest | 7 | | | 7 | | 7 |
| Total capital and reserves | 2 492 450 | – | – | 2 492 450 | 249 500 | 2 741 950 |
| Total equity and liabilities | 5 156 390 | 250 000 | (250 000) | 5 156 390 | (500) | 5 155 890 |
| Navps (cents) | 322.80 | – | – | 322.80 | 7.17 | 329.97 |
| Ntavps (cents) | 262.24 | – | – | 262.24 | 11.46 | 273.70 |
| Number of shares in issue | 772 142 090 | – | – | 772 142 090 | 58 823 529 | 830 965 619 |

Notes:

1. The "Before the Transaction" column information is unadjusted financial information as extracted from the Trustco Group reviewed, published consolidated results for the year ended 31 March 2017.
2. This column illustrates the *pro forma* effect of receiving the Riskowitz Loan from Riskowitz Value Fund.
3. This column illustrates the *pro forma* effect of using the Riskowitz Loan to repay interest bearing liabilities.
4. This column illustrates the cumulative *pro forma* effect of the receipt of the NAD250 million Riskowitz Loan and utilising the proceeds of the Riskowitz Loan to reduce Trustco Group interest-bearing liabilities borrowing from third parties other than Riskowitz Value Fund.
5. This column illustrates the effect of converting the NAD250 million Riskowitz Loan into 58 823 529 new Trustco Shares, the payment of the Transaction expenses of NAD500 000 as set out in detail in paragraph 5.1 of the Circular and the debiting of the Riskowitz Issue of Shares for Cash Transaction expenses amounting to NAD500 000 against the share premium account.
6. The "*Pro forma* after the Transaction" column illustrates the cumulative effect of the Transaction assuming that the Transaction was implemented on 31 March 2017.
7. All of the adjustments are of a continuing nature except for the once-off Transaction costs.
8. There are no post-balance sheet events other than those effected in notes 2, 3 and 4 above which necessitate adjustment to the *pro forma* financial information as at the Last Practicable Date.

Pro forma consolidated statement of profit or loss and other comprehensive income

| | Unadjusted financial information for the year ended 31 March 2017 NAD'000¹ | Pro forma adjustments for the Riskowitz Issue of Shares for Cash NAD'000² | Pro forma financial information after the Transaction NAD'000³ |
|---|--|---|--|
| Revenue | 1 246 762 | | 1 246 762 |
| Investment income | 225 467 | | 225 467 |
| Income from operations | 1 472 229 | | 1 472 229 |
| Insurance benefits and claims | (48 292) | | (48 292) |
| Cost of sales | (208 896) | | (208 896) |
| Operating expenses | (459 895) | | (459 895) |
| Finance costs | (173 669) | 26 197 | (147 472) |
| Profit before taxation | 581 477 | 26 197 | 607 674 |
| Taxation | (51 525) | (8 383) | (59 908) |
| Profit for the year | 529 952 | 17 814 | 547 766 |
| Other comprehensive income net of tax: | | | |
| (Losses)/gains on revaluation of property plant and equipment | (23 904) | | (23 904) |
| Exchange differences on translating foreign operations | 8 780 | | 8 780 |
| Total comprehensive income for the year | 514 828 | 17 814 | 532 642 |
| Eps (cents) | 69.11 | (2.77) | 66.34 |
| Diluted Eps (cents) | 68.67 | (2.72) | 65.95 |
| Heps (cents) | 70.75 | (2.88) | 67.87 |
| Diluted Heps (cents) | 70.30 | (2.83) | 67.47 |
| Ordinary shares in issue | 772 142 090 | 58 823 529 | 830 965 619 |
| Weighted average number of Shares in issue | 766 785 000 | 58 823 529 | 825 608 529 |
| Fully diluted number of Shares in issue | 771 707 000 | 58 823 529 | 830 530 529 |

Notes:

1. The "Before the Transaction" column information is unadjusted financial information as extracted from the Trustco Group reviewed, published consolidated results for the year ended 31 March 2017.
2. The "Pro forma adjustments for the Transaction" column represents the Riskowitz Specific Issue of Shares for Cash, assuming 58 823 529 new Trustco Shares are issued. The effect of the Riskowitz Specific Issue of Shares for Cash is based on the terms set out in the Circular whereby a total of NAD250 million will be used for the repayment of interest-bearing liabilities. It is assumed that once of transaction costs of NAD500 000 will be paid and set off against the NAD250 million. The adjustments represent the after taxation interest paid reduction assuming an interest rate of 10.5% per annum being the actual interest paid by Trustco in the financial period on outstanding that will be reduced with the proceeds of the Transaction and an effective taxation rate of 32% to calculated the after taxation effects on the numbers.
3. The "Pro forma after the Transaction" column illustrates the effect of the Transaction.
4. All of the adjustments are of a continuing nature except for the once-off transaction costs.

REPORTING ACCOUNTANT'S REPORT ON *PRO FORMA* FINANCIAL INFORMATION

"18 September 2017
The Directors
Trustco Group Holdings Limited
2 Keller Street
Windhoek
Namibia

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION INCLUDED IN A CIRCULAR

Introduction

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Trustco Group Holdings Limited ("Trustco" or the "Company"), consisting of the *pro forma* statement of financial position as at 31 March 2017 and the *pro forma* statement of comprehensive income for the period ended 31 March 2017 (the "*Pro Forma* Financial Information") as set out in **Annexure 1** of the circular issued by Trustco, to be dated on or about 26 September 2017. The *Pro Forma* Financial Information has been compiled on the basis of the applicable criteria specified in the JSE Limited ("JSE") Listings Requirements (the "JSE Listings Requirements"). Because of its nature, the *Pro Forma* Financial Information does not represent the company's actual financial position, financial performance or cash flows.

The *Pro Forma* Financial Information has been compiled by the directors to illustrate the impact of the corporate action or event, described as the Riskowitz Issue of Shares for Cash by Trustco Group on the group's financial position as at 31 March 2017 and the group's financial performance for the period then ended, as if the Riskowitz Issue of Shares for Cash had taken place on 31 March 2017 for purposes of the statement of financial position and on 1 April 2016 for purposes of the statement of comprehensive income.

As part of this process, information relating to Trustco's financial position and financial performance has been extracted by the directors from Trustco's published reviewed provisional results for the year ended 31 March 2017 ("Published Financial Information"), on which an unmodified reviewed auditor's report was issued.

Directors' responsibility for the *pro forma* financial information

The directors of Trustco (the "Directors") are solely responsible for the compilation, contents and presentation of the *Pro Forma* Financial Information as described in paragraph 4.3 and **Annexure 1** of the circular, and for the financial information from which it has been prepared.

Their responsibility includes determining that:

- The *Pro forma* Financial Information contained in the Circular has been properly compiled on the basis stated;
- The basis is consistent with the accounting policies of Trustco; and
- The *pro forma* adjustments are appropriate for the purposes of the *Pro forma* Financial Information as disclosed in terms of the JSE Listings Requirements.

Quality control

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.

Independence and other ethical requirements

We have complied with the independence and other ethical requirements of the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (the "IRBA Code"), which is consistent with Parts A and B of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which and is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion, as required by the JSE Listings Requirements, about whether the *Pro forma* Financial Information has been compiled, in all material respects, by the directors in accordance with the applicable criteria, based on our procedures performed. 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. In addition, we have not performed an audit or review of the financial information used in compiling the *Pro forma* Financial Information.

Scope

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Reports on the Process to Compile Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the directors have compiled, in all material respects, the *pro forma* financial information in accordance with the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any Published 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 Published Financial Information used in compiling the *pro forma* financial information.

As the purpose of *pro forma* financial information included in the Circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction at 31 March 2017 would have been as presented.

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

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

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

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

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

Opinion

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the Applicable Criteria specified by the JSE Listings Requirements and described in paragraph 4 and **Annexure 1** of this Circular.

Yours faithfully

Per: **Nick Lazanakis**
Chartered Accountant (SA)

BDO South Africa Incorporated
22 Wellington Road
Parktown, 2193"

REPORT OF THE INDEPENDENT EXPERT

18 September 2017
The Directors
Trustco Group Holdings Limited
2 Keller Street
Windhoek
Namibia

Dear Sirs/Madams

Fairness Opinion to the directors of Trustco Group Holdings Limited (“Trustco” and/or “the Company”) concerning the specific issue of shares for cash to Riskowitz Value Fund, a related party to Trustco as defined in the JSE Listings Requirements, by way of the conversion of their N\$ 250 000 000 loan to Trustco into Trustco Shares at a conversion price of NAD 4.25 per Trustco Share being at a 3.16% premium to the 30 day VWAP up to the Riskowitz Agreement Signature Date (“Specific Issue for Cash”)

1. INTRODUCTION

Shareholders are referred to the SENS announcements published on 7 July 2017 in terms of which the Company advised shareholders concerning the specific issue of shares for cash to Riskowitz Value Fund, a related party to Trustco as defined in the JSE Listings Requirements, by way of the conversion of their N\$ 250 000 000 loan to Trustco into Trustco Shares at a conversion price of NAD 4.25 per Trustco Share being at a 3.16% premium to the 30 day VWAP up to the Riskowitz Agreement Signature Date. Riskowitz Value Fund are related parties as contemplated in the JSE Limited Listings Requirements (“Listings Requirements”), but the shares are being issued at a premium of 3.16% to the VWAP and a Fairness opinion is not generally required.

Notwithstanding this, in terms of the JSE Listings Requirements Paragraph 10.2 “When an issuer is contemplating a transaction which will result in any unusual, vested or other interest(s) or rights being created for any of the parties in paragraph 10.1(b)(i) to (vii) above, the issuer must discuss the transaction with the JSE at an early stage in order for the JSE to determine whether it will exercise its discretion and classify the transaction as a related party transaction and any parties as related parties in terms of the transaction concerned.”

The JSE Limited have in terms of paragraph 10.2 of the JSE Limited Listings Requirements ruled that Advocate R Heathcote SC, the Chairman of Trustco being a director is therefore a related party (even though he is not transacting) to the Riskowitz Issue of Shares for Cash may acquire voting rights to the Riskowitz Conversion Shares; and that a fairness opinion should be sought from an independent expert on the Riskowitz Issue of Shares for Cash.

The opinion is given to the Trustco directors for the sole purpose of assisting the directors in forming and expressing an opinion for the benefit of holders of shares in Trustco.

2. DEFINITION OF FAIRNESS

In terms of Schedule 5 of the Listings Requirements, fairness is primarily based on quantitative issues. For illustrative purposes, in the case of a repurchase of a specific issue of shares for cash the issue price may be said to be fair if the issue price for shares is equal to or greater than the value of the price being received for the shares.

3. SOURCE DOCUMENTATION AND INFORMATION CONSIDERED

We have considered all the following information that is relevant to the value of the ordinary shares in Trustco:

- Information on Trustco, including the history, the nature of business, services, key customers, industry and competitors;

- SENS announcements and agreements relating to the Specific Issue for Cash;
- Share price, the volume of trading and other share trading statistics of Trustco and other listed investments on the JSE;
- The audited annual financial statements including the annual report of Trustco for the years ended 31 March 2017, 2016, 2015, 2014, 2013 and 2012;
- Property valuations performed by registered property valuers and used in the preparation of the audited annual financial statements;
- Management budgets and forecasts;
- Discussions with the executive directors of Trustco;
- The details relating to Specific Issue for Cash;
- Discussions with directors of Trustco, including discussions regarding the rationale for and the perceived benefits to be obtained from the Specific Issue for Cash; and
- Operating costs and capital expenditure.

4. PROCEDURES

In arriving at our opinion, we have, *inter alia*:

- Prepared a valuation in accordance with generally accepted valuation approaches and methods. We have prepared the valuation of the major operating assets of Trustco using a Discounted Cash Flow Model.
- As corroborating evidence, we reviewed the reasonability of the PE ratio, the net asset value calculation in the annual financial statements and share trading statistics and analysis;
- Reviewed the independent reports for the property valuations performed by independent valuers and obtained evidence of the following:
 - the professional competence, in particular, membership of an appropriate professional body and experience and reputation in the field;
 - the independence, including confirmation that there were no actual or apparent conflicts of interest that might impair, or be perceived to impair, their objectivity;
 - that the scope of the work was adequate;
 - the appropriateness of the work ensuring that the methodology is acceptable.

Having considered the above, we tested these valuations, we are satisfied with the valuations and we agree with the valuations;

- Reviewed the terms of the Specific Issue for Cash;
- Considered information made available by and from discussions held with the management and directors of Trustco;
- Considered the rationale for the Specific Issue for Cash;
- Considered the valuation of Trustco that we prepared; and
- Conducted an appropriate sensitivity analysis given a reasonable range of key assumptions on the valuations mentioned above. Sensitivity analysis conducted included, *inter alia*; inflation rates, growth rates and interest rates. A sensitivity analysis was conducted based on historical trends and market forecasts. Various scenarios were evaluated and analysed to determine the effects of changes in these variables. The historical analysis of these factors reflect stability and not too significant historical fluctuations have been observed. This serves well to limit the range for the sensitivity analysis.

Following the sensitivity analysis, the major drivers (most sensitive) were

- Revenue growth percentage – a 1% increase in the growth rate from 6% to 7% giving a 2.4% increase in the valuation,
- the Fair Rate of Return – a 1% drop in the fair rate of return from 18.2% to 17.2% resulting in a 7% increase in the valuation; and
- the margin – a 1% improvement from 60.6% to 61.6% resulting in a 2.2% increase in valuation.

We identified the following internal and external key value drivers:

- **Fair rate of return**

The Fair rate of return is a key value driver with both internal and external elements. We used a fair rate of return of 18.2% in the valuation.

The modified capital asset pricing model was applied in arriving at the fair rate of return used to discount the projected cash flows. The fair rate of return comprises three elements

- The rate the investor could earn after tax on government bonds, which was used as a surrogate for a risk free rate,
- The systematic risk premium applicable to the asset comprising the risks that cannot be mitigated by diversification, and
- The unsystematic risk applicable to the asset comprising the risks that could be mitigated by diversification.

- Risk Free Rate on long dated government bonds of 7.6% was utilised.

- Systematic risk premium 8% per annum was considered appropriate.

- Unsystematic risk premium

This premium utilised was 6% and accounts for the risks that could, theoretically, be mitigated by placing the asset in a diversified portfolio of assets. Where this is not the case, or where it is not possible to mitigate such risks, account should be taken of these risks.

- **Revenue growth**

Revenue growth is a key internal value driver. Revenue has grown by 8.4% (2016: 13.1%) for the year ended 31 March 2017 and the budget for the year ended 31 March 2018 shows growth of 9.1%. We used growth of 6% for the year ended 31 March 2018 and later years.

- **Margin**

The margin is a key internal value driver. The margin of expenses and cost of sales relative to revenue is 60.6% (2016: 50.8%) for the year ended 31 March 2017. We used a margin of 60.6% for 2018 and beyond.

Assumptions of the valuation include:

- Historical trading was analysed and was used as a basis for testing the reasonability of forecasts;
- Margins and operating costs; a comparison of the historical vs the forecast was performed;
- Growth in revenue of 6%;
- Tax, at the corporate tax rate of 32%;
- Working capital, cash and capital expenditure requirements have been assumed to remain in line with historical trends; and
- Mining operations were excluded for the year ended 31 March 2016 as the company was in a process of resolving regulatory issues. The resources segment is included for the year ended 31 March 2017 and in the budget for the year ended 31 March 2018.

5. **APPROPRIATENESS AND REASONABLENESS OF UNDERLYING INFORMATION AND ASSUMPTIONS**

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

- Placing reliance on representations made by directors and senior employees during the course of forming this opinion;
- Considering the opinions of independent professionals, e.g. the independent property valuers;
- Considering the historical trends of such information and assumptions;
- Comparing and corroborating such information and assumptions with external sources of information, if such information is available; and
- Determining the extent to which representations from directors, senior employees and the Independent Valuer could be relied upon.

We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purpose of this valuation, whether in writing or obtained in discussion with the executive directors, non-executive directors and management of Trustco. We have relied on the audit reports. We reviewed the source documentation and information considered in paragraph 3 above for reasonableness and consistency. We express no opinion on this information.

6. VALUATION

- 6.1 We have performed valuations using the Discounted Cash Flow Models of Trustco to determine whether the proposed Specific Issue for Cash represents fair value to the shareholders. We have reviewed the methodologies available for performing valuations of businesses operating in this industry. The Discounted Cash Flow Model was applied as the primary valuation methodology and the capitalisation of earnings method was used as the secondary method.
- 6.2 A sensitivity analysis was performed considering key assumptions relating to revenue growth, the fair rate of return and the margin in arriving at the valuation range. The valuation involved a stress test and sensitivity analysis on the key value drivers.

7. INDEPENDENCE, COMPETENCE AND LIMITING CONDITIONS

- 7.1 We confirm that Effortless Corporate Finance has no independence issues relating to directorships, employment, owning shares, management and fees earned in Trustco or related parties.
- 7.2 We confirm that Effortless Corporate Finance and the directors responsible for this assignment have the necessary competencies relating to internal control systems, quality control, experience and qualifications.
- 7.3 We confirm that we have no financial interest and no relationship in Trustco, the Specific Issue for Cash or related parties. Furthermore, we confirm that our professional fees are not contingent upon the success of the Specific Issue for Cash and amount to R69 800 payable in cash.
- 7.4 We confirm that the scope of our procedures and work performed were not subject to any limiting conditions.
- 7.5 Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated as at the date of this report. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.
- 7.6 The effect of the Specific Issue for Cash on individual shareholders of Trustco may vary depending on their particular circumstances. We suggest that shareholders should consult an independent advisor if they are in any doubt as to the effect of the Specific Issue for Cash, considering their personal circumstances.

8. OPINION

We have evaluated the Specific Issue for Cash and have found that it is fair.

The Specific Issue for Cash price of NAD4.25 cents per share is above our core valuation of NAD4.19 per share and within our valuation range of between NAD4.06 and NAD4.33.

9. CONSENT

We consent that this opinion may be included, in whole or in part, in any required regulatory announcement or documentation such the circular to be dated Tuesday, 26 September 2017.

Yours faithfully

Paul Austin trading as Effortless Corporate Finance

23 Nicholi Avenue
Kommetjie
7975 "

SHARE TRADING HISTORY OF TRUSTCO

Set out in the table below are the aggregate volumes and values and the highest and lowest prices in Trustco shares traded on the exchange operated by the JSE in respect of:

- each month over the 12 months prior to the Last Practicable Date; and
- each day over the 30 days preceding the Last Practicable Date.

| Monthly | High (cents) | Low (cents) | Volume | Value (R) |
|----------------|-------------------------|------------------------|---------------|----------------------|
| August 2017 | 459 | 380 | 2 433 007 | 10 924 201 |
| July 2017 | 392 | 464 | 1 257 515 | 4 929 459 |
| June 2017 | 446 | 369 | 13 223 248 | 58 975 686 |
| May 2017 | 440 | 261 | 4 687 171 | 20 201 707 |
| April 2017 | 402 | 350 | 3 285 612 | 13 208 160 |
| March 2017 | 405 | 365 | 4 007 157 | 16 188 914 |
| February 2017 | 425 | 366 | 2 530 628 | 10 122 512 |
| January 2017 | 416 | 351 | 3 063 751 | 12 255 004 |
| December 2016 | 419 | 286 | 4 274 934 | 17 826 475 |
| November 2016 | 379 | 280 | 2 472 090 | 7 910 688 |
| October 2016 | 379 | 276 | 1 399 101 | 5 302 593 |
| September 2016 | 375 | 305 | 3 028 047 | 7 179 633 |
| August 2016 | 395 | 330 | 1 207 036 | 4 610 878 |

| Daily | High (cents) | Low (cents) | Volume | Value (R) |
|--------------|-------------------------|------------------------|---------------|----------------------|
| 2017/09/08 | 459 | 406 | 94 988 | 427 446 |
| 2017/09/07 | 449 | 401 | 552 032 | 2 478 624 |
| 2017/09/06 | 449 | 386 | 235 208 | 1 034 915 |
| 2017/09/05 | 449 | 382 | 3 678 | 14 050 |
| 2017/09/04 | 449 | 400 | 33 779 | 145 250 |
| 2017/09/01 | 0 | 0 | 0 | 0 |
| 2017/08/31 | 450 | 401 | 52 650 | 236 399 |
| 2017/08/30 | 450 | 449 | 250 165 | 1 123 241 |
| 2017/08/29 | 459 | 395 | 211 421 | 970 422 |
| 2017/08/28 | 445 | 445 | 3 003 | 13 363 |
| 2017/08/25 | 450 | 430 | 86 591 | 372 341 |
| 2017/08/24 | 450 | 430 | 797 460 | 3 429 078 |
| 2017/08/23 | 429 | 400 | 10 716 | 45 972 |
| 2017/08/22 | 430 | 402 | 564 873 | 2 423 305 |
| 2017/08/21 | 411 | 381 | 58 720 | 240 752 |
| 2017/08/18 | 400 | 380 | 65 950 | 250 610 |
| 2017/08/17 | 400 | 400 | 51 302 | 205 208 |
| 2017/08/16 | 405 | 400 | 6 500 | 26 000 |
| 2017/08/15 | 400 | 400 | 22 777 | 91 108 |
| 2017/08/14 | 405 | 400 | 133 095 | 532 380 |
| 2017/08/11 | 410 | 405 | 25 732 | 104 215 |
| 2017/08/10 | 410 | 405 | 14 040 | 56 862 |
| 2017/08/08 | 405 | 400 | 63 736 | 258 131 |
| 2017/08/07 | 410 | 400 | 3 458 | 14 178 |
| 2017/08/04 | 0 | 0 | 0 | 0 |
| 2017/08/03 | 410 | 410 | 1 900 | 7 790 |

| Daily | High (cents) | Low (cents) | Volume | Value (R) |
|--------------|-------------------------|------------------------|---------------|----------------------|
| 2017/08/02 | 0 | 0 | 0 | 0 |
| 2017/08/01 | 400 | 380 | 8 918 | 35 672 |
| 2017/07/31 | 420 | 390 | 6 561 | 25 719 |
| 2017/07/28 | 425 | 406 | 274 300 | 1 152 060 |
| 2017/07/27 | 401 | 400 | 101 249 | 406 008 |
| 2017/07/26 | 409 | 382 | 14 103 | 53 873 |
| 2017/07/25 | 425 | 410 | 3 541 | 15 049 |
| 2017/07/24 | 429 | 400 | 963 | 4 131 |
| 2017/07/21 | 416 | 411 | 5 417 | 22 535 |
| 2017/07/20 | 430 | 410 | 172 849 | 743 251 |
| 2017/07/19 | 420 | 420 | 285 | 1 197 |
| 2017/07/18 | 420 | 395 | 20 318 | 85 336 |
| 2017/07/17 | 430 | 399 | 110 290 | 474 247 |
| 2017/07/14 | 430 | 430 | 153 287 | 659 134 |
| 2017/07/13 | 430 | 410 | 122 699 | 527 606 |
| 2017/07/12 | 425 | 425 | 463 | 1 968 |
| 2017/07/11 | 0 | 0 | 0 | 0 |
| 2017/07/10 | 430 | 429 | 108 650 | 467 195 |
| 2017/07/07 | 420 | 410 | 138 684 | 582 473 |
| 2017/07/06 | 454 | 425 | 100 | 454 |
| 2017/07/05 | 460 | 460 | 10 145 | 46 667 |
| 2017/07/04 | 463 | 455 | 12 811 | 59 315 |
| 2017/07/03 | 464 | 391 | 800 | 3 712 |



TRUSTCO GROUP HOLDINGS LIMITED

Incorporated in the Republic of Namibia and registered as an external company in South Africa

(Registration number 2003/058)

(External registration number: 2009/002634/10)

JSE share code: TTO NSX share code: TUC ISIN: NA000A0RF067

("Trustco" or "the Company")

NOTICE OF GENERAL MEETING OF TRUSTCO SHAREHOLDERS

Notice is hereby given that a general meeting of Shareholders of Trustco ("the General Meeting") will be held at 09:00 on Thursday, 26 October 2017 at the registered office of Trustco, Trustco House 2 Keller Street, Windhoek, Namibia, for the purpose of considering, and, if deemed fit, passing, with or without modification, the ordinary resolutions set out below in this notice of General Meeting.

The definitions and interpretations commencing on page 4 of the Circular to which this notice of General Meeting is attached, apply, *mutatis mutandis*, to this notice of General Meeting and to the resolutions set out below.

For an ordinary resolution to be approved by Shareholders, it must be supported by more than 50% of the voting rights exercised on the resolution save for Ordinary Resolution Number 1, such ordinary resolution must, in terms of the JSE Listings Requirements, be supported by at least 75% of the voting rights exercised on such resolution. The approval of the Riskowitz Issue of Shares for cash is subject to achieving a 75% majority of votes cast in favour of the Resolutions by the Independent Shareholders. Riskowitz Value Fund and Riskowitz Associates and Advocate R Heathcote as explained in paragraph 2.5 of the Circular will be precluded from voting on Ordinary Resolution Number 1. Also, the 42 733 274 Trustco treasury Shares held as set out in paragraph 7.4 of the Circular cannot be voted on the Resolutions.

Votes at the General Meeting will be conducted by way of a poll and not a show of hands.

ORDINARY RESOLUTION NUMBER 1 – APPROVAL OF THE RISKOWITZ ISSUE OF SHARES FOR CASH

"RESOLVED that the issuing of a maximum of 58 823 529 new Trustco ordinary shares at an issue price of NAD4.25 (four Namibian dollar and twenty five cents) to Riskowitz Value Fund by way of the conversion of the Riskowitz Value Fund NAD250 million (two hundred and fifty million Namibian Dollar) loan or any portion of the Riskowitz Loan into Trustco ordinary shares as set out in more detail in the Circular and the Riskowitz Agreement, be and is hereby approved."

Reason

The reason for Ordinary Resolution number 1 is that the Riskowitz Issue of Shares for Cash resulting from the Riskowitz Agreement is classified as a specific issue of shares for cash to a related party in terms of the JSE Listings Requirements, as the Riskowitz Value Fund is a material shareholder of Trustco. Accordingly, the Riskowitz Issue of Shares for Cash requires approval of the Shareholders by way of ordinary resolution in terms of the Listings Requirements, excluding any votes cast by the Riskowitz Value Fund and the Riskowitz Associates and Advocate R Heathcote. Also, no Trustco treasury shares as defined in the Listings Requirements can be voted on Ordinary Resolution number 1.

Effect

The effect of the Ordinary Resolution number 1 is that the Transaction, being a specific issue of shares for cash to a related party in terms of the JSE Listings Requirements, may be duly implemented should Shareholders approve thereof in the manner as described above.

Note

The quorum requirement for Ordinary Resolution number 1 to be adopted shall be sufficient persons being present to exercise in aggregate at least 25% of all voting rights that are entitled to be voted on Ordinary Resolution number 1. Riskowitz Value Fund and Riskowitz Associates and Advocate R Heathcote, will be taken into account for purposes of determining a quorum for Ordinary Resolution number 1.

The percentage votes that will be required for Ordinary Resolution number 1 to be adopted requires the approval of at least 75% of the votes cast in favour thereof by all Shareholders present or represented by proxy at the General Meeting, other than Riskowitz Value Fund and Riskowitz Associates and also Trustco Shares regarded as treasury shares in terms of the JSE Listings Requirements.

ORDINARY RESOLUTION NUMBER 2: AUTHORITY TO ACTION

“**RESOLVED** that, Mr Floors Abrahams or any other independent Trustco director designated by him be and is hereby authorised, instructed and empowered to do all such things, sign all such documents and procure the doing of all such things and the signing of all such documents as may be necessary to give effect to Ordinary Resolution number 1 set out in this Notice of General Meeting.”

Reason

The reason for Ordinary Resolution number 2 is to empower Mr Floors Abrahams, or any other independent director designated by him to sign all documentation and to do all things that may be necessary to give effect to the Resolutions that may be approved at the General Meeting.

Effect

The effect of Ordinary Resolution number 2 is that, should the Shareholders approve Ordinary Resolution number 2, Mr Floors Abrahams, or any director designated by him, will be empowered to sign all documentation and to all things necessary to give effect to the Resolutions that may be approved at the General Meeting.

Note

Quorum requirement for Ordinary Resolution number 2 to be adopted shall be sufficient persons being present to exercise in aggregate at least 25% of all voting rights that are entitled to be voted on Ordinary Resolution number 2. In order for this Ordinary Resolution number 2 to be adopted, it must be supported by more than 50% of the votes of all Trustco shareholders present or represented by proxy at the meeting and exercised on Ordinary Resolution number 2.

VOTING AND PROXIES

Shareholders who hold their shares in certificated form or who are own-name registered shareholders holding their shares in dematerialised form who are unable to attend the general meeting but who wish to be represented there at, are required to complete and return the attached form of proxy, to either Transfer Secretaries, PO Box 2401, Windhoek so as to be received by no later than 09:00 on Monday, 23 October 2017 or Computershare Investor Services, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107), so as to be received by no later than 09:00 on Tuesday, 24 October 2017.

DEMATERIALISED SHAREHOLDERS

Shareholders who have dematerialised their shares through a CSDP or broker, other than by own-name registration, who wish to attend the general meeting, should instruct their CSDP or broker to issue them with the necessary letter of representation to attend the general meeting. Shareholders who have dematerialised their shares through a CSDP or broker, other than by own-name registration, who wish to vote by way of proxy, should provide their CSDP or broker with voting instructions, in terms of the custody agreement entered into between such shareholders and their CSDP or broker. These instructions must be provided to their CSDP or broker by the cut-off time or date advised by their CSDP or broker for instructions of this nature.

Shareholders, who have any doubt as to the action they should take, should consult their broker, accountant, attorney, banker or other professional advisor immediately.

By order of the Board

Amanda Bruyns
Company Secretary

26 September 2017

Registered office

2 Keller Street Windhoek
(PO Box 11363, Windhoek, Namibia)

Transfer secretaries (South Africa)

Computershare Investor Services
Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers,
15 Biermann Avenue, Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)

Transfer Secretaries (Namibia)

Transfer Secretaries Proprietary Limited
(Registration number 93/713)
(Burg Street entrance opposite Chateau Street)
4 Robert Mugabe Avenue, Windhoek
(PO Box 2401, Windhoek, Namibia)



TRUSTCO GROUP HOLDINGS LIMITED

Incorporated in the Republic of Namibia and registered as an external company in South Africa

(Registration number 2003/058)

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JSE share code: TTO NSX share code: TUC ISIN: NA000A0RF067

("Trustco" or "the Company")

FORM OF PROXY

Where appropriate and applicable the terms defined in this Circular to which this form of proxy is attached forms part of and shall bear the same meaning in this form of proxy.

For use Certificated Shareholders and Dematerialised own-name Shareholders, registered as such at the close of business on the Record Date, at the General Meeting to be held 09:00 on Thursday, 26 October 2017 at the registered office of Trustco, Trustco House, 2 Keller Street, Windhoek, Namibia or any postponement or adjournment thereof.

Dematerialised Shareholders who have not selected "own-name" registration must not complete this form. They must inform their Broker or CSDP timeously of their intention to attend and vote at the General Meeting or be represented by proxy thereat in order for the Broker or CSDP to issue them with the necessary letter of representation to do so or provide the Broker or CSDP timeously with their voting instructions should they not wish to attend the General Meeting in order for the Broker or CSDP to vote in accordance with their instructions at the General Meeting.

I/We

(full name/s in block letters)

of (address)

Telephone work ()

Telephone home ()

Cellphone number

Email address

being the holder/custodian of shares in Trustco, hereby appoint (see note):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the chairman of the General Meeting, as my/our proxy to attend and act for me/us on my/our behalf at the General Meeting convened for purpose of considering and, if deemed fit, passing, with or without modification, the Resolutions to be proposed thereat and at each postponement or adjournment thereof, and to vote for and/or against such Resolutions, and/or to abstain from voting for and/or against the Resolutions, in respect of the Shares registered in my/our name in accordance with the following instructions (see notes):

| | Number of shares | | |
|--|------------------|---------|---------|
| | For | Against | Abstain |
| Ordinary Resolution Number 1 Approval of the Riskowitz Issue of Shares for Cash | | | |
| Ordinary Resolution Number 2 Authority granted to directors | | | |

Please indicate your voting instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable.

A member entitled to attend and vote at the General Meeting may appoint one or more proxies to attend and act in his/her stead. A proxy so appointed need not be a member of the Company

Signed at _____ on _____ 2017

Signature _____

Assisted by (where applicable)(State capacity and full name) _____

Each Shareholder is entitled to appoint one or more proxies (who need not be a Shareholder of the Company) to attend, speak and vote in place of that Shareholder at the General Meeting.

Please read the notes on the reverse.

Notes:

1. This form of proxy must be used by Certificated Shareholders or Dematerialised Shareholders who hold dematerialised ordinary shares with "own-name" registrations.
2. Dematerialised Shareholders are reminded that the onus is on them to communicate their voting instructions with their Central Securities Depository Participant or broker.
3. A Shareholder may insert the name of a proxy or the names of two alternative proxies (who need not be shareholders of the company) of the shareholder's choice in the space/s provided, with or without deleting "the chairman of the general meeting". The person whose name appears first on this form of proxy and which has not been deleted will be entitled to act as proxy in priority to those whose names follow.
4. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of ordinary shares "The **Committed Shares**" to be voted on behalf of that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote at the general meeting as he/she deems fit in respect of the shareholder's votes exercisable thereat, but where the proxy is the chairman, failure to so comply will be deemed to authorise the proxy to vote in favour of the ordinary resolution. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy.
5. Forms of proxy must be lodged at or be posted to:
 - **In South Africa:** Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, 2196 (PO Box 61051, Marshalltown, 2107) to be received by no later than 09:00 on Tuesday, 24 October 2017; and
 - **In Namibia:** Transfer Secretaries (Proprietary) Limited 4 Robert Mugabe Avenue (Burg Street entrance opposite Chateau Street) Windhoek (PO Box 2401, Windhoek, Namibia) to be received by no later than 09:00 on Monday, 23 October 2017.
6. The completion and lodging of this form of proxy will preclude the shareholder from attending the General Meeting and speaking and voting in person thereat. It cannot be withdrawn once given and the Committed Shares may not be traded once the proxy has been given until after the shareholders meeting.
7. The chairman of the General Meeting may reject or accept any form of proxy not completed and/or received, other than in accordance with these notes, provided that, in respect of the acceptance, the chairman is satisfied as to the manner in which the shareholder concerned wishes to vote.
8. An instrument of proxy shall be valid for any adjournment of the general meeting as well as for the meeting to which it relates, unless the contrary is stated thereon.
9. The authority (or a certified copy of the authority) of a person signing this form of proxy:
 - (a) under a power of attorney; or
 - (b) on behalf of a company,
10. Must be attached to this form of proxy unless the company has already recorded the power of attorney.
11. Where shares are held jointly, at least one of the joint shareholders must sign this form of proxy.
12. A minor must be assisted by his/her guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the company.

Hand deliveries to:**In South Africa**

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

In Namibia

Transfer Secretaries (Proprietary) Limited
(Burg Street entrance opposite Chateau Street)
4 Robert Mugabe Avenue, Windhoek

Postal deliveries to:**In South Africa**

Computershare Investor Services Proprietary Limited
PO Box 61051
Marshalltown, 2107

In Namibia

Transfer Secretaries (Proprietary) Limited
PO Box 2401, Windhoek, Namibia

