

## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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 in Trustco, then this Circular, together with the attached Notice and form of proxy should be forwarded to the purchaser to whom, or the Broker, agent, CSDP or banker through whom, you disposed of your Shares.

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 any CSDP or Broker of a Dematerialised Shareholder to notify such Shareholder of the General Meeting or any business to be concluded thereat.**



## 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")

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## CIRCULAR TO TRUSTCO SHAREHOLDERS

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regarding:

- **the entering into of the Loan Agreement with Dr Q van Rooyen and Next Investments, which is a related party transaction; and**
- **the specific issue of an option to Dr Q van Rooyen and Next Investments as a potential mechanism for the redemption of the Loan.**

and incorporating:

- **the Notice; and**
- **a form of proxy (for use by holders of Certificated Shares and Dematerialised Shares with own-name registration only).**

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JSE Sponsor  
**VUNANI**  
CAPITAL

Reporting Accountant  
**MOORE STEPHENS**

Independent Expert  
**Effortless  
Corporate  
Finance  
(Pty) Ltd**

NSX Sponsor  
 **SIMONIS  
STORM**

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Date of issue: 14 December 2018

*Additional copies of this Circular, in its printed form, may be obtained from the Company and the JSE Sponsor at the addresses set out in the "Corporate Information and Advisors" section of this Circular during normal business hours 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](http://www.tgh.na).*

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## CORPORATE INFORMATION AND ADVISORS

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### **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](http://www.tgh.na)  
Place of incorporation: Namibia

Date of incorporation in Namibia: 4 February 2003  
Date of registration as external company in South Africa: 11 February 2009

### **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)

### **Namibian Transfer Secretaries**

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

### **JSE Sponsor**

Vunani Corporate Finance  
(trading as a division of Vunani Capital Proprietary Limited)  
(Registration number 1998/001469/07)  
Vunani House  
Vunani Office Park  
151 Katherine Street  
Sandown, Sandton, 2196  
(PO Box 652419, Benmore, 2010)

### **Auditor**

Moore Stephens MWM Incorporated  
(Registration number 2012/176117/27)  
50 Oxford Road  
Parktown, 2193  
(PO Box 3094, Houghton, 2041)

### **Reporting Accountant**

Moore Stephens Cape Town Incorporated  
(Registration number 2002/031472/21)  
2nd Floor, Block 2, Northgate Park  
Corner Section Street and Koeberg Road  
Paarden Eiland, Cape Town, 7405  
(PO Box 1955, Cape Town, 8000)

### **Independent Expert**

Paul Austin trading as Effortless Corporate Finance  
23 Nicholi Avenue  
Kommetjie, 7970  
Cape Town  
(Postal address same as above)

### **NSX Sponsor**

Simonis Storm Securities Proprietary Limited  
(Registration number 96/421)  
4 Koch Street  
Klein Windhoek  
Namibia  
(PO Box 3970, Windhoek, Namibia)

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## ACTION REQUIRED BY SHAREHOLDERS

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

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

1. If you have disposed of all of your Shares, this Circular should be handed to the purchaser of such Shares or the CSDP, Broker, banker, attorney or other agent who disposed of your Shares for you.
2. If you are in any doubt as to what action to take, consult your Broker, CSDP, banker, attorney, accountant or other professional advisor immediately.
3. This Circular contains information relating to the Loan Transaction. You should carefully read this Circular and decide how you wish to vote on the Resolutions to be proposed at the General Meeting. The General Meeting, convened in terms of the Notice incorporated in this Circular, will be held at Trustco's registered office, 2 Keller Street, Windhoek, Namibia on Tuesday, 22 January 2019 commencing at 10:00.

### 1. IF YOU HAVE DEMATERIALISED YOUR 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, in accordance with the instructions contained therein, to be received by the South African Transfer Secretaries, Computershare, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107), 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 10:00 on Friday, 18 January 2019.

#### 1.2 Other than "own-name" registration

You are entitled to attend in person, or be represented by proxy, at the General Meeting. You must **not**, however, complete the attached form of proxy. You must advise your CSDP or Broker timeously if you wish to attend, or be represented at the General Meeting. 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 act in terms of your mandate furnished to them. If you do 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 TRUSTCO 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, in accordance with the instructions contained therein, to be received by the South African Transfer secretaries, Computershare, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107), 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 10:00 on Friday, 18 January 2019.

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## IMPORTANT DATES AND TIMES

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The definitions and interpretations commencing on page 6 of this Circular apply, *mutatis mutandis*, to this section.

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Record date to determine which Shareholders are entitled to receive the Circular	Friday, 7 December 2018
Circular posted to Shareholders and Notice convening the General Meeting published on SENS on	Friday, 14 December 2018
Last Day to Trade Shares in order to be recorded in the Namibian Share Register to vote at the General Meeting (see note 5 below)	Friday, 4 January 2019
Last Day to Trade Shares in order to be recorded in the South African Share Register to vote at the General Meeting (see note 5 below)	Tuesday, 8 January 2019
Record Date for Shareholders to be recorded in the Register in order to be eligible to vote at the General Meeting	Friday, 11 January 2019
Forms of proxy for Shareholders recorded on the Register to be received by the South African Transfer Secretaries and by the Namibian Transfer Secretaries by 10:00 on	Friday, 18 January 2019
General Meeting to be held at 10:00 on	Tuesday, 22 January 2019
Results of General Meeting published on SENS on	Tuesday, 22 January 2019

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### Notes:

1. The above dates and times are subject to amendment. Any such amendment will be published on SENS.
2. A form of proxy not lodged with the Transfer Secretaries may be handed to the chairman of the General Meeting before the proxy exercises the voting rights of the Shareholder at the General Meeting.
3. If the General Meeting is adjourned or postponed, a form of proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.
4. If the General Meeting is adjourned or postponed then forms of proxy that have not yet been submitted should be lodged with the Transfer Secretaries preferably by no later than 48 hours before the adjourned or postponed General Meeting but may nonetheless be handed to the chairman of the adjourned or postponed General Meeting before the proxy exercises the voting rights of the Shareholder at the adjourned or postponed General Meeting.
5. Shareholders should note that, as transactions 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 on the South African Share Register and five Business Days after such trade on the Namibian Share Register. Therefore, Shareholders who acquire Shares after the Last Day to Trade will not be eligible to vote at the General Meeting.
6. All times given in this Circular are specified as either local times in Namibia or South Africa. Any reference to local times will apply to the country in which the action is required.
7. Shareholders who have not Dematerialised their Shares will not be able to do so between Monday, 7 January 2019 and Friday, 11 January 2019, both dates inclusive for those Shareholders registered in the Namibian Share Register.
8. Shareholders who have not Dematerialised their Shares will not be able to do so between Wednesday, 9 January 2019 and Friday, 11 January 2019, both dates inclusive for those Shareholders registered in the South African Share Register.
9. Dematerialised Shareholders are required to notify their duly appointed CSDP or Broker of their response to the Odd-lot Offer in the manner and time stipulated in the agreement governing the relationship between the Odd-lot Holder and his/her CSDP or Broker.

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## DEFINITIONS AND INTERPRETATIONS

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

<b>“Addendum to the Huso Share Purchase Agreement”</b>	the addendum to the Huso Share Purchase Agreement entered into on 17 November 2016, governing the terms and conditions of the Amendments to the Huso Transaction which terms were approved in general meeting on 13 June 2017;
<b>“Amendments to the Huso Transaction”</b>	the amendments to the Huso Transaction arising from the Addendum to the Huso Share Purchase Agreement;
<b>“Associate(s)”</b>	bears the meaning assigned to this term in the Listings Requirements;
<b>“Buckley Circular”</b>	the circular issued to Shareholders on 12 January 2017 regarding the repurchase of 41.8 million Trustco Shares from Buckley Capital Partners LP and Buckley Capital Advisors LLC;
<b>“Board” or “Directors”</b>	the board of directors of Trustco as at the Last Practicable Date whose names are set out on page 9 of this Circular;
<b>“Broker”</b>	a stockbroker as defined in the Financial Markets Act, or its duly authorised nominee;
<b>“Business Day”</b>	any day other than a Saturday, Sunday or a public holiday in South Africa or Namibia;
<b>“Capital Amount”</b>	means a Loan of up to NAD1 billion;
<b>“Certificated Shareholders”</b>	Shareholders who hold Certificated Shares;
<b>“Certificated Shares”</b>	Shares represented by share certificates or other physical Documents of Title, which have not been surrendered for Dematerialisation in terms of the requirements of Strate;
<b>“Circular”</b>	this bound document, to be issued on Friday, 14 December 2018, including its annexures, the Notice and the form of proxy;
<b>“Conduit Capital Limited”</b>	Conduit Capital Limited is a JSE listed company of which Riskowitz Value Fund and Ithuba Investments are the single biggest shareholder holding 34.17% of the shares in Conduit Capital Limited, with the following three wholly-owned subsidiaries of Conduit Capital Limited holding the respective Trustco Shares, as at the last practical date, being Snowball Wealth, Constantia Insurance Company and Midbrook Lane;
<b>“Constantia Insurance Company”</b>	Constantia Insurance Company Limited (Registration number 1952/001514/06), a public company incorporated in accordance with the laws of South Africa;
<b>“Conversion Option”</b>	means the conversion option which the Lender has in terms of the Loan Agreement allowing for the Capital Amount to be settled in Trustco Shares as opposed to cash, at the election of the Lender, the salient features of which are set out in 2.1.5 of this Circular;
<b>“CSDP”</b>	a Central Securities Depository Participant that holds in custody and administers securities or an interest in securities and that has been registered as a participant by a licensed central securities depository in terms of the Financial Markets Act;

<b>“Custody Agreement”</b>	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;
<b>“Dematerialised Own-Name Shareholders”</b>	Dematerialised Shareholders who have instructed their CSDP to hold their Shares in their own name on the sub-register;
<b>“Dematerialised Shareholder”</b>	Shareholders who hold Shares which have been Dematerialised in terms of the requirements of Strate;
<b>“Dematerialised Shares”</b>	Shares which have been incorporated into the Strate system and which are no longer evidenced by certificates or other physical Documents of Title;
<b>“Dematerialised”</b> or <b>“Dematerialisation”</b>	the process by which Certificated Shares are converted to, or held in electronic form as uncertificated Shares and are recorded in the sub-register of Shareholders maintained by a CSDP;
<b>“Documents of Title”</b>	share certificates, certified transfer deeds, balance receipts and/or any other physical documents of title pertaining to the Shares in question acceptable to the Board;
<b>“Dr Q van Rooyen”</b>	Dr Quinton van Rooyen, the managing director and controlling shareholder of Trustco;
<b>“Due Date”</b>	means 31 March 2024;
<b>“Effective Date”</b>	the day which the first payment is received by the Borrower in terms of the Loan Agreement;
<b>“EPS”</b>	earnings per Share;
<b>“Financial Effects”</b>	the <i>pro forma</i> financial effects of the Loan Transaction, details of which have been set out in paragraph 8 and <b>Annexure 1</b> of this Circular;
<b>“Financial Markets Act”</b>	the Financial Markets Act, 2012 (Act 19 of 2012), as amended;
<b>“General Meeting”</b>	the General Meeting of Shareholders to be held at 10:00 on Tuesday, 22 January 2019 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 set out in the Notice;
<b>“Group”</b>	Trustco and its direct and indirect subsidiaries;
<b>“HEPS”</b>	headline earnings per Share;
<b>“Huso”</b>	Huso Investments Proprietary Limited (Registration number 2006/443), a private company incorporated in Namibia on 7 September 2006 in accordance with the laws of Namibia, as at the Last Practicable Date, Trustco Resources was the sole shareholder of Huso;
<b>“Huso Circular”</b>	the circular to Shareholders dated 11 September 2015 regarding the Huso Transaction;
<b>“Huso Amendment Circular”</b>	the circular to Shareholders dated 11 May 2017 regarding the Amendments to the Huso Transaction;
<b>“Huso Share Purchase Agreement”</b>	the share purchase agreement, dated 14 July 2015, concluded between the Dr Q van Rooyen and Trustco Resources in terms of which Trustco Resources acquired 100% of the issued share capital of Huso;
<b>“Huso Transaction”</b>	the acquisition, as amended, by Trustco, through its subsidiary Trustco Resources of the entire shareholding in Huso and Huso's subsidiary NNDC and Morse. NNDC includes diamond mining operations at the Kunene Region whilst Morse is a licensed diamond processing and polishing factory located in Windhoek;



<b>“IFRS”</b>	International Financial Reporting Standards formulated by the International Accounting Standards Board, from time to time;
<b>“Independent Board”</b>	the Board, with reference to only the independent non-executive board members as defined on page 9 of this document;
<b>“Independent Expert’s Report”</b>	the independent fairness opinion provided by the Independent Expert regarding the Loan Transaction, as set out in <b>Annexure 1</b> to this Circular;
<b>“Independent Expert” or “Effortless”</b>	Paul Austin trading as Effortless Corporate Finance;
<b>“Interest Rate”</b>	the prevailing prime rate of interest per annum in the Republic of Namibia from time to time which interest shall be 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 the year is a leap year;
<b>“Ithuba Investments”</b>	Ithuba Investments LP is a Delaware (United States) limited partnership which own 127 806 103 Trustco Shares, as at the last practical date. Protea Asset Management LLC which is regulated by the United States Securities and Exchange Commission (the <b>“SEC”</b> ), is the investment advisor to Ithuba Investments and which controls all investment decisions made on behalf of Ithuba Investments. Protea Asset Management is in turn controlled by Sean Riskowitz, a United States citizen;
<b>“JSE Sponsor” or “Vunani Corporate Finance”</b>	Vunani Corporate Finance, a division of Vunani Capital Proprietary Limited (Registration number 1998/001469/07), a private company incorporated in accordance with the laws of South Africa;
<b>“JSE”</b>	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;
<b>“Last Day to Trade”</b>	the last day to trade in Shares in order to be reflected in the Register on the Record Date;
<b>“Last Practicable Date”</b>	Monday, 3 December 2018, being the last practicable date prior to the finalisation of this Circular;
<b>“Listings Requirements”</b>	the JSE Limited Listings Requirements, as amended from time to time;
<b>“Lender”</b>	means collectively Dr Q van Rooyen and Next Investments;
<b>“Lenders Group”</b>	means the international debt funders group of Trustco, collectively referred to as the lenders group;
<b>“Loan”</b>	means the Capital Amount made available by the Lender to the Borrower in accordance with the provisions of the Loan Agreement;
<b>“Loan Agreement”</b>	means the Agreement entered into between Trustco as the Borrower and Dr Q van Rooyen and Next Investments as the Lenders on 8 October 2018;
<b>“Loan Amount”</b>	means the Capital Amount together with the interest thereon;
<b>“Loan Transaction”</b>	the provision of the Loan and Conversion Option by the Lender to the Borrower which in terms of the Listings Requirements is deemed to be a related party transaction;
<b>“Midbrook Lane”</b>	Midbrook Lane Proprietary Limited (Registration number 2011/112842/07), a private company incorporated in accordance with the laws of South Africa;



<b>“Morse”</b>	Morse Investments Proprietary Limited (Registration number 2006/255), a private company incorporated in accordance with the laws of Namibia;
<b>“NAD”</b>	a Namibian dollar which is equivalent to one Rand;
<b>“Namibia”</b>	the Republic of Namibia;
<b>“Namibian Companies Act”</b>	the Namibian Companies Act, 2004 (Act 28 of 2004), as amended;
<b>“Namibian Share Register”</b>	the register of Shareholders maintained in Namibia;
<b>“Namibian Transfer “Secretaries”</b>	Transfer Secretaries Proprietary Limited (Registration number 93/713), a private company incorporated in accordance with the laws of Namibia;
<b>“NAVPS”</b>	net asset value per share;
<b>“Next” and/or “Next Investments”</b>	Next Investments Proprietary Limited (Registration number 2005/396), a private company incorporated in Namibia on 4 August 2005 in accordance with the laws of Namibia. Dr Q Van Rooyen is the sole shareholder of Next Investments;
<b>“Next Investments Management Agreement”</b>	The memorandum of agreement between Trustco, Next Investments and Dr Q Van Rooyen signed on 12 August 2012 in terms of which Next Investments shall perform management services and appoint certain managers of Next, to provide such management services for an agreed upon management fee to be paid by Trustco;
<b>“NNDC”</b>	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;
<b>“Notice”</b>	the notice of General Meeting forming part of this Circular in terms of which the General Meeting is convened;
<b>“NSX Sponsor” or “Simonis Storm”</b>	Simonis Storm Securities Proprietary Limited (Registration number 96/421), a private company incorporated in accordance with the laws of Namibia;
<b>“NSX”</b>	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;
<b>“NTAVPS”</b>	net tangible asset value per share;
<b>“Operating Segment”</b>	means the different business segments in which Trustco operates from time to time, currently described as the insurance and its investments segment, the banking and finance segment and the resources segment;
<b>“Rand” or “R”</b>	South African Rand;
<b>“Record Date”</b>	the date on which Shareholders must be recorded in the Register in order to vote at the General Meeting;
<b>“Register”</b>	collectively the Namibian Register and the South African Register maintained by the Transfer Secretaries;
<b>“Reporting Accountant” or “Moore Stephens”</b>	the accountants Moore Stephens Cape Town Incorporated situated at 2nd Floor, Block 2, Northgate Park, Corner Section Street and Koeberg Road, Paarden Eiland, Cape Town;
<b>“Resolutions”</b>	the resolutions contained in the Notice, which will be tabled at the General Meeting and in terms of which Shareholders will, subject to the passing thereof, approve the Loan Transaction;

<b>“Riskowitz Circular”</b>	The circular issued to Shareholders on 26 September 2017 regarding the issuance of Trustco Shares to Riskowitz Value Fund to redeem the convertible loan provided by Riskowitz Value Fund to Trustco which was approved by Shareholders on 26 October 2017;
<b>“Riskowitz Value Fund”</b>	Riskowitz Value Fund LP is a Delaware (United States) limited partnership which own 152 877 967 Trustco Shares, as at the last practical date. Protea Asset Management LLC which is regulated by the United States Securities and Exchange Commission (the “ <b>SEC</b> ”), is the investment advisor to Riskowitz Value Fund and which controls all investment decisions made on behalf of Riskowitz Value Fund. Protea Asset Management is in turn controlled by Sean Riskowitz, a United States citizen;
<b>“SAICA Guide”</b>	the Guide on <i>Pro forma</i> Financial Information issued by the South African Institute of Chartered Accountants;
<b>“SENS”</b>	the Stock Exchange News Service operated by the JSE;
<b>“Shareholders”</b>	holders of Shares;
<b>“Shares” or “Trustco Shares”</b>	ordinary shares of Trustco with a par value of NAD0.23 each in the issued share capital of Trustco of which there were 974 265 619 in issue at the Last Practicable Date;
<b>“Snowball Wealth”</b>	Snowball Wealth Proprietary Limited (Registration number 2009/005748/07), a private company incorporated in accordance with the laws of South Africa;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“South African Companies Act”</b>	the Companies Act, 2008 (Act 71 of 2008), as amended;
<b>“South African Share Register”</b>	the register of Shareholders maintained in South Africa;
<b>“South African Transfer Secretaries” or “Computershare”</b>	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07) a private company incorporated in accordance with the laws of South Africa;
<b>“Strate”</b>	Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated in accordance with the laws of South Africa and which manages the electronic settlement and clearing system used by the JSE;
<b>“Subsidiary”</b>	a subsidiary as defined in the Namibian Companies Act;
<b>“Transfer Secretaries”</b>	collectively the Namibian Transfer Secretaries and the South African Transfer Secretaries;
<b>“Trustco”, “Company” or “Borrower”</b>	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 a primary listing on the JSE and a secondary listing on the NSX or any subsidiary or operating segment as the case may be;
<b>“Trustco Resources”</b>	means a subsidiary of Trustco, being Trustco Resources Proprietary Limited, with registration number: 2015/0081, a private company incorporated in accordance with the laws of Namibia; and
<b>“Year-End Results”</b>	the audited annual financial statements for the year ended 31 March 2018.



## 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")

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### Directors

#### Executive

Dr Q van Rooyen (*Group Managing Director*)  
Mr F J Abrahams (*Group Financial Director*)

#### Non-executive

\* Adv R Heathcote SC (*Chairman*)  
\* Prof LJ Weldon (*Lead Independent*)  
\* Mr WJ Geysler  
\* Mr RJ Taljaard  
\* Ms KN van Niekerk  
\* *Independent*

*All directors are Namibian with the exception of Prof LJ Weldon and Ms KN van Niekerk who are South African citizens.*

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## CIRCULAR TO SHAREHOLDERS

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### 1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

#### 1.1 Introduction

Shareholders are referred to the SENS announcement published on Monday, 8 October 2018, wherein they were advised that Trustco and the Lender had entered into the Loan Agreement for a maximum amount of up to NAD1 billion.

The above proceeds will be used primarily for expansion of the Operating Segments within the Group, particularly in the resources segment as further elaborated on in paragraph 2.2 below.

The Loan shall be an interest only loan with the Capital Amount repayable as a bullet payment, in cash on the Due Date, unless the Lender exercises its option to have the sum of the Capital Amount settled in Trustco Shares rather than in cash.

#### 1.2 Purpose of this Circular

The Lender is a related party as defined in the JSE Listings Requirements ("**Listings Requirements**") as Dr Q van Rooyen is a director and material shareholder of Trustco and Next Investments is an associate of Dr Q van Rooyen by virtue of Dr Q van Rooyen being able to exercise more than 35% of the votes of Next Investments.

Therefore, in order to enter into the Loan Transaction which is considered to be a related party transaction as further expanded upon in paragraph 2.5 below and to ensure that Trustco has the necessary authority to issue Shares to the Lender should the Lender exercise the Conversion Option, Shareholder approval is required.

The purpose of this Circular therefore is to provide Shareholders with the requisite information in accordance with the Listings Requirements and the Namibian Companies Act regarding the Loan Transaction to enable Shareholders to make an informed decision as to how they will vote in respect of the Resolutions set out in the Notice incorporated in this Circular.

## 2. THE LOAN TRANSACTION

### 2.1 Salient terms of the Loan Agreement

The information provided below are the salient terms of the Loan Agreement. Shareholders are advised that the entire Loan Agreement shall be made available for inspection as per paragraph 17 below.

#### 2.1.1 **The Loan**

- The Lender will provide the Loan to the Company. The Capital Amount may not exceed and will be for an amount of up to NAD1 billion.
- The Capital Amount will be disbursed by the Lender to the Borrower as and when the Capital Amount becomes available. The Lender shall raise the requisite funding via the disposal of a portion of its Trustco Shares if Shareholders elect to approve the Loan Transaction. Should the Loan Transaction not be approved, the Lender shall not execute the disposal. The Lender shall dispose of such number of Trustco Shares as is required to provide the Capital Amount to the Company provided that in the event such disposal would result in a change of control in Trustco (i.e. the Lender owning less than 50% + 1 vote), a lesser number of Trustco Shares shall be disposed of to ensure no change of control occurs.
- The Loan shall be unsecured and shall be a subordinated shareholders loan.
- The Loan shall be an interest only loan.
- The actual Capital Amount may be for a lesser amount depending on the growth capital requirements of the Company as determined by the Independent Board of the Company, at any time before 30 June 2019.

#### 2.1.2 **Repayment**

- The Capital Amount is repayable on the Due Date as a bullet payment, in cash, unless the Lender exercises its option to have the sum of the Capital Amount settled in Trustco Shares in terms of the Conversion Option.

#### 2.1.3 **Interest**

- Interest on the Capital Amount will be calculated monthly in arrears at the prime interest rate of Namibia as published from time to time by the Bank of Namibia.
- Interest will be paid monthly.

#### 2.1.4 **Deferment and write-off of the Capital Amount**

- During the term of the Loan, the Lender, in its sole discretion, has the right and may elect to postpone or write-off any portion of the Capital Amount. The Lender would give 30 (thirty) days' notice to the Trustco Board of the Lender's decision to postpone or write-off the Capital Amount or any portion thereof which was lent to the Borrower. The Borrower might have on-lent the Capital Amount or a portion of the Capital Amount to an Operating Segment. Once the Lender elects to postpone or write-off the Capital Amount or any portion thereof, the Borrower would be obligated to align the Capital Amount accordingly to reflect the Lender's decision in the Borrower's Subsidiaries or Operating Segments.

#### 2.1.5 **Conversion Option**

- The Lender, in its sole discretion, may elect to exercise the Conversion Option only during the periods set out below.
- Should the Conversion Option be exercised, the Lender shall receive the Capital Amount not as a single payment in cash on the Due Date, but rather by way of conversion of the

Capital Amount into Trustco Shares, in part or in full, at a conversion price per Trustco Share which shall be determined based on the periods during which the Conversion Option is exercised as set out below:

- Between 1 January 2020 – 31 March 2020 at a rate of NAD21.49 per share to a maximum number of 46 533 271 Trustco Shares;
  - Between 1 January 2021 – 31 March 2021 at a rate of NAD31.91 per share to a maximum number of 31 338 138 Trustco Shares;
  - Between 1 January 2022 – 31 March 2022 at a rate of NAD42.72 per share to a maximum number of 23 408 239 Trustco Shares;
  - Between 1 January 2023 – 31 March 2023 at a rate of NAD57.93 per share to a maximum number of 17 262 213 Trustco Shares;
  - Between 1 January 2024 – 31 March 2024 at a rate of NAD74.79 per share to a maximum number of 13 370 771 Trustco Shares.
- The Independent Board of the Borrower may during the abovementioned periods elect to make an early repayment of the Capital Amount, in full or in part, by giving 30 (thirty) days' notice to the Lender of its intention;
  - The Borrower shall not be penalised for any early payments made to the Lender in terms of the Capital Amount, prior to the Due Date.
  - The Lender may, upon receipt of the notice, to make an early repayment exercise its discretion and elect to receive capital repayments, in part or in full, by way of a conversion or cash for the outstanding Capital Amount or a portion thereof into Trustco Shares at the rate per share as set out above.

## 2.2 Use of funds

The Capital Amount is earmarked to be deployed for growth throughout the Group, but primarily in the resources segment to continue development of the Meya Project:

- Meya is in the process of evaluating various options to increase the overall mine configuration and achieve an optimal mine plan. This includes plant optimisation and acquiring additional mining fleet as well as securing a 25-year mining licence in due course.

The banking and finance segment will also benefit from the Loan by:

- financing growth of the Trustco Finance student loan book to a target of NAD1 billion in the next 18 months; and
- further capitalising Trustco Bank to provide mortgage bonds in the Namibian property market, SME loans, personal loans and commercial loans. Trustco Bank's ability to fund mortgage loans to buyers of the Group's properties is a material competitive advantage. (Shareholders are referred to the SENS announcement regarding the update in the insurance segment in re: Namibian Land Conference dated 8 October 2018)

The insurance segment (and its investments) will be capitalised taking cognisance of the current market conditions.

A portion of the Capital Amount may also be used in the current debt restructuring programme (details of which were released on SENS on 31 August 2018) as expanded upon below.

Trustco is currently in discussions with the Lenders Group to restructure the existing debt lent to Trustco by the Lenders Group. These discussions have not been completed. The first step in this process is the negotiation and conclusion of a standstill agreement which is an agreement which sets out the terms whereby no repayments of capital are required to be made to the Lenders Group prior to a date still to be determined during June of 2019.

The standstill agreement is necessary as it gives Trustco a period which is free from capital repayments and thus provides to Trustco, during this period, the financial flexibility it requires to complete the restructuring exercise with the Lenders Group.

As explained above, because the restructuring negotiations have not been finalised yet, it is not known what the terms of such restructure will entail. In the event that upon conclusions of such restructuring negotiations, a cash amount is required to be paid to the Lenders Group or a cash amount is required to be placed in a trust account, a portion of the Capital Amount may be used to fulfil these requirements.

## 2.3 The Rationale

Namibia, where the bulk of Trustco's operations are located, experienced nine consecutive quarters of negative economic growth. The Loan Transaction will bolster growth capital for Trustco in Namibia as well as the other countries in which it operates.

The investment in the resources segment acts as a natural currency hedge, as this generates USD revenue.

The sale of a portion of the Lender's equity and entering into a subsequent Loan Agreement with the Lender will not have the immediate effect of further dilution for existing shareholders in Trustco. Shareholders will only be diluted if the Lender elects to exercise its Conversion Option.

The sale of a portion of the Lender's equity in Trustco Shares will improve liquidity and the free float of the Trustco Shares in the market.

## 2.4 Suspensive Condition and Effective Date

### 2.4.1 *Suspensive Condition*

The Loan Agreement is suspensive upon obtaining Shareholders approval, as well as providing the required Capital Amount.

### 2.4.2 *Effective Date*

The Effective Date of the Loan Transaction will be the day on which the first draw down is received in cash by the Borrower.

## 2.5 Application of the Listings Requirements

Dr Q van Rooyen is a related party as contemplated in paragraph 10.1 of the Listings Requirements as he is a director of Trustco.

Next Investments, is also considered to be a related party as contemplated in paragraph 10.1 of the Listings Requirements, as Dr Q van Rooyen is able to exercise more than 35% of the voting rights of Next Investments hence it is considered to be an associate of Dr Q van Rooyen.

The issuance of the Conversion Option to the Lender is required to enable the settlement mechanism of the Loan by way of the potential issuance of Trustco Shares to the Lender to be enabled.

The issuance of the Conversion Option to the above related party is considered to be a specific issue as per 5.53 of the Listings Requirements ("**Specific Issue**").

Consequently, in terms of the Listings Requirements, the Specific Issue requires the approval of Shareholders at a General Meeting.

In addition, as per 10.6 (c)(i) of the Listings Requirements, while the granting of credit by a related party on an unsecured basis on normal commercial terms to a listed company is not considered to be a related party transaction, the Conversion Option provided by Trustco to the Lender is not a term normally present in similar lending arrangements hence the classification of the Loan Transaction as a related party transaction in terms of section 10 of the Listings Requirements.

Consequently, in terms of the Listings Requirements, the Loan Transaction requires the approval of Shareholders at a general meeting as well as a fairness opinion as per 5.53 (b)(i) and 10.4(f) of the Listings Requirements.

## 3. OVERVIEW AND PROSPECTS OF THE TRUSTCO GROUP

Trustco is a dual listed financial services Group that invests and operates in sustainable high growth assets in emerging markets. The business commenced in 1992 and its operations have grown substantially since its inception. The Group operates in Namibia, South Africa, Mauritius and Sierra Leone 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 in three main Operating Segments:



### 3.1.1 **Insurance and its Investments Segment**

The segment owns Trustco Life Limited (“Trustco Life”) and Trustco Insurance Limited (“Trustco Insurance”) which house the Namibian long-term and short-term insurers. 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 underwritten by Trustco Life, 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 investments portion of the insurance segment, historically created by adequate returns in the insurance operations, has given rise to a diversified portfolio of active investments. The investments portion consists of property development assets, air services and the strategic media services.

#### *Properties*

The division remains active in mixed-use land development. Trustco has continued to engage actively over the past 20 years to deliver serviced land to Namibians from all walks of life. The property division contributes meaningfully to the high public demand for serviced land. The current land bank consists of five developments known as Elisenheim Property Development, Elisenheim Nature Estate, Lafrenz Industrial Park, Ondangwa Development (including the Ombala Estate) and Farm Herboths. Ultimately the developments will supply industrial, commercial and residential serviced stands.

#### *Air Services*

The division is a unique private charter company that specialises in flexible and luxury charter flights for both business and leisure travellers to destinations of choice.

#### *Strategic media services*

The media services division comprising of traditional and electronic media platforms is pioneering media convergence in the best interest of the Group, its affiliates and all stakeholders. The main focus is to monetise group marketing with its exceptional creative footprint into a fully-fledged advertising agency by utilising its radio, with its untold possibilities of streaming as well as the television department with constant content driven initiatives.

### 3.1.2 **Banking and Finance Segment**

On 1 September 2014, the Group acquired Fides Bank Namibia Ltd. The name was subsequently changed to Trustco Bank Namibia Ltd and operates under one of only seven commercial banking licences in Namibia. Trustco Bank’s vision remains aligned with the group to generate above average growth and to create wealth for its shareholders, customers and employees while impacting positively on society and the planet. Trustco Bank continues to service the financial sector as well as the broader Namibian public.

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 provider in Namibia. The total loan portfolio exceeds NAD665 million with non-performing loans at an average of 5% during the past five years. Trustco Finance has an excellent regional footprint with well-established local offices in regions throughout Namibia, primarily rural areas, where almost 80% of the client base resides.

### 3.1.3 **Resources segment**

Trustco recently established the resources segment to pursue opportunities within the natural resources sector in general, however, over the past three years Trustco Resources focus has been on the diamond industry. It will remain the primary focus until the “mine to market” strategic plan has been realised in accordance with the original vision. The resources segment was established as one of the Operating Segments within the Group with an overall strategic focus on the natural resources sector, both nationally and internationally.



Since its inception Trustco Resources has acquired three business ventures in the diamond sector, one being the Huso Transaction which is registered in Namibia. Huso holds 100% interest in two Namibian subsidiaries which are structured as part of the vertical integrated diamond business model within the diamond division, being NNDC which is a diamond exploration and mining entity operating in the Kunene region and Morse is a diamond cutting and polishing factory in Windhoek. Trustco Resources also acquired a 51% interest in the Meya Project which operates in Sierra Leone. Trustco believes the 130.38km exploration licence holds significant geo-economic potential. Meya appointed SRK Canada as the Competent Person based on their previous experience of resource development work in Sierra Leone as well as their specialist skills and knowledge of local, regional as well as global Kimberlite deposits.

Exactly six days after the final sign-off of the processing plant, on 9 November 2017 Meya recovered a 476.89 carat Type IIa diamond named the Meya Prosperity Diamond from the first kimberlite bulk sample. To date it is the 30<sup>th</sup> largest diamond recovered globally. Not only was it a historic achievement in the diamond industry, it was also the first indicator of the intrinsic geo-economic potential of the Meya resource.

#### 3.1.4 **Shared services**

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

### 3.2 **Prospects**

The Riskowitz Circular referred to the issue of Shares for cash transaction which facilitated further growth within the Group. The NAD250 million was used to deleverage the Group specifically in terms of the repayment of certain funders where loan covenants have not kept pace with the change in Group's operations. The reduction in debt also stimulated growth within the banking and finance and resources segments. The Riskowitz Circular was approved by Shareholders on 26 October 2017 and subsequently implemented.

The proceeds from the Loan Transaction will be used to grow the business as follows:

- increase production at Meya
- grow the Trustco Finance student loan book to NAD1 billion
- Capitalise Trustco Bank to provide mortgage bonds, SME loans, personal loans and commercial loans.

## 4. **MAJOR SHAREHOLDERS**

As at the Last Practicable Date insofar as is known to Trustco, the following Shareholders, other than Directors and their Associates (which are disclosed in paragraph 4.2 below), were, directly or indirectly, beneficially interested in 5% or more of the issued share capital of Trustco.

Shareholder	Total shares held	Shareholding <sup>1</sup> %
Riskowitz Value Fund	152 877 967	15.69
Ithuba Investments	127 806 103	13.12
Conduit Capital Limited <sup>2</sup>	54 656 712	5.61
<b>Total</b>	<b>335 340 782</b>	<b>34.42</b>

#### **Notes:**

1. Percentage shareholding calculated based on the total shares in issue of 974 265 619 as at the Last Practicable Date.
2. Conduit Capital Limited Trustco Shares are held through various subsidiaries as follows:

Snowball Wealth	30 604 785
Midbrook Lane	12 441 539
Constantia Insurance Company	11 610 388
3. Conduit Capital Limited owns all of the issued share capital of Snowball Wealth, Midbrook Lane and Constantia Insurance Company. Riskowitz Value Fund and Ithuba Investments in turn own 34.17% of Conduit Capital Limited. Riskowitz Value Fund and Ithuba Investments are both managed by Protea Asset Management LLC which is controlled by Mr Sean Riskowitz.

## 5. DIRECTORS

### 5.1 Directors' remuneration

There will be no changes to the remuneration and benefits paid to the directors as a direct result of the Loan Transaction. Directors' service contracts are available for inspection as per paragraph 17 below.

### 5.2 Directors' interest in securities

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:

	Direct beneficial	Indirect beneficial	Total number of shares held	Percentage shareholding <sup>1</sup> %
<b>Executive</b>				
Dr Q van Rooyen	392 554 120	143 300 000	535 854 120	55.00
Mr FJ Abrahams	1 440 407	–	1 440 407	0.15
<b>Non-executive</b>				
Mr W Geyser	105 906	–	105 906	0.01
Adv R Heathcote	1 336 167	–	1 336 167	0.14
Mr R Taljaard	29 115	–	29 115	–

#### Notes:

1. Based on 974 265 619 Shares in issue as at the Last Practicable Date.
2. There were no other changes in any interests of any of the directors between the end of the preceding financial year and the Last Practicable Date.
3. The entire indirect beneficial shareholding of Dr Q van Rooyen is held through Associates to Dr Q van Rooyen as shown below:

Associate	Number of Trustco Shares held
Le-Hugo's Investments (Mauritius)	71 650 000
Next Investments (Proprietary) Limited	71 650 000

### 5.3 Directors' interest in transactions

5.3.1 Save for transactions listed below between Dr Q van Rooyen and the Company, none of the directors, including those who resigned in the 18 months preceding the Last Practical Date have any material beneficial, direct or indirect interest in any transactions that were effected by Trustco during the current or immediately preceding financial year; or during an earlier financial year and remain in any respect outstanding or unperformed.

#### 5.3.1.1 Huso Transaction

Trustco, through its wholly-owned subsidiary Trustco Resources, acquired the entire shareholding in Huso from Dr Q van Rooyen.

The maximum purchase consideration in respect of the Huso Transaction is NAD3.6 billion, payable to Dr Q van Rooyen by way of an issue of a maximum of 772 million Trustco Shares, at an issue price of NAD4.69 per share.

The purchase consideration shall be settled via an initial payment of NAD672 million payable via the issuance of 143 million Trustco Shares within 30 days after the granting of a mining licence to NNDC, a wholly-owned subsidiary of Huso and the balance being issued within nine years of the granting of the above licence in accordance with the financial performance of Trustco Resources.

As per a SENS announcement released on 21 September 2018, the above mining licence was granted on 31 August 2018 with the initial issuance of shares being completed thereafter. The balance of the purchase price will be paid through a fixed number of Shares which would be payable at any time during the payment term upon Trustco Resources reaching certain targets.

Full details of the Huso Transaction are contained in the Huso Circular and the Huso Amendment Circular issued on 11 September 2015 and 11 May 2017 respectively.

#### 5.3.1.2 **Riskowitz surety fee**

As per a SENS announcement released on 7 July 2017, Shareholders were advised that Trustco entered into a convertible loan agreement with Riskowitz Value Fund effective from 6 July 2017.

In order to secure the above loan, Dr Q van Rooyen provided personal security by way of the pledge of 50 million Trustco Shares for which a 2% surety fee was payable by Trustco.

The above loan has since been converted into Trustco Shares with the surety fee payable in terms of this transaction falling away.

Full details of the issuance of Trustco Shares to Riskowitz Value Fund are contained in the Riskowitz Circular issued on 26 September 2017.

On the Last Practical Date the Riskowitz Circular has been concluded and the security cancelled.

#### 5.3.1.3 **Loan Transaction**

Dr Q van Rooyen will execute the Loan Transaction on the terms set out in this Circular, if Shareholders approval to enter into the Loan Transaction is obtained.

## 6. **MATERIAL CONTRACTS**

6.1 Other than as disclosed below, to the best knowledge of the directors, none of the entities comprising the Group, have, either verbally or in writing, entered into any material contracts, being restrictive funding arrangements, and/or a contract entered into otherwise than in the ordinary course of business, either:

- within two years prior to the date of this Circular; or
- at any time and containing any obligation or settlement that is material to the Group at the date of this Circular.

#### 6.1.1 **Huso Transaction**

Details of the Huso transaction are disclosed in paragraph 5.3.1.1 above.

#### 6.1.2 **Riskowitz Circular**

Details of the Riskowitz transaction are disclosed in paragraph 5.3.1.2 above.

#### 6.1.3 **Buckley Transaction**

Trustco, together with Trustco Life entered into an agreement on 14 October 2016 to repurchase 41.8 million Trustco Shares from Buckley Capital Partners LP and Buckley Capital Advisors LLC for a price of NAD4.80 per Trustco Share resulting in a total purchase consideration of NAD200 million. The repurchase was considered to be a specific repurchase in terms of the Listings Requirements and was approved by Shareholders on 14 February 2017.

Details of the Buckley specific repurchase can be found in the Buckley Circular issued on 12 January 2017.

## 7. SHARE CAPITAL OF TRUSTCO

The share capital before and after the Loan Transaction, assuming the Conversion Option is exercised, is as follows:

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
		After the Loan Transaction	After the Loan Transaction	After the Loan Transaction	After the Loan Transaction	After the Loan Transaction
	Before the Loan Transaction	Exercise of Conversion Option 1 Jan 2020 <sup>1</sup>	Exercise of Conversion Option 1 Jan 2021 <sup>2</sup>	Exercise of Conversion Option 1 Jan 2022 <sup>3</sup>	Exercise of Conversion Option 1 Jan 2023 <sup>4</sup>	Exercise of Conversion Option 1 Jan 2024 <sup>5</sup>
<b>Authorised share capital</b>						
Number of shares of NAD0.23 each (000's)	2 500 000	2 500 000	2 500 000	2 500 000	2 500 000	2 500 000
Amount (NAD '000)	575 000	575 000	575 000	575 000	575 000	575 000
<b>Issued share capital</b>						
Number of NAD0.23 each (000's)	974 266	1 020 799	1 005 604	997 674	991 528	987 636
Amount (NAD '000)	224 083	234 786	231 191	229 467	228 053	227 158
Share premium (NAD '000)	921 724	1 911 021	1 914 516	1 916 340	1 917 754	1 918 649
<b>Total (NAD '000)</b>	<b>1 145 807</b>	<b>2 145 807</b>	<b>2 145 807</b>	<b>2 145 807</b>	<b>2 145 807</b>	<b>2 145 807</b>

### Notes:

- Column 2 assumes the exercise of the Conversion Option occurs on 1 January 2020 and 46 533 271 Shares are issued at NAD21.49 per share for a total consideration of circa NAD1 billion.
- Column 3 assumes the exercise of the Conversion Option occurs on 1 January 2021 and 31 338 138 Shares are issued at NAD31.91 per share for a total consideration of circa NAD1 billion.
- Column 4 assumes the exercise of the Conversion Option occurs on 1 January 2022 and 23 408 239 Shares are issued at NAD42.72 per share for a total consideration of circa NAD1 billion.
- Column 5 assumes the exercise of the Conversion Option occurs on 1 January 2023 and 17 262 213 Shares are issued at NAD57.93 per share for a total consideration of circa NAD1 billion.
- Column 6 assumes the exercise of the Conversion Option occurs on 1 January 2024 and 13 370 771 Shares are issued at NAD74.79 per share for a total consideration of circa NAD1 billion.
- The number of treasury shares held as at the last practicable date was 45 066 322.

## 8. FINANCIAL EFFECTS

The table below sets out the Financial Effects. These Financial Effects have been prepared for illustrative purposes only, in order to provide information about how the Loan Transaction might have affected the statement of financial position as at 31 March 2018 and statement of comprehensive income for the year ended 31 March 2018.

Due to their nature, the Financial Effects may not fairly present the financial position, changes in equity, and results of operations of cash flows of Trustco after the Loan Transaction. The preparation of the Financial Effects is the responsibility of the directors. The Financial Effects have been prepared in accordance with the Listings Requirements and the SAICA Guide. The accounting policies used in compiling the Financial Effects comply with IFRS and are consistent with those applied in compiling the year-end results.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Before – 31 March 2018	After Huso Transaction and Riskowitz Issue of Shares	After Huso Transaction, Riskowitz Issue of Shares and the Loan	After Scenario 1a: Conversion of the Loan into maximum number of shares	After Scenario 1b: Conversion of the Loan into minimum number of shares	After scenario 2: Cash Settlement of the Loan
	Actual <sup>1</sup>	<i>Pro forma</i> <sup>2</sup>	<i>Pro forma</i> <sup>3</sup>	<i>Pro forma</i> <sup>4</sup>	<i>Pro forma</i> <sup>5</sup>	<i>Pro forma</i> <sup>6</sup>
	NAD' 000	NAD' 000	NAD' 000	NAD' 000	NAD' 000	NAD' 000
<b>Earnings per share</b>						
Basic earnings per share (cents)	23.74	29.23	29.16	27.73	28.74	21.23
Diluted earnings per share (cents)	23.47	29.07	29.01	27.59	28.58	21.12
Headline earnings per share (cents)	27.19	32.12	32.05	30.48	31.58	24.12
Diluted headline earnings per share (cents)	26.88	31.94	31.88	30.32	31.42	23.99
Net asset value per share (cents)	503.69	403.38	403.32	482.90	499.11	403.32
Tangible net asset value per share (cents)	447.78	341.46	341.40	423.80	438.03	341.40
Total shares in issue	827 142 090	974 265 619	974 265 619	1 020 798 890	987 636 390	974 265 619
Deemed treasury shares	44 993 000	44 993 000	44 993 000	44 993 000	44 993 000	44 993 000
Number of shares in issue (excluding treasury shares)	782 149 090	929 272 619	929 272 619	975 805 890	942 643 390	929 272 619
Weighted number of ordinary shares in issue	753 322 000	900 445 529	900 445 529	946 978 800	913 816 300	900 445 529
Weighted number of ordinary shares for diluted earnings per share	762 067 963	905 367 963	905 367 963	951 901 234	918 738 734	905 367 963

1. The "Before" column represents the financial information of Trustco, extracted without adjustment, from the published consolidated financial results of Trustco for the year ended 31 March 2018.

2. To take into account the effects of the Huso Transaction.

3. Take into account the receipt of the Loan as detailed in the Circular, it being assumed for the purposes of these *pro forma*s that the maximum amount of NAD1 billion is advanced.

4. To take into consideration the transactions resulting from Scenario 1(a): Conversion of the Loan into maximum number of shares.

5. To take into consideration the transactions resulting from Scenario 1(b): Conversion of the Loan into minimum number of shares.

6. To take into consideration the transactions resulting from Scenario 2: Cash settlement of the Loan.

7. The detailed *pro forma* financial information and the notes thereto are set out in **Annexure 1** of this Circular.

8. The independent reporting accountant's assurance report on the compilation of the *pro forma* financial information is set out in **Annexure 2** of this Circular.

## 9. MATERIAL CHANGES

There have been no material changes to the financial or trading position of the Group that has occurred since 31 March 2018 until the Last Practicable Date.

## 10. INDEPENDENT EXPERT'S REPORT

As Dr Q van Rooyen and Next Investments are related parties in terms of the Listings Requirements, the Independent Expert has provided a report on the Loan Transaction which is set out in **Annexure 3** to this Circular. The Independent Expert's Report is also available for inspection in accordance with the provisions of paragraph 17 of this Circular.

## 11. OPINIONS, RECOMMENDATIONS AND UNDERTAKINGS

The Independent Expert has advised that it has considered the terms and conditions of the Loan Transaction, and is of the opinion that the terms and conditions of the Loan Transaction are fair to Shareholders. The Independent Expert's Report is set out in **Annexure 3** to this Circular.

The Independent Board, has further considered the terms and conditions of the Loan Transaction, and recommends that Shareholders vote in favour of the Resolutions at the General Meeting.

The following Shareholders, has provided irrevocable undertakings to vote in favour of the Loan Transaction:

Shareholder	Number of Shares for which an irrevocable undertaking has been provided	Shares as a percentage of total shares in issue <sup>3</sup>	Shares as a percentage of shares eligible to vote <sup>4,5</sup>
Ithuba Investments	127 806 103	13.12%	32.49%
Riskowitz Value Fund	152 877 967	15.69%	38.87%
Snowball Wealth	30 604 785	3.14%	7.78%
Midbrook Lane	12 441 539	1.28%	3.16%
Constantia Insurance Company	11 610 388	1.19%	2.95%
<b>Total</b>	<b>335 340 782</b>	<b>34.42%</b>	<b>85.25%</b>

### Notes:

1. In terms of paragraph 10.9(f) of the Listings Requirements, the Shares held by Dr Q van Rooyen and his Associates, which total 535 854 120, will be taken into account in determining a quorum at the General Meeting, but will not be taken into account in determining the results of the voting at the General Meeting on any of the proposed resolutions.
2. 45 066 322 Shares were held as treasury shares as at the Last Practicable Date, whose votes will not be taken into account in determining the results of the voting at the General Meeting on any of the proposed resolutions.
3. Total number of Shares in issue as at the Last Practicable Date are 974 265 619.
4. Conduit Capital Limited owns all of the issued share capital of Snowball Wealth, Midbrook Lane and Constantia Insurance Company. Riskowitz Value Fund and Ithuba Investments in turn own 34.17% of Conduit Capital Limited. Riskowitz Value Fund and Ithuba Investments are both managed by Protea Asset Management LLC which is controlled by Mr Sean Riskowitz.
5. The total number of Shares eligible to vote at the General Meeting with regard to the Loan Transaction will be 393 345 177 Shares representing 40% of the total number of issued Shares of Trustco.

## 12. EXPERTS' CONSENTS

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

## 13. LITIGATION STATEMENT

There are no legal or arbitration proceedings, including any proceedings that are pending or threatening, of which Trustco is aware, which may have, or have had, during the 12 (twelve) months preceding the date of this Circular, a material effect on the financial position of the Group.

## 14. EXPENSES

It is estimated that the total expenses relating to the Loan Transaction will amount to approximately NAD820 000 (costs are exclusive of VAT) and includes the following:

<b>Parties</b>	<b>Estimated amount NAD</b>
JSE Sponsor – Vunani Corporate Finance	400 000
NSX Sponsor – Simonis Storm	6 443
Reporting Accountant – Moore Stephens	110 000
Independent Expert – Effortless Corporate Finance	75 000
JSE document fees	48 557
Printing and postage – Ince	180 000
<b>Total</b>	<b>820 000</b>

## 15. NOTICE OF GENERAL MEETING AND VOTING RIGHTS

### 15.1 Notice of General Meeting

The General Meeting will be held at 10:00 on Tuesday, 22 January 2019 at the registered office of Trustco, 2 Keller Street, Windhoek, Namibia in order to consider the Resolutions required to implement the Loan 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.

### 15.2 Approval and Voting rights

As noted in paragraph 2.5 above, Dr Q van Rooyen, Next Investments and their Associates will be excluded from voting on the Resolutions. The presence of Dr Q van Rooyen, Next Investments and their Associates will, however, be taken into account in determining a quorum at the General Meeting.

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.

## 16. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are stated on page 9 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given in this Circular 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. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, where applicable, are available for inspection at no charge during normal business hours at the offices of Trustco and that of the JSE Sponsor, whose addresses are set out in the "Corporate Information and Advisors" section of this Circular, from the date of this Circular up and to including the date of the General Meeting:

- the Memorandum and Articles of Association of the Company;
- the Memorandum and Articles of Association of Elisenheim, being the Company's major subsidiary;
- Trustco executive directors' service contracts;
- the Huso Circular;
- the Huso Amendment Circular;
- the Buckley Circular;
- the Riskowitz Circular;



- the signed Independent Expert's Report;
- the signed independent Reporting Accountant's Assurance Report on the Compilation of the *Pro Forma* Financial Effects set out in **Annexure 1** to this Circular;
- the consent letters referred to in paragraph 11;
- a signed copy of this Circular;
- the irrevocable undertaking referred to in paragraph 10; and
- the annual reports of Trustco for the three years ended 31 March 2018, 31 March 2017 and 31 March 2016.

## 18. DOCUMENTS INCORPORATED BY REFERENCE

The following information which has been prepared pursuant to the provisions of the Listings Requirements has been incorporated by reference in terms of paragraph 11.61 of the JSE Listings Requirements and listed in the tables below:

### 18.1 Historical financial information

The historical financial information of Trustco in respect of the years ended 31 March 2018, 31 March 2017 and 31 March 2016 and the historical financial information of Trustco for the six months ended 30 September 2017, 30 September 2016 and 30 September 2015 which are the responsibility of the directors of Trustco and have been prepared in accordance with IFRS and the Company's accounting policies, have been incorporated by reference and are available for viewing on the Company's website as set out below and at the Company's registered office and at the Corporate Advisor and Sponsor's office.

#### Information incorporated by reference

Historical financial information of Trustco for the financial years ended 31 March 2018, 31 March 2017 and 31 March 2016 2016 and the historic financial information for the six months ended 30 September 2017, 30 September 2016 and 30 September 2015.

#### Website link

<https://www.tgh.na/investors/results-centre/>

### 18.2 Historical transaction circulars

The following circulars which have been made mention of in this Circular are available for viewing on the Company's website as set out below and at the Company's registered office and at the Corporate Advisor and Sponsor's office.

#### Transaction circular

Huso Transaction

Huso Amendment Circular

Riskowitz Circular

Buckley Circular

#### Circular Reference

Paragraphs 5.3.1.1 and 6.1.1

Paragraphs 5.3.1.1 and 6.1.1

Paragraphs 5.3.1.2 and 6.1.2

Paragraph 6.1.3

#### Website link

<https://www.tgh.na/investors/circulars/>

<https://www.tgh.na/investors/circulars/>

<https://www.tgh.na/investors/circulars/>

<https://www.tgh.na/investors/circulars/>

**Signed on behalf of all of the directors in terms of the powers of attorney granted to Mr Floors J Abrahams on Friday, 14 December 2018.**

**FJ Abrahams**

*Executive Director*

Windhoek

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**PRO FORMA CONSOLIDATED FINANCIAL INFORMATION OF TRUSTCO BEFORE AND AFTER THE LOAN TRANSACTION**

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All terms defined in the Circular into which this **Annexure 1** has been incorporated by reference shall bear the same meanings in this **Annexure 1**.

The *pro forma* consolidated statement of comprehensive income and statement of financial position, before and after the Loan Transaction, are the responsibility of the directors and have been prepared for illustrative purposes only and, because of its nature, may not fairly present Trustco's financial position, changes in equity, results of operations or cash flows.

The independent reporting accountants' reasonable assurance report on the *pro forma* financial information is set out in **Annexure 2** to this Circular.

The *pro forma* financial information has been compiled using accounting policies that comply with IFRS and that are consistent with those applied in the audited consolidated annual financial statements of Trustco for the year ended 31 March 2018. The *pro forma* figures have been given no greater prominence than unadjusted financial figures and are presented in a manner consistent with both the format and accounting policies adopted in the historical financial information. Adjustments have been quantified on the same basis as would normally be calculated in preparing financial statements.

The *pro forma* consolidated statement of comprehensive income and statement of financial position, after the Loan Transaction, are set out below and have been prepared to illustrate the effect of the Loan Transaction on the assumption that for statement of comprehensive income purposes, they were effective on 1 April 2017 and for statement of financial position purposes, they were effective on 31 March 2018.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Before – 31 March 2018 <sup>1</sup>		Huso – 31 March 2018 <sup>3</sup>		Morse – 31 March 2018 <sup>4</sup> adjustments <sup>5</sup>		After Huso Transaction and Riskowitz Issue of Shares <sup>6</sup>		Proceeds from Loan <sup>7</sup>		After Huso Transaction, Riskowitz Shares and the Loan <sup>8</sup>		Scenario 1a: Conversion of the Loan into maximum number of shares <sup>9</sup>		Scenario 1b: Conversion of the Loan into minimum number of shares <sup>11</sup>		Scenario 2: Conversion of the Loan into minimum number of shares <sup>12</sup>		Scenario 2: Cash Settlement of the Loan <sup>13</sup>		After Scenario 2: Cash Settlement of the Loan <sup>14</sup>			
	Actual	Pro forma	Actual	Pro forma	Actual	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	
	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	
Revenue	800 939	-	-	7 663	-	-	808 602	-	-	-	-	808 602	-	-	-	-	808 602	-	-	-	-	808 602	-	
Cost of sales	(274 265)	-	-	(8 236)	-	-	(282 501)	-	-	-	-	(282 501)	-	-	-	-	(282 501)	-	-	-	-	(282 501)	-	
<b>Gross profit</b>	<b>526 674</b>	-	-	<b>(573)</b>	-	-	<b>526 101</b>	-	-	-	-	<b>526 101</b>	-	-	-	-	<b>526 101</b>	-	-	-	-	<b>526 101</b>	-	
Huso EBITDAASA target	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Investment income	480 794	-	-	130	-	-	480 924	-	-	-	-	480 924	-	-	-	-	480 924	-	-	-	-	480 924	-	
Operating expenses	(542 489)	-	-	(10 016)	-	-	(552 505)	-	(820)	i.	(553 325)	-	-	-	-	-	(553 325)	-	-	-	-	(553 325)	-	
Insurance benefits and claims	(34 441)	-	-	-	-	-	(34 441)	-	-	-	(34 441)	-	-	-	-	-	(34 441)	-	-	-	-	(34 441)	-	
Finance costs	(188 881)	-	-	(6)	-	-	(188 887)	-	-	-	(188 887)	-	-	-	-	-	(188 887)	-	-	-	(105 000)	i.	(293 887)	
<b>Profit before taxation</b>	<b>241 657</b>	-	-	<b>(10 465)</b>	-	-	<b>231 192</b>	-	<b>(820)</b>		<b>230 372</b>	-	-	-	-	-	<b>230 372</b>	-	-	-	<b>(105 000)</b>		<b>125 372</b>	
Taxation	31 971	-	-	-	-	-	31 971	-	<b>262</b>	ii.	32 233	-	-	-	-	-	32 233	-	-	-	33 600	ii.	65 833	
<b>Profit for the period</b>	<b>273 628</b>	-	-	<b>(10 465)</b>	-	-	<b>263 163</b>	-	<b>(558)</b>		<b>262 605</b>	-	-	-	-	-	<b>262 605</b>	-	-	-	<b>(71 400)</b>		<b>191 205</b>	
<b>Other comprehensive income, net of tax</b>	<b>(27 410)</b>	-	-	-	-	-	<b>(27 410)</b>	-	-	-	<b>(27 410)</b>	-	-	-	-	-	<b>(27 410)</b>	-	-	-	-	-	<b>(27 410)</b>	
Items that will not be subsequently reclassified to profit or loss	(5 129)	-	-	-	-	-	(5 129)	-	-	-	(5 129)	-	-	-	-	-	(5 129)	-	-	-	-	-	(5 129)	
- Revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Items that may be subsequently reclassified to profit or loss	(22 281)	-	-	-	-	-	(22 281)	-	-	-	(22 281)	-	-	-	-	-	(22 281)	-	-	-	-	-	(22 281)	
- Foreign currency translation adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total comprehensive income for the period</b>	<b>246 218</b>	-	-	<b>(10 465)</b>	-	-	<b>235 753</b>	-	<b>(558)</b>		<b>235 195</b>	-	-	-	-	-	<b>235 195</b>	-	-	-	<b>(71 400)</b>		<b>163 795</b>	
<b>Profit attributable to:</b>																								
Ordinary shareholders	178 830	-	-	(10 465)	-	-	263 163	-	(558)		262 605	-	-	-	-	-	262 605	-	-	-	(71 400)		191 205	
Non-controlling interest	94 798	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total comprehensive income attributable to:</b>																								
Ordinary shareholders	160 144	-	-	(10 465)	-	-	235 753	-	(558)		235 195	-	-	-	-	-	235 195	-	-	-	(71 400)		163 795	
Non-controlling interest	86 074	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Headline earnings</b>																								
Basic earnings	178 830	-	-	(10 465)	-	-	263 163	-	(558)		262 605	-	-	-	-	-	262 605	-	-	-	(71 400)		191 205	



**Notes:**

1. The "Before" column represents the financial information of Trustco, extracted without adjustment, from the published consolidated financial results of Trustco for the year ended 31 March 2018.
2. To take into account the Riskowitz Issue of Shares for Cash as detailed in the Riskowitz Issue of Shares for Cash Circular. This adjustment relates to the additional allotment of shares to Riskowitz pursuant to the closing of the Huso Transaction and is included in terms of 8.26(d) of the Listings Requirements.
3. This adjustment relates to the Huso Transaction, which closed on 4 September 2018 and is included in terms of 8.26(d) of the Listings Requirements.
4. The "Huso – 31 March 2018" financial information has been extracted, without adjustment, from Huso's unpublished consolidated financial results for the year ended 31 March 2018. These results have neither been the subject of an audit nor a review in accordance with International Standards on Auditing. The Directors are satisfied that these results are of a suitable quality and furthermore were prepared on the same basis and by applying the same accounting policies as which apply to Trustco. Huso did not present a statement of comprehensive income for the year ended 31 March 2018 as it did not trade during this period. This adjustment will have a continuing effect.
5. This adjustment relates to the Huso Transaction, which closed on 4 September 2018 and is included in terms of 8.26(d) of the Listings Requirements.
6. The "Morse – 12 months ended 31 March 2018" financial information has been extracted, without adjustment, from Morse's unpublished financial results for the year ended 31 March 2018. These results have neither been the subject of an audit nor a review in accordance with International Standards on Auditing. The Directors are satisfied that these results are of a suitable quality and furthermore were prepared on the same basis and by applying same accounting policies as which apply to Trustco. This adjustment will have a continuing effect.
7. To take into account the effects of the Huso Transaction, which transaction is accounted for as a common control transaction and by applying the methodologies as contemplated in UK GAAP, FRS6, Transaction costs of NAD164 875 pertaining to the issue of the 143 300 000 Trustco shares have been capitalised to share capital.
8. Consolidated *pro forma* statement of comprehensive income after the Huso Transaction and the Riskowitz Issue of Shares.
9. Take into account the receipt of the Loan as detailed in the Circular, it being assumed for the purposes of these *pro formas* that the maximum amount of NAD1 billion is advanced:
  - i. To take into account the transaction costs relating to the issue of the Circular. This will not have a continuing effect; and
  - ii. The tax effect of the transaction costs recognised at 32%.
10. Consolidated *pro forma* statement of comprehensive income after the Huso Transaction, Riskowitz Issue of Shares and the Loan.
11. Scenario 1(a): "Conversion of loan into maximum number of shares" will have no effect on the statement of comprehensive income of Trustco. For the purpose of this scenario it is assumed the Conversion Option applicable to the period of between 1 January 2020 and 31 March 2020 is exercised and accordingly 46 533 271 shares issued at NAD21.49 per share.
12. Consolidated *pro forma* statement of comprehensive income after the Huso Transaction, Riskowitz issue of shares and Scenario 1(a).
13. Scenario 1(b): "Conversion of loan into minimum number of shares" will have no effect on the statement of comprehensive income of Trustco. For the purpose of this scenario it is assumed the Conversion Option applicable to the period of between 1 January 2024 and 31 March 2024 is exercised and accordingly 13 370 771 shares issued at NAD71.79 per share.
14. Consolidated statement of comprehensive income after the Huso Transaction, Riskowitz issue of shares and Scenario 1(b).
15. To take into consideration the following transactions resulting from Scenario 2: Cash settlement of the Loan:
  - i. Take into account cost of funding calculated at the current prevailing prime rate of 10.5% per annum and in respect of the 12-month period ended 31 March 2019, assuming the loan was advanced upon 1 April 2018; and
  - ii. The tax effect of the transactions recognised at 32%.
16. Consolidated *pro forma* statement of comprehensive income after the Huso Transaction, Riskowitz issue of shares and Scenario 2: Cash Settlement of Loan.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	Before – 31 March 2018 <sup>1</sup>	Riskowitz Issue of Shares <sup>2</sup>	Huso – 31 March 2018 <sup>3</sup>	Morse – 31 March 2018 <sup>4</sup>	Acquisition adjustments <sup>5</sup>	After Huso Transaction and Issue of Shares <sup>6</sup>	Proceeds from the Loan <sup>7</sup>	After Huso Transaction, Riskowitz Issue of Shares and the Loan <sup>8</sup>	Scenario 1a: Conversion of the Loan into maximum number of shares <sup>9</sup>	After Scenario 1a: Conversion of the Loan into maximum number of shares <sup>10</sup>	Scenario 1b: Conversion of the Loan into minimum number of shares <sup>11</sup>	After Scenario 1b: Conversion of the Loan into minimum number of shares <sup>12</sup>	Scenario 2: Cash Settlement of the Loan <sup>13</sup>	After Scenario 2: Cash Settlement of the Loan <sup>14</sup>
	Actual	Pro forma	Actual	Actual	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma
	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000	NAD'000
<b>Assets</b>														
Cash and cash equivalents	68 942	-	45	13	(165) i.	68 835	1 000 000 i.	1 068 835	-	1 068 835	-	1 068 835	(1 000 000)	68 835
Advances	1 754 103	-	-	-	-	1 754 103	-	1 754 103	-	1 754 103	-	1 754 103	-	1 754 103
Trade and other receivables	684 845	-	3 579	3 023	-	691 447	-	691 447	-	691 447	-	691 447	-	691 447
Amounts due to related parties	528 194	-	-	115	-	528 309	-	528 309	-	528 309	-	528 309	-	528 309
Current tax assets	6 004	-	-	-	-	6 004	-	6 004	-	6 004	-	6 004	-	6 004
Inventories	370 205	-	160	1 240	-	371 605	-	371 605	-	371 605	-	371 605	-	371 605
Property, plant and equipment	591 515	-	10 465	2 225	-	604 205	-	604 205	-	604 205	-	604 205	-	604 205
Investment property	1 476 818	-	-	-	-	1 476 818	-	1 476 818	-	1 476 818	-	1 476 818	-	1 476 818
Intangible assets	462 452	-	136 858	3 966	-	603 276	-	603 276	-	603 276	-	603 276	-	603 276
Evaluation and exploration assets	278 638	-	-	-	-	278 638	-	278 638	-	278 638	-	278 638	-	278 638
Deferred tax assets	150 656	-	-	-	-	150 656	262 ii.	150 918	-	150 918	-	150 918	-	150 918
<b>Total assets</b>	<b>6 372 372</b>	<b>-</b>	<b>151 107</b>	<b>10 582</b>	<b>(165)</b>	<b>6 533 896</b>	<b>1 000 262</b>	<b>7 534 159</b>	<b>-</b>	<b>7 534 159</b>	<b>-</b>	<b>7 534 159</b>	<b>(1 000 000)</b>	<b>6 534 159</b>
<b>Equity and liabilities</b>														
<b>Liabilities</b>														
Borrowings	1 332 551	-	-	-	-	1 332 551	-	1 332 551	-	1 332 551	-	1 332 551	-	1 332 551
Trade and other payables	430 279	-	5 070	1 414	-	436 763	820 iii.	437 583	-	437 583	-	437 583	-	437 583
Current tax liabilities	8 938	-	-	-	-	8 938	-	8 938	-	8 938	-	8 938	-	8 938
Insurance contract liabilities	63 057	-	-	-	-	63 057	-	63 057	-	63 057	-	63 057	-	63 057
Amounts due to related parties	-	-	349 739	41 543	-	391 282	1 000 000 iv.	1 391 282	(1 000 000) i.	391 282	(1 000 000) i.	391 282	(1 000 000)	391 282
Other liabilities	71 760	-	-	-	-	71 760	-	71 760	-	71 760	-	71 760	-	71 760
Deferred tax liabilities	299 566	-	-	-	-	299 566	-	299 566	-	299 566	-	299 566	-	299 566
<b>Total liabilities</b>	<b>2 206 151</b>	<b>-</b>	<b>354 809</b>	<b>42 957</b>	<b>-</b>	<b>2 603 917</b>	<b>1 000 820</b>	<b>3 604 737</b>	<b>(1 000 000)</b>	<b>2 604 737</b>	<b>(1 000 000)</b>	<b>2 604 737</b>	<b>(1 000 000)</b>	<b>2 604 737</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	Before – 31 March 2018 <sup>1</sup>	Riskowitz Issue of Shares <sup>2</sup>	Huso – 31 March 2018 <sup>3</sup>	Morse – 31 March 2018 <sup>4</sup>	Acquisition adjustments <sup>5</sup>	After Huso Transaction and Riskowitz Issue of Shares <sup>6</sup>		Proceeds from the Loan/ <sup>7</sup>	After Huso Transaction, Riskowitz Issue of Shares and the Loan <sup>8</sup>		Scenario 1a: Conversion of the Loan into maximum number of shares <sup>9</sup>		After Scenario 1a: Conversion of the Loan into maximum number of shares <sup>10</sup>		Scenario 1b: Conversion of the Loan into minimum number of shares <sup>11</sup>		After Scenario 1b: Conversion of the Loan into minimum number of shares <sup>12</sup>		Scenario 2: Cash Settlement of the Loan <sup>13</sup>		After Scenario 2: Cash Settlement of the Loan <sup>14</sup>			
						Actual	Pro forma		Actual	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma
<b>Capital and reserves</b>																								
<b>Equity attributable to equity holders of parent</b>																								
Share capital	190 245	879	-	-	32 959	224 083	224 083	-	224 083	224 083	10 703	234 786	234 786	3 075	227 158	227 158	-	224 083	-	224 083	-	224 083	-	
Share premium	267 400	15 371	-	-	638 953	921 724	921 724	-	921 724	921 724	989 297	1 911 021	1 911 021	996 925	1 918 649	1 918 649	-	921 724	-	921 724	-	921 724	-	
Deemed treasury shares	(200 804)	-	-	-	-	(200 804)	(200 804)	-	(200 804)	(200 804)	-	(200 804)	(200 804)	-	(200 804)	(200 804)	-	(200 804)	-	(200 804)	-	(200 804)	-	
Other reserves	13 707	-	-	-	-	13 707	13 707	-	13 707	13 707	-	13 707	13 707	-	13 707	13 707	-	13 707	-	13 707	-	13 707	-	
Common control reserve	-	-	-	-	(3 193 352)	(3 193 352)	(3 193 352)	-	(3 193 352)	(3 193 352)	-	(3 193 352)	(3 193 352)	-	(3 193 352)	(3 193 352)	-	(3 193 352)	-	(3 193 352)	-	(3 193 352)	-	
Shares for vendors	14 976	-	-	-	2 285 198	2 300 174	2 300 174	-	2 300 174	2 300 174	-	2 300 174	2 300 174	-	2 300 174	2 300 174	-	2 300 174	-	2 300 174	-	2 300 174	-	
Equity loan	16 250	(16 250)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Retained income	3 426 491	-	(203 702)	(32 375)	236 077	3 426 491	3 426 491	(558)	3 425 933	3 425 933	-	3 425 933	3 425 933	-	3 425 933	3 425 933	-	3 425 933	-	3 425 933	-	3 425 933	-	
	3 728 265	-	(203 702)	(32 375)	(165)	3 492 023	3 492 023	(558)	3 491 466	3 491 466	1 000 000	4 491 466	4 491 466	1 000 000	4 491 465	4 491 465	-	3 491 466	-	3 491 466	-	3 491 466	-	
Non-controlling interest	437 956	-	-	-	-	437 956	437 956	-	437 956	437 956	-	437 956	437 956	-	437 956	437 956	-	437 956	-	437 956	-	437 956	-	
<b>Total capital and reserves</b>	<b>4 166 221</b>	<b>-</b>	<b>(203 702)</b>	<b>(32 375)</b>	<b>(165)</b>	<b>3 929 979</b>	<b>3 929 422</b>	<b>(558)</b>	<b>3 929 422</b>	<b>3 929 422</b>	<b>1 000 000</b>	<b>4 929 422</b>	<b>4 929 422</b>	<b>1 000 000</b>	<b>4 929 421</b>	<b>4 929 421</b>	<b>-</b>	<b>3 929 422</b>	<b>-</b>	<b>3 929 422</b>	<b>-</b>	<b>3 929 422</b>	<b>-</b>	
<b>Total equity and liabilities</b>	<b>6 372 372</b>	<b>-</b>	<b>151 107</b>	<b>10 582</b>	<b>(165)</b>	<b>6 533 896</b>	<b>1 000 262</b>	<b>1 000 262</b>	<b>7 534 159</b>	<b>7 534 159</b>	<b>-</b>	<b>7 534 159</b>	<b>7 534 159</b>	<b>-</b>	<b>7 534 158</b>	<b>(1 000 000)</b>	<b>6 534 159</b>	<b>-</b>	<b>6 534 159</b>	<b>-</b>	<b>6 534 159</b>	<b>-</b>	<b>6 534 159</b>	<b>-</b>
Net asset value per share (cents)	503.69	-	-	-	-	403.38	403.32	-	403.32	403.32	-	482.90	482.90	-	499.11	499.11	-	403.32	-	403.32	-	403.32	-	
Tangible net asset value per share (cents)	447.78	-	-	-	-	341.46	341.40	-	341.40	341.40	-	423.80	423.80	-	438.03	438.03	-	341.40	-	341.40	-	341.40	-	
Total shares in issue	827 142 090	3 823 529	-	-	143 300 000	974 265 619	974 265 619	-	974 265 619	974 265 619	46 533 271	1 020 798 890	1 020 798 890	13 370 771	987 636 390	987 636 390	-	974 265 619	-	974 265 619	-	974 265 619	-	
Deemed treasury shares	44 993 000	-	-	-	-	44 993 000	44 993 000	-	44 993 000	44 993 000	-	44 993 000	44 993 000	-	44 993 000	44 993 000	-	44 993 000	-	44 993 000	-	44 993 000	-	
Number of shares in issue (excluding treasury shares)	782 149 090	3 823 529	-	-	143 300 000	929 272 619	929 272 619	-	929 272 619	929 272 619	46 533 271	975 805 890	975 805 890	13 370 771	942 643 390	942 643 390	-	929 272 619	-	929 272 619	-	929 272 619	-	



**Notes:**

1. The "Before" column represents the financial information of Trustco, extracted without adjustment, from the published consolidated financial results of Trustco for the year ended 31 March 2018.
2. To take into account the Riskowitz Issue of Shares for Cash as detailed in the Riskowitz Issue of Shares for Cash Circular. This adjustment relates to the additional allotment of shares to Riskowitz pursuant to the closing of the Huso Transaction and is included in terms of 8.26(d) of the Listings Requirements.
3. The Huso – 31 March 2018" financial information has been extracted, without adjustment, from Huso's unpublished consolidated financial results for the year ended 31 March 2018. These results have neither been the subject of an audit nor a review in accordance with International Standards on Auditing. The Directors are satisfied that these results are of a suitable quality and furthermore were prepared on the same basis and by applying the same accounting policies as which apply to Trustco. This adjustment relates to the Huso Transactions, which closed on 4 September 2018 and is included in terms of 8.26(d) of the Listings Requirements.
4. The "Morse – 12 months ended 31 March 2018" financial information has been extracted, without adjustment, from Morse's unpublished financial results for the year ended 31 March 2018. These results have neither been the subject of an audit nor a review in accordance with International Standards on Auditing. The Directors are satisfied that these results are of a suitable quality and furthermore were prepared on the same basis and by applying same accounting policies as which apply to Trustco. This adjustment relates to the Huso Transactions, which closed on 4 September 2018 and is included in terms of 8.26(d) of the Listings Requirements.
5. To take into account the consolidation entries for the Huso Transaction and which transaction is included in these *pro formas* in terms of 8.26(d) of the Listings Requirements. The acquisition of Huso falls outside of the scope of the current IFRS 3 due to the fact that it is not a business combination but rather falls under the definition of a common control transaction as per IFRS 3 B.1. This scope exclusion is applied since Dr Q van Rooyen has control over both Trustco and Huso. The Directors have the option to adopt whichever accounting policy in their opinion is deemed to be the most appropriate. The Directors have decided not to apply the principles of an acquisition utilising IFRS 3 methodology but have taken guidance and applied the methodology as contemplated in UK GAAP, FRS6. Therefore, in accordance with UK GAAP, FRS6, the excess of the purchase price over the net asset value of Huso was taken to a common control reserve as noted below:
  - i. Transaction costs of NAD164 875 pertaining to the issue of the 143 300 000 Trustco shares;
  - ii. Being the recognition of the initial issuance of 143 300 000 shares at a par value of 23 cents per share, net of share issue costs of NAD164 875;
  - iii. Represents the recognition of the share premium arising on the issue of shares being the difference between the par value of 23 cents per share and the issue price of NAD4.69 per share;
  - iv. Being the common control reserve raised to record the excess of the purchase price over the net asset value of Huso;
  - v. Represents the contingent purchase consideration payable upon the reaching of the EBITDAASA targets as detailed in the Amended Huso Circular, and which contingent consideration is reflected as a reserve in equity;
  - vi. Being the elimination of the Huso equity; and
  - vii. Represents the initial shares issued upon closing of the Huso Transaction.
6. Consolidated *pro forma* statement of financial position after the Huso Transaction and Riskowitz Issue of Shares.
7. To take into account the receipt of the Loan as detailed in the Circular. The Loan, which is considered a compound financial instrument in terms of IAS 32: *Financial Instruments: Presentation*, is initially accounted for at the amortised cost. The Conversion Option, which constitutes an embedded derivative in terms of IFRS 9: *Financial Instruments* is considered to have a negligible value, since the projected exercise price in terms of the Conversion Option exceeds the projected fair value of the shares and for the duration of the Loan Agreement:
  - i. Proceeds from the receipt of the Loan, it being assumed for the purposes of these *pro formas* that the maximum capital amount of NAD1 billion will be advanced;
  - ii. The tax effect of the transactions recognised at 32%. This will have a continuing effect;
  - iii. To take into account the transaction costs relating to the issue of the Circular;
  - iv. The maximum amount of the Loan to be advanced to Trustco; and
  - v. To take into account the transaction costs relating to the issue of the Circular as well as tax impact at the Namibian corporate tax rate of 32%.
8. Consolidated *pro forma* statement of financial position after the Huso Transaction, Riskowitz Issue of Shares and the Loan.
9. To take into account the effect of the exercise of the election, between the period 1 January 2020 and 31 March 2020, to convert the Loan into 46 533 271 Trustco shares upon the Due Date, and which election represents the maximum number of shares to be issued in terms of the Conversion Option:
  - i. Conversion of the Loan to shares;
  - ii. Recognition of the issuance of shares of 46 533 271 shares at a par value of 23 cents per share; and
  - iii. Recognition of the share premium arising on the issue of shares, being the difference between the par value of 23 cents per share issued and the issue price of NAD21.49 per share.
10. Consolidated *pro forma* statement of financial position after the Huso Transaction, Riskowitz issue of shares and Scenario 1(a).
11. To take into account the effect of the exercise of the election, between the period 1 January 2024 and 31 March 2024, to convert the Loan into 13 370 771 Trustco shares upon the Due Date, and which election represents the minimum number of shares to be issued in terms of the Conversion Option:
  - i. Conversion of the Loan to shares;
  - ii. Recognition of the issuance of shares of 13 370 771 shares at a par value of 23 cents per share; and
  - iii. Recognition of the share premium arising on the issue of shares, being the difference between the par value of 23 cents per share issued and the issue price of NAD74.79 per share.
12. Consolidated statement of financial position after the Huso Transaction, Riskowitz issue of shares and Scenario 1(b).
13. To take into account the effect of a cash settlement of the Loan.
14. Consolidated *pro forma* statement of financial position after the Huso Transaction, Riskowitz issue of shares and Scenario 2: Cash Settlement of Loan.

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE PRO FORMA FINANCIAL INFORMATION OF TRUSTCO GROUP HOLDINGS LIMITED**

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The Directors  
Trustco Group Holdings Limited  
2 Keller Street  
Windhoek  
Namibia

Dear Sirs/Madams

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF THE PRO FORMA FINANCIAL INFORMATION OF TRUSTCO GROUP HOLDINGS LIMITED**

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of Trustco Group Holdings Limited ("Trustco" or the "Company") by the directors. The *pro forma* financial information, as set out in **Annexure 1** of the circular to be dated on or about Wednesday, 12 December 2018 ("the Circular"), consists of the *pro forma* statement of comprehensive income, the *pro forma* statement of financial position, related notes and the summary thereof, presented in paragraph 8 of the Circular (the "*Pro Forma* Financial Information"). The *Pro Forma* Financial Information has been compiled by the directors on the basis of the applicable criteria specified in the JSE Limited ("JSE") Listings Requirements (the "JSE Listings Requirements") and described in **Annexure 1** of the Circular.

The *Pro Forma* Financial Information has been compiled by the directors to illustrate the impact of the Loan Transaction on the published financials of Trustco for the year ended 31 March 2018, assuming that the proposed transaction was implemented on 1 April 2017, being the commencement date of the financial period for the purposes of the *pro forma* consolidated statement of comprehensive income and 31 March 2018, being the last day of the financial period for the purposes of the *pro forma* consolidated statement of financial position. As part of this process, information about Trustco's financial position and financial performance have been extracted by the directors from the Company's published consolidated financial statements for the year ended 31 March 2018, on which an auditor's assurance report has been issued.

**Directors' responsibility for the Pro Forma Financial Information**

The directors are responsible for compiling the *Pro Forma* Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in **Annexure 1** of the Circular.

**Reporting accountants' independence and quality control**

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

The firm applies International Standard on Quality Control 1 and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Reporting accountants' responsibility**

Our responsibility is to express an opinion about whether the *Pro Forma* Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described in **Annexure 1** of the Circular based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420 Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information Included in a Prospectus. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

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

As the purpose of *Pro Forma* Financial Information included in a 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 the purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used 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 those criteria; and
- the *Pro Forma* Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our 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 8 and **Annexure 1** of the Circular.

## **Moore Stephens Cape Town Inc.**

*Registered Auditor*

*Per: Lindie Stander*

*Chartered Accountant (SA)*

*Registered Auditor*

*Director*

7 November 2018

2nd Floor, Block 2, Northgate Park  
Corner Section Street and Koeberg Road  
Paarden Eiland  
7405

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## REPORT OF THE INDEPENDENT EXPERT

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7 December 2018

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”) concerning the receipt of a loan amount of up to NAD1 billion (“Capital Amount”) from a related party (“the Loan”) and the granting of an option to enable the related party to select whether Trustco settles The Loan in cash or converts The Loan into Trustco (“TTO”) shares (“the Loan Transaction”)**

### 1. INTRODUCTION

Shareholders are referred to the SENS announcement published on 8 October 2018 where Trustco shareholders were advised of the transaction to raise capital through the Loan agreement with a related party, the majority shareholder of Trustco, Dr Quinton van Rooyen, and his investment vehicle Next Investments Proprietary Limited (Hereinafter referred to as “The Lender”), with Trustco, the material terms being:

- the Lender will provide the Loan of up to a maximum amount of NAD1 billion to Trustco;
- the Loan is repayable on 31 March 2024 (the “Repayment Date”);
- the Loan shall be an interest only loan with the Capital Amount repayable as a bullet payment, in cash, unless the Lender exercise their option (“Conversion Option”) to have the sum or a portion of the Capital Amount settled in TTO shares;
- the Loan will be provided to Trustco as an unsecured subordinated shareholders loan;
- interest on the Capital Amount will be calculated monthly in arrears at the prime interest rate of Namibia as published from time to time by the Bank of Namibia;
- interest will be paid monthly; and
- the actual loan amount may be for a lesser amount depending on the growth capital requirements of the Company as determined by the independent Non-executive board members of Trustco, at any time before 30 June 2019.

Alternatively, The Lender, in its discretion may elect to exercise the Conversion Option and receive the Capital Amount not as a single payment in cash on the Repayment Date, but rather by way of conversion of the Capital Amount into TTO shares, in part or in full, at a conversion price per TTO share which shall be determined based on the periods during which the Conversion Option is exercised as set out below:

- Between 1 January 2020 – 31 March 2020 at a rate of NAD21.49 per share to a maximum number of 46 533 271 TTO shares (“The 2020 period”);
- Between 1 January 2021 – 31 March 2021 at a rate of NAD31.91 per share to a maximum number of 31 338 138 TTO shares (“The 2021 period”);
- Between 1 January 2022 – 31 March 2022 at a rate of NAD42.72 per share to a maximum number of 23 408 239 TTO shares (“The 2022 period”);
- Between 1 January 2023 – 31 March 2023 at a rate of NAD57.93 per share to a maximum number of 17 262 213 TTO shares (“The 2023 period”); and
- Between 1 January 2024 – 31 March 2024 at a rate of NAD74.79 per share to a maximum number of 13 370 771 TTO shares (“The 2024 period”).

The independent non-executive directors of Trustco may during the abovementioned periods elect to make an early repayment of the Capital Amount, in full or in part, by giving 30 days’ notice to the Lender of its intention.

*The rationale for the Loan is:*

- Namibia experienced nine consecutive quarters of negative economic growth. This transaction will bolster growth capital for Trustco which operates primarily in Namibia and the other countries in which it operates.
- The investment in the Resources Segment acts as a natural currency hedge, as this generates USD revenue.
- The sale of a portion of the Lender's equity and entering into a subsequent Loan Agreement with the Lender will not have the immediate effect of further dilution for existing shareholders in Trustco. Shareholders will only be diluted if the Lender elects to exercise its Conversion Option.
- The sale of a portion of the Lender's equity will improve liquidity and the free float of TTO shares in the market.

The Lender is a related party in terms of 10.1(b)(i), (ii), and (vii) of the JSE Listings Requirements ("Listings Requirements"). Trustco issued the Conversion Option to the Lender allowing them at their discretion to have the Loan redeemed either in cash or in TTO shares at predetermined dates and prices.

In terms of 10.6(c)(i) of the Listings Requirements, the granting of credit by a related party on an unsecured basis on normal commercial terms to a listed company is not considered to be a related party transaction. The inclusion of the Conversion Option, however, as part of the Loan Transaction allowing the Lender, who is a related party to Trustco, to elect to have the Capital Amount settled in TTO shares is not a term normally present in similar lending arrangements, hence the classification of the Loan Transaction as a related party transaction in terms of section 10 of the Listings Requirements which requires a Fairness Opinion.

In addition to a Fairness Opinion being required in terms of section 10 of the Listings Requirements, the granting of the Conversion Option is considered to be a specific issue of an option for cash as it is being granted to a related party and hence a Fairness Opinion is required in terms of 5.53(b)(i).

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 the Loan Transaction, the benefits relating to Trustco's receipt of the Capital Amount from the Loan, plus the benefits of Trustco utilising the cash over time from the Loan ("**Loan Benefits**") may be said to be fair if they are equal to or greater than the cost of the interest paid by Trustco, plus the cost of Trustco granting the Conversion Option plus the cost of Trustco repaying the Loan in cash or shares ("**Loan Costs**").

## 3. SOURCE DOCUMENTATION AND INFORMATION CONSIDERED

We have considered all the following information that is relevant to the value of the The Loan Transaction:

- Information on Trustco, including the history, the nature of business, services, key customers, industry and competitors;
- SENS announcement dated 8 October 2018 and agreements relating to the Loan Transaction and the issuance of the Conversion Option;
- Share price, the volume of trading and other share trading statistics of Trustco on the JSE;
- The audited annual financial statements including the annual report of Trustco for the years ended 31 March 2018, 2017 and 2016;
- Discussions with the executive directors of Trustco;
- The details relating to the Loan Transaction; and
- Discussions with directors of Trustco, including discussions regarding the rationale for and the perceived benefits to be obtained from the Loan Transaction.

#### 4. PROCEDURES

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

- Reviewed all the terms of the Loan Transaction;
- Considered information made available by and from discussions held with the management and directors of Trustco;
- Considered the rationale for the Loan Transaction;
- Prepared a valuation of the Conversion Option with generally accepted valuation approaches and methods. We have prepared the valuation of the Conversion Option using The Binomial Option Pricing Model. The binomial options pricing model is widely used and provides a numerical method for the valuation of options and is more accurate than other models e.g. Black-Scholes for such longer-dated options such as the Conversion Option;
- Calculated the Loan Benefits Trustco would receive from the Loan Transaction and compared them to the Loan Costs (including the cost of granting the Conversion Option) Trustco would incur as a result of the Loan Transaction;
- As Corroborating evidence and rather than a valuation, we calculated the internal rate of return that the shareholders of Trustco would earn if the Conversion Option was exercised; and
- Considered the impact the Conversion Option would have on the total amount payable by Trustco as per the Loan Transaction by assuming the core valuation of the Conversion Option, as disclosed in paragraph 8 below, to be additional interest to be paid over the term of the Loan in addition to the current interest payable on the Loan and determining whether the resultant higher interest rate is reasonable taking into account the unsecured nature of the Loan.

We identified the following internal key value drivers (Inputs for the Binomial Option Pricing Model). There are no external value drivers that are used as inputs for the Binomial Option Pricing Model:

- The share price of Trustco on 8 October 2018, the date that the Loan Transaction was announced on SENS was NAD7.50;
- The exercise price of the option is as follows:
 

2020 period	NAD21.49
2021 period	NAD31.91
2022 period	NAD42.72
2023 period	NAD57.93
2024 period	NAD74.79
- The time to exercise the Conversion Option is 1, 2, 3, 4 and 5 years for each of the 2020, 2021, 2022, 2023, and 2024 periods;
- The annual interest rate of the Loan is 10.5%;
- The standard deviation is 80%. The standard deviation is a statistic and is a measure that is used to quantify the amount of variation or dispersion of a set of data values. A low standard deviation indicates that the data points tend to be close to the mean of the set, while a high standard deviation indicates that the data points are spread out over a wider range of values. Trustco shares have a high standard deviation; and
- The subdivisions in the Loan relate to the monthly interest payments of 12 per year and the number of subdivisions is 12, 24, 36, 48 and 60 for each of the 2020, 2021, 2022, 2023, and 2024 periods.

The sensitivity analysis on the major drivers and inputs (most sensitive) were:

	Increase in interest			Increase in standard deviation		
	from	to	Increase in valuation	from	to	Increase in valuation
2020 period	10.5%	11.5%	2.0%	80%	81%	3.5%
2021 period	10.5%	11.5%	2.5%	80%	81%	4.5%
2022 period	10.5%	11.5%	2.8%	80%	81%	3.8%
2023 period	10.5%	11.5%	2.9%	80%	81%	3.2%
2024 period	10.5%	11.5%	3.1%	80%	81%	3.7%



The underlying assumptions in the Binomial Option Pricing Model are as follows:

- There is no arbitrage opportunity (i.e., there is no way to make a riskless profit);
- It is possible to borrow and lend any amount, even fractional, of cash at the riskless rate;
- It is possible to buy and sell any amount, even fractional, of the stock (this includes short selling); and
- The transactions do not incur any fees or costs (i.e., frictionless market).

## 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 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 and senior employees 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**

We have performed a valuation of the Conversion Option using the Binomial Option Pricing Model models to determine the cost of the Conversion Option to Trustco shareholders which shall be used as an input to determine whether the Loan Transaction is fair to the shareholders of Trustco.

Sensitivity analysis was performed considering the key variable inputs relating to the Binomial Option Pricing Model. The valuation involved a stress test and sensitivity on these key inputs.

The valuation of the Conversion Option is between NAD121 900 000 and NAD126 200 000 with a core valuation of NAD121 900 000.

We analysed the Loan Transaction into its elements of The Loan Benefits and Loan Costs including the granting of the Conversion Option are set out below and we weighed up the costs against the benefits as follows:

<b>Loan benefits</b>	<b>NAD</b>	<b>Loan costs</b>	<b>NAD</b>
Receipt of Capital Amount	1 000 000 000	Granting the Conversion Option	121 900 000
Utilisation of cash at 14% for five years	700 000 000	Interest paid at 10.5% for five years	525 000 000
		Repayment of Loan in Shares or cash	1 000 000 000
<b>Total loan benefits</b>	<b>1 700 000 000</b>	<b>Total loan costs</b>	<b>1 646 000 000</b>

As the Loan Benefits exceed the Loan Costs, the Loan Transaction is fair to Trustco Shareholders.

As corroborating evidence, we calculated the minimum Internal Rate of Return that the Trustco shareholder would first earn for each of the periods in which the Conversion Option may be exercised and compared it to a fair rate of return based on the Loan Transaction. Below we measured the Internal Rate of Return for each option period taking into account the current share price, the exercise price and time to convert.



The Internal Rate of Return was calculated as follows:

	<b>Internal rate of return</b>
2020 period	187%
2021 period	106%
2022 period	79%
2023 period	67%
2024 period	58%

The rate of return for the Loan was calculated as follows:

Prime rate of interest	10.5%
Premium	3%
<b>Total</b>	<b>13.5%</b>

The premium above was calculated by assuming the core valuation of the Conversion Option as calculated above is treated as additional interest which must be paid in addition to current interest rate resulting in a 3% higher rate of interest to be paid on the Loan Transaction.

This corroboratory evidence means that before the related party exercises its option, the shareholders of Trustco would have benefited from an Internal Rate of Return that is substantial in comparison to the Rate of Return for the Loan of 13.5% (being the current prime rate of interest plus the premium of 3% calculated above).

It is so high that it indicates that the Conversion Option has no value when it is granted and that it is unlikely that the Lender will exercise the Conversion Option. This corroborates the opinion above that the Loan Transaction is Fair to the shareholders of Trustco.

## 7. **INDEPENDENCE, COMPETENCE AND LIMITING CONDITIONS**

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.

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.

We confirm that we have no financial interest and no relationship in Trustco, The Loan Transaction or related parties. Furthermore, we confirm that our professional fees are not contingent upon the success of The Loan Transaction and amount to R75 000 payable in cash.

We confirm that the scope of our procedures and work performed were not subject to any limiting conditions.

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.

The effect of the Loan Transaction 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 Loan Transaction, considering their personal circumstances.

## 8. **OPINION**

We have evaluated the Loan Transaction and have found that it is fair.

We conclude that all the Loan Benefits relating to Trustco's receipt of the Capital Amount from the Loan, plus the benefits of Trustco utilising the cash over the time from the Loan are fair because they are equal to or greater than the Loan Costs being the interest paid by Trustco, plus the cost of Trustco granting the Conversion Option, plus the cost of Trustco repaying the Loan in cash or shares.

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 Friday, 14 December 2018.

Yours faithfully

Paul Austin trading as Effortless Corporate Finance  
23 Nicholi Avenue  
Kommetjie  
7975

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**SHARE TRADING HISTORY OF TRUSTCO**


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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.

<b>Monthly</b>	<b>High (cents)</b>	<b>Low (cents)</b>	<b>Volume</b>	<b>Value (R)</b>
November 2018	995	620	2 690 162	22 273 121.13
October 2018	955	615	1 109 058	8 828 537
September 2018	1 308	940	6 038 640	61 599 312
August 2018	1 349	825	2 439 024	26 612 624
July 2018	999	810	1 291 266	11 378 933
June 2018	1 200	752	1 611 904	14 343 304
May 2018	850	800	4 254 185	35 031 104
February 2018	950	808	1 478 708	13 196 565
December 2017	890	700	2 231 068	17 413 094
November 2017	789	464	1 095 267	6 542 717
October 2017	560	460	2 267 652	11 638 070
September 2017	501	382	3 697 719	17 777 194

<b>Daily</b>	<b>High (cents)</b>	<b>Low (cents)</b>	<b>Volume</b>	<b>Value (R)</b>
2018/10/22	700	700	100	700
2018/10/23	700	699	7 025	49 135
2018/10/24	700	699	23 876	167 132
2018/10/25	850	700	8 000	59 000
2018/10/26	949	700	81 283	674 556
2018/10/29	825	790	106 266	875 444
2018/10/30	825	799	130 856	1 062 257
2018/10/31	825	798	419 029	3 361 261
2018/11/01	820	790	13 353	107 600
2018/11/02	814	795	24 648	197 930
2018/11/05	800	795	249 617	1 996 914
2018/11/06	750	620	14 662	101 740
2018/11/07	800	686	14 797	117 327
2018/11/08	788	660	14 660	101 053
2018/11/09	800	770	20 522	159 762
2018/11/12	800	790	39 187	313 097
2018/11/13	740	740	831	6 149
2018/11/14	740	740	5 000	37 000
2018/11/15	745	739	4 942	36 527
2018/11/16	744	739	12 347	91 565
2018/11/19	789	650	366 201	2 587 139
2018/11/20	800	741	831 170	6 592 109
2018/11/21	825	721	352 705	2 818 760
2018/11/22	825	825	–	–
2018/11/23	900	900	23 500	211 500
2018/11/26	995	900	12 130	119 969.40
2018/11/27	1 000	900	100 132	996 305.00
2018/11/28	950	949	105 000	996 649.90
2018/11/29	994	900	175 994	1 615 380.00
2018/11/30	995	980	308 764	3 068 644.00



## 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")

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### NOTICE OF GENERAL MEETING OF TRUSTCO SHAREHOLDERS

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Where appropriate and applicable, the terms defined in this Circular to which this Notice is attached and forms part, bear the same meanings in this Notice, and in particular in the Resolutions set out below.

**NOTICE IS HEREBY GIVEN** that the General Meeting will be held at 10:00 on Tuesday, 22 January 2019 at the registered office of Trustco, 2 Keller Street, Windhoek, Namibia, to consider and, if deemed fit, to pass, with or without modification, the Resolutions set out below:

<b>IMPORTANT DATES TO NOTE</b>	<b>2019</b>
Last Day to Trade Shares in order to be recorded in the Namibian Share Register to vote at the General Meeting (see note 2 below)	Friday, 4 January
Last Day to Trade Shares in order to be recorded in the South African Share Register to vote at the General Meeting (see note 2 below)	Tuesday, 8 January
Record date to be entitled to attend, participate and vote at the General Meeting	Friday, 11 January
Forms of proxy for Shareholders recorded on the Register to be received by the South African Transfer Secretaries by 11:00 (South African time) and by the Namibian Transfer Secretaries by 10:00 (Namibian time) on	Friday, 18 January
General Meeting to be held at 10:00 (Namibian time) on	Tuesday, 22 January
Results of General Meeting published on SENS on	Tuesday, 22 January

#### 1. **Ordinary Resolution Number 1 – Approval of the Loan Transaction**

**Resolved that**, in terms of paragraph 10.4(d) of the Listings Requirements, and subject to approval by Shareholders of Ordinary Resolutions number 2 and 3, that the Loan Transaction to be entered into between the Company and Dr Q van Rooyen and Next Investments, which are both related parties to the Company, be and is hereby approved."

#### **Explanatory note**

The Loan Transaction, which is considered to be a related party transaction in terms of the Listings Requirements, requires Shareholder approval by the passing of an ordinary resolution in General Meeting. In accordance with paragraph 10.9(f) of the Listings Requirements, Dr Q van Rooyen and Next Investments and their Associates will be excluded from voting on Ordinary Resolution Number 1. The Shares owned by Dr Q van Rooyen and Next Investments and their Associates will, however, be taken into account in determining a quorum at the General Meeting.

### **Voting requirement**

Ordinary Resolution Number 1 to be adopted at this General Meeting requires the support of a simple majority, which is more than 50% of the voting rights exercised on this Ordinary Resolution Number 1.

### **2. Ordinary Resolution Number 2 – Approval of the Conversion Option**

**“Resolved that**, in terms of paragraph 5.53(a)(i) of the Listings Requirements, and subject to approval by Shareholders of Ordinary Resolution Number 1, that the issuance of the Conversion Option to Dr Q van Rooyen and Next Investments as contained in the Loan Transaction to be entered into between the Company and Dr Q van Rooyen and Next Investments, which are both related parties to the Company, be and is hereby approved.”

#### **Explanatory note**

The Loan Agreement contains the Conversion Option which provides the Lenders, which are both related parties in terms of the Listings Requirements, the right to elect to have the Capital Amount repaid in Shares and not in cash. The issuance of the Conversion Option to Dr Q van Rooyen and Next Investments, which are both related parties, would be classified as a specific issue of shares in terms of paragraph 5.53 of the Listings Requirements.

Hence, the approval of this Ordinary Resolution Number 2 is required to ensure Trustco has the necessary authority from Shareholders to issue the Conversion Option to Dr Q van Rooyen and Next Investments.

In accordance with paragraph 5.51(g) of the Listings Requirements, Dr Q van Rooyen and Next Investments and their Associates will be excluded from voting on Ordinary Resolution Number 2. The Shares owned by Dr Q van Rooyen and Next Investments and their Associates will, however, be taken into account in determining a quorum at the General Meeting.

#### **Voting requirement**

Ordinary Resolution Number 2 to be adopted at this General Meeting requires the support of a 75% majority of the voting rights exercised on this Ordinary Resolution Number 2.

### **3. Ordinary Resolution Number 3 – Authority granted to directors**

**“Resolved that** each director of Trustco be and is hereby individually authorised to sign all such documents and do all such other things as may be necessary for or incidental to the implementation of both of the Resolutions passed at the General Meeting.”

#### **Explanatory note**

The adoption of this Ordinary Resolution Number 3 will authorise any director of the Company to execute all documents and do all such further acts and things as he may in his discretion consider appropriate to implement and give effect to the Resolutions set out in this Notice.

#### **Voting requirement**

Ordinary Resolution Number 3 to be adopted at this General Meeting requires the support of a simple majority, which is more than 50% of the voting rights exercised on the Ordinary Resolution Number 3.

## **VOTING AND IRREVOCABLE PROXIES**

Certificated Shareholders and Dematerialised Own-Name Shareholders who are unable to attend the General Meeting but who wish to be represented thereat, are required to complete and return the attached form of proxy, to either the South African Transfer secretaries, Computershare, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107), 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 10:00 on Friday, 18 January 2019.

## **DEMATERIALIZED SHAREHOLDERS**

Shareholders who have Dematerialised their Shares, 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, 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*

Windhoek

Friday, 14 December 2018

### **Registered office**

2 Keller Street, 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

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 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 meanings in this form of proxy.

For use by 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 at 10:00 on Tuesday, 22 January 2019 at the registered office of Trustco, 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 of the Company, 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:

	Number of shares		
	For	Against	Abstain
<b>Ordinary Resolution Number 1</b> Approval of the Loan Transaction			
<b>Ordinary Resolution Number 2</b> Approval of the issuance of the Conversion Option			
<b>Ordinary Resolution Number 3</b> Authority granted to directors			

Please indicate 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 \_\_\_\_\_ 2018

Signature \_\_\_\_\_

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

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.

## Notes to proxy

### Notes:

1. This form of proxy must be used by Certificated Shareholders or Dematerialised Own-Name Shareholders.
2. Dematerialised Shareholders are reminded that the onus is on them to communicate their voting instructions to their CSDP or Broker.
3. A Shareholder may insert the name of an irrevocable proxy or the names of two alternative irrevocable 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 irrevocably proxy and which has not been deleted will be entitled to act as proxy in priority to those whose names follow. This proxy is irrevocable and cannot be withdrawn once given.
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 Resolutions. 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 the South African Transfer Secretaries, Computershare, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107), 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 10:00 on Friday, 18 January 2019.
6. A Form of Proxy not lodged with the Transfer Secretary may be handed to the chairman of the General Meeting before the proxy exercises the voting rights of the Shareholder at the General Meeting.
7. If the General Meeting is adjourned or postponed, a Form of Proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.
8. If the General Meeting is adjourned or postponed then Forms of Proxy that have not yet been submitted should be lodged with the Transfer Secretary preferably by no later than 48 hours before the adjourned or postponed General Meeting but may nonetheless be handed to the chairman of the adjourned or postponed General Meeting before the proxy exercises the voting rights of the Shareholder at the adjourned or postponed General Meeting.
9. The completion and lodging of this form of proxy will not preclude the Shareholder from attending the General Meeting but will preclude the Shareholder from voting in person thereat because it is an irrevocable proxy. It cannot be withdrawn once given and the Committed Shares may not be traded once the proxy has been given until after the General Meeting.
10. 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.
11. 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.
12. 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,must be attached to this form of proxy unless the Company has already recorded the power of attorney.
13. Where Shares are held jointly, at least one of the joint Shareholders must sign this form of proxy.
14. 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:

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

#### In Namibia

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

#### Postal deliveries to:

Computershare Investor Services Proprietary Limited  
PO Box 61051  
Marshalltown, 2107

#### In Namibia

Transfer Secretaries Proprietary Limited  
PO Box 2401, Windhoek  
Namibia