

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION. NOT FOR GENERAL RELEASE IN THE UNITED STATES. SEE "IMPORTANT LEGAL NOTICES AND DISCLAIMERS" BELOW FOR FURTHER INFORMATION.**

The definitions and interpretations commencing on page 18 apply throughout this Circular, including this cover page, the Annexures, the Notice and the Form of Proxy (*yellow*) attached to it, the Form of Surrender and Transfer (*blue*), the Form of Acceptance and Transfer (*green*) and the Electronic Participation Form (*pink*), unless specifically defined otherwise, or the context indicates a contrary intention.

**Action required by Liberty Preference Shareholders**

This entire Circular is important and should be read with particular attention to the sections entitled "*Action required by Liberty Preference Shareholders in respect of the Preference Share Scheme*", which commences on page 8, and "*Action required by Liberty Preference Shareholders in respect of the Standby Offer*", which commences on page 13.

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

If you have disposed of all your Liberty Preference Shares, then this Circular should be handed to the purchaser of such Liberty Preference Shares or to the Broker, CSDP, banker or other financial intermediary through whom such disposal was effected.

**Neither Liberty nor SBG accepts responsibility, or will be held liable, for any action of, or omission by, any CSDP or Broker, legal advisor, accountant, banker, other financial intermediary or other professional advisor including, without limitation, any failure on the part of the CSDP, Broker, legal advisor, accountant, banker, other financial intermediary or other professional advisor of any Beneficial Owner of Liberty Preference Shares, to notify such Beneficial Owner of the transactions set out in this Circular or to take any action on behalf of such Beneficial Owner.**



**STANDARD BANK GROUP LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number: 1969/017128/06)

JSE and A2X share code: SBK

JSE preference share code: SBKP/SBPP

NSX share code: SNB

ISIN: ZAE000109815

("SBG")



**LIBERTY**

**LIBERTY HOLDINGS LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number: 1968/002095/06)

JSE share code: LBH

JSE preference share code: LBHP

ISIN: ZAE000127148

("Liberty")

**COMBINED CIRCULAR TO LIBERTY PREFERENCE SHAREHOLDERS**

regarding, among other things:

- a scheme of arrangement in terms of section 114(1)(c) read with section 115 of the Companies Act, proposed by the Liberty Board between Liberty and the Liberty Preference Shareholders, in terms of which, if implemented, the Preference Share Scheme Participants will be deemed to have disposed of the Preference Share Scheme Shares to SBG for the Preference Share Scheme Consideration (being R1.50 per Preference Share Scheme Share), on the Preference Share Scheme Implementation Date;
- if a Standby Offer Trigger Event occurs, a conditional general offer by SBG to Liberty Preference Shareholders to acquire all or a portion of the Standby Offer Shares for the Standby Offer Consideration of R1.50 per Standby Offer Share; and
- the delisting of the Liberty Preference Shares from the JSE pursuant to: (i) the Preference Share Scheme being implemented; or (ii) if a Standby Offer Trigger Event occurs and the Standby Offer becomes Operative, the adoption of the Preference Share Delisting Resolution by the requisite majority of Liberty Preference Shareholders, as contemplated in paragraphs 1.15(a) and 1.16 of the Listings Requirements;

and incorporating:

- the Independent Expert's Report;
- certain financial information of Liberty;
- a Notice convening the Preference Share Scheme Meeting;
- a Form of Proxy (*yellow*) for use by Certificated Preference Shareholders and Dematerialised Preference Shareholders with Own-Name Registration only;
- a Form of Surrender and Transfer (*blue*) for use by Certificated Preference Shareholders in respect of the Preference Share Scheme;
- a Form of Acceptance and Transfer (*green*) for use by Certificated Preference Shareholders in respect of the Standby Offer;
- an Electronic Participation Form (*pink*) for use by Liberty Preference Shareholders who wish to participate electronically in and/or vote at the Preference Share Scheme Meeting; and
- extracts of sections 114 and 115 of the Companies Act dealing with the approval requirements for fundamental transactions (which includes schemes of arrangements) and section 164 of the Companies Act dealing with Dissenting Preference Shareholders' Appraisal Rights.

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**Financial Advisor to Liberty**



**Independent Transaction Sponsor to Liberty**



**Financial Advisors to SBG**



**Independent Expert to Liberty**



**Transfer Secretaries**



**Joint Transaction Sponsors to SBG**



**Legal Advisor to Liberty**



**Legal Advisor to SBG as to US Law**



**Legal Advisor to SBG as to South African Law**



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**Date of issue: Monday, 13 September 2021**

*This Circular is available in English only. A copy of the Circular will be made available for inspection by Liberty Preference Shareholders during normal business hours at the registered offices of Liberty and SBG (the details of which are set out in the "Corporate Information and Advisors" section of this Circular), from the date of posting of this Circular on Monday, 13 September 2021, up to and including the Preference Share Scheme Implementation Date or the Standby Offer Closing Date, as applicable. The Circular will also be made available on the Liberty and SBG websites at: [www.libertyholdings.co.za](http://www.libertyholdings.co.za) and <https://reporting.standardbank.com/>, respectively.*

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## CORPORATE INFORMATION AND ADVISORS

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### **Liberty Holdings Limited**

Liberty Centre  
1 Ameshoff Street  
Braamfontein  
Johannesburg  
South Africa  
2001  
(PO Box 10499, Johannesburg, Gauteng, 2000)

**Registration Number:** 1968/002095/06  
**Date of incorporation:** 28 February 1968  
**Place of incorporation:** South Africa

### **Company Secretary of Liberty**

Jill Parratt  
Liberty Centre  
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Braamfontein  
Johannesburg  
South Africa  
2001  
(PO Box 10499, Johannesburg, Gauteng, 2000)

### **Transfer Secretaries**

Computershare Investor Services Proprietary Limited  
(Registration number: 2004/003647/07)  
Rosebank Towers  
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Johannesburg  
Gauteng  
South Africa  
2196  
(PO Box 61763, Marshalltown, 2107)

### **Financial Advisors to SBG**

The Standard Bank of South Africa Limited  
(Registration number: 1962/000738/06)  
3rd Floor  
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South Africa  
2196  
(PO Box 7725, Johannesburg, 2000)

Merrill Lynch South Africa (Pty) Ltd t/a BofA Securities

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South Africa  
2196  
(PO Box 651987, Benmore, 2010)

### **Standard Bank Group Limited**

9<sup>th</sup> floor  
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Johannesburg  
South Africa  
2001  
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**Registration Number:** 1969/017128/06  
**Date of incorporation:** 25 November 1969  
**Place of incorporation:** South Africa

### **Company Secretary of SBG**

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### **Independent Expert to Liberty**

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2196  
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### **Joint Transaction Sponsors to SBG**

The Standard Bank of South Africa Limited  
(Registration number: 1962/000738/06)  
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South Africa  
2196  
(PO Box 7725, Johannesburg, 2000)

Merrill Lynch South Africa (Pty) Ltd t/a BofA Securities

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South Africa  
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(PO Box 651987, Benmore, 2010)

**Financial Advisor to Liberty**

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South Africa  
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**NSX Sponsor to SBG**

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**Legal Advisor to Liberty**

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South Africa  
2196  
(PO Box 61771, Marshalltown, 2107)

**Legal Advisor to SBG as to South African Law**

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(Registration number: 1998/021409/21)  
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Sandton  
Johannesburg  
South Africa  
2196  
(PO Box 785812, Sandton, 2146, South Africa)

**Legal Advisor to SBG as to US Law**

Davis Polk & Wardwell London LLP  
5 Aldermanbury Square  
London EC2V 7HR  
United Kingdom

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## IMPORTANT LEGAL NOTICES AND DISCLAIMERS

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### DISCLAIMERS

The release, publication or distribution of this Circular in certain jurisdictions may be restricted by Law and therefore Persons in any such jurisdictions into which this Circular is released, published or distributed should inform themselves about and observe such restrictions. In particular, subject to certain exceptions, this Circular is not for general circulation in the US. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws or other legal requirements of any such jurisdiction. To the fullest extent permitted by applicable Law, Liberty, the Liberty Directors, SBG and the SBG Directors, as well as Liberty's and SBG's advisors disclaim any responsibility or liability for the failure by any Person to inform themselves of or to observe or for any violation of such requirements by any such Person. This Circular is not intended to and does not constitute, or form part of, any offer, invitation or the solicitation of any offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the acquisitions of securities contemplated hereby or otherwise nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable Law.

To the extent that the distribution of this Circular in certain jurisdictions outside South Africa may be restricted or prohibited by the Laws of such foreign jurisdiction, then this Circular is deemed to have been provided for information purposes only and neither Liberty, nor the Liberty Directors, nor SBG, nor the SBG Directors, nor Liberty's and SBG's advisors, accept any responsibility for any failure by any Person to inform themselves about, and to observe, any applicable legal requirements in any relevant foreign jurisdiction.

### IMPORTANT INFORMATION FOR FOREIGN PREFERENCE SHAREHOLDERS

This Circular has been prepared for the purposes of complying with the Listings Requirements (to the extent applicable), the Companies Act and the Takeover Regulations, in each case as applicable in South Africa or to South African companies, and is published in terms thereof. The information disclosed in this Circular may not be the same as that which would have been disclosed if this Circular had been prepared in accordance with the Laws of any jurisdiction outside of South Africa.

The rights of Foreign Preference Shareholders in respect of the Preference Share Scheme and/or the Standby Offer which are the subject of this Circular may be affected by the Laws of the relevant jurisdictions of such Foreign Preference Shareholders. Such Foreign Preference Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions. It is the responsibility of any Foreign Preference Shareholders to satisfy themselves as to the full observance of the Laws of the relevant jurisdiction in connection with the Preference Share Scheme and/or the Standby Offer, including the obtaining of any governmental, exchange control or other consents or the making of any filings which may be required, the compliance with other necessary formalities, and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction.

This Preference Share Scheme and the Standby Offer are governed by the Laws of South Africa and are respectively subject to any applicable Laws and regulations, including, but not limited to, the Companies Act, the Takeover Regulations and the Listings Requirements.

Any Liberty Preference Shareholder who is in doubt as to their position, including, without limitation, their tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

### NOTICE TO LIBERTY PREFERENCE SHAREHOLDERS IN THE UNITED STATES

The Preference Share Scheme and the Standby Offer relate to the securities of a South African public company and will be effected in terms of South African Law. The Circular and certain other documents relating to the Preference Share Scheme and/or the Standby Offer have been, or will be prepared, in accordance with South African Law, the Companies Act, the Listings Requirements and South African disclosure requirements, format and style, all of which differ from those in the US. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Securities Exchange Act of 1934, as amended ("**US Securities Exchange Act**"). The Standby Offer, if commenced and extended to Liberty Preference Shareholders in the United States, will be made in compliance with

the tender offer rules under the US Securities Exchange Act, to the extent applicable. The Preference Share Scheme and/or the Standby Offer is subject to the disclosure requirements of and practices applicable in South Africa to schemes of arrangement and conditional general offers, which differ from the disclosure requirements of the US tender offer and proxy solicitation rules.

The Circular does not constitute an offer to sell or solicitation of an offer to buy any of the shares in the US.

The SBG Shares have not been, and will not be, registered under the US Securities Act or under any laws or with any securities regulatory authority of any state, district or other jurisdiction, of the US, and may only be offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable state and other securities laws. Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of this Circular, or determined if this Circular is accurate or complete. Any representation to the contrary is a criminal offence in the US.

Financial statements, and all financial information that is included in this Circular or any other documents relating to the Preference Share Scheme and/or Standby Offer, have been or will be prepared in accordance with International Financial Reporting Standards or other reporting standards or accounting practice which may not be comparable to financial statements of companies in the US or other companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.

The disposition of the Liberty Preference Shares pursuant to the Preference Share Scheme or the Standby Offer, the receipt of the Preference Share Scheme Consideration by Preference Share Scheme Participants or the receipt of the Standby Offer Consideration by the Standby Offer Participants generally will be taxable transactions for US federal income tax purposes and may also be taxable under applicable US state and local, as well as non-US and other, tax laws. Each Preference Share Scheme Participant or Standby Offer Participant is urged to consult its independent professional advisor immediately regarding the tax consequences of the Preference Share Scheme or the Standby Offer applicable to them. US Preference Share Scheme Participants or US Standby Offer Participants should note that no analysis has been made with respect to Liberty or SBG's passive foreign investment company ("**PFIC**") status for any taxable year and such Persons should therefore consult their tax advisors as to whether the PFIC rules may apply to any of the transactions contemplated hereby.

It may be difficult for Preference Share Scheme Participants who are resident in the US or Standby Offer Participants who are resident in the US to enforce their rights and claims arising out of the US federal securities Laws, since Liberty and SBG are located in countries other than the US, and the majority or all of their officers and directors are residents of non-US jurisdictions. Judgments of US courts are generally, subject to certain requirements, enforceable in South Africa. Preference Share Scheme Participants who are resident in the US or Standby Offer Participants who are resident in the US may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities Laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement. In addition, it may be difficult to enforce in South Africa original actions, or actions for the enforcement of judgment of US courts, based on the civil liability provisions of the US federal securities laws.

## **NOTICE TO LIBERTY PREFERENCE SHAREHOLDERS IN CANADA**

The Preference Share Scheme and the Standby Offer relate to the securities of a South African public company and will be effected in terms of South African Law. The Circular and certain other documents relating to the Preference Share Scheme and the Standby Offer have been, or will be prepared, in accordance with South African Law, the Companies Act, the Listings Requirements and South African disclosure requirements, format and style, all of which differ from those in Canada.

The transactions contemplated herein have not been approved or disapproved by any securities regulatory authority in Canada nor has any securities regulatory authority in Canada passed judgment upon the fairness or merits of the Preference Share Scheme, or the Standby Offer, or upon the adequacy of the information contained in this Circular. Any representation to the contrary is unlawful.

The disposition of the Preference Share Scheme Shares or the Standby Offer Shares pursuant to the Preference Share Scheme or the Standby Offer, respectively, and the receipt of the Preference Share Scheme Consideration or the Standby Offer Consideration may have tax consequences under applicable Canadian Laws and the tax laws of other jurisdictions. Each Preference Share Scheme Participant and Standby Offer Participant is urged to consult its independent professional advisor immediately regarding the tax consequences of the Preference Share Scheme and the Standby Offer applicable to them.



## FORWARD-LOOKING STATEMENTS

This Circular contains statements about Liberty, SBG, the Liberty Group and/or the SBG Group that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; asset growth, margins and other operating metrics; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditure, acquisition strategy, and expansion prospects for future capital expenditure levels and other economic factors, such as, *inter alia*, interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Each of Liberty and SBG cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Liberty and/or SBG operate/s may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All forward-looking statements in respect of Liberty, SBG, the Liberty Group and/or the SBG Group are based on estimates and assumptions made by Liberty, SBG, the Liberty Group and/or the SBG Group which, although Liberty, SBG, the Liberty Group and/or the SBG Group believe them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, assumptions or statements include other matters not yet known to Liberty, SBG, the Liberty Group and/or the SBG Group or not currently considered material by Liberty, SBG, the Liberty Group and/or the SBG Group.

Liberty Preference Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Liberty, SBG, the Liberty Group and/or the SBG Group not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Each of Liberty, SBG, the Liberty Group and the SBG Group has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of issue of this Circular, except as may be required by Law.

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## ACTION REQUIRED BY LIBERTY PREFERENCE SHAREHOLDERS IN RESPECT OF THE PREFERENCE SHARE SCHEME

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The definitions and interpretations commencing on page 18 of this Circular shall apply, *mutatis mutandis*, to this section (unless the context indicates otherwise).

**This Circular is important and requires your immediate attention. The actions you need to take are set out below. If you are in any doubt as to the action you should take arising from this Circular, please consult your CSDP, Broker, banker, accountant, legal advisor, other financial intermediary or other professional advisor immediately.**

Please take careful note of the following provisions regarding the action required by Liberty Preference Shareholders in respect of the Preference Share Scheme:

- if you have disposed of all your Liberty Preference Shares, then this Circular should be forwarded to the purchaser to whom, or the Broker, CSDP, other financial intermediary or banker through whom, you disposed of your Liberty Preference Shares; and
- in order for the Preference Share Scheme to become Operative, among other things, the Preference Share Scheme Resolution must be adopted at the Preference Share Scheme Meeting. The Independent Board has recommended that Liberty Preference Shareholders vote in favour of the Preference Share Scheme Resolution.

### PREFERENCE SHARE SCHEME MEETING

The Preference Share Scheme Meeting will be held virtually at 12:00 on Wednesday, 13 October 2021 (or any adjourned or postponed date in accordance with the provisions of section 64(11) of the Companies Act and the Liberty MOI, read with the Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in the Notice.

#### I. VOTING AND ATTENDANCE AT THE PREFERENCE SHARE SCHEME MEETING

##### A. Dematerialised Preference Shareholders without Own-Name Registration

If you wish to attend the Preference Share Scheme Meeting, or appoint a proxy to represent you at the Preference Share Scheme Meeting, you should instruct your CSDP or Broker to issue you with the necessary letter of representation to attend the Preference Share Scheme Meeting, in the manner stipulated in your Custody Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature. You will not be permitted to attend, speak or vote at the Preference Share Scheme Meeting, or send a proxy to represent you at the Preference Share Scheme Meeting, without the necessary letter of representation being issued to you.

If you do not wish to, or are unable to, attend (or appoint a proxy to represent you at) the Preference Share Scheme Meeting, but wish to vote at the Preference Share Scheme Meeting, you should provide your CSDP or Broker with your voting instructions in the manner stipulated in your Custody Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature. If your CSDP or Broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in your Custody Agreement, if any.

You must **NOT** complete the attached Form of Proxy (*yellow*).

##### B. Dematerialised Preference Shareholders with Own-Name Registration

Subject to section 57(1) of the Companies Act, you may attend, speak and vote at the Preference Share Scheme Meeting.

If you do not wish to or are unable to attend the Preference Share Scheme Meeting but wish to be represented thereat, you must complete the Form of Proxy (*yellow*) which is attached to and forms part of this Circular, in accordance with the instructions contained therein and ensure that it is received by the Transfer Secretaries, by no later than 48 hours before the Preference Share Scheme Meeting that is to be held at 12:00 on Wednesday, 13 October 2021, i.e. by 12:00 on Monday, 11 October 2021. The Form of Proxy (*yellow*) may also be submitted to the chairperson of the Preference Share Scheme Meeting (or adjourned or postponed Preference Share Scheme Meeting) at any time before the proxy exercises any rights of the Liberty Preference Shareholder at the Preference Share Scheme Meeting by emailing it to the Company Secretary of Liberty at [jill.parratt@liberty.co.za](mailto:jill.parratt@liberty.co.za) and copying the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za).

### **C. Certificated Preference Shareholders**

Subject to sections 56 and 57 of the Companies Act, you may attend, speak and vote at the Preference Share Scheme Meeting.

If you do not wish to or are unable to attend the Preference Share Scheme Meeting and wish to be represented thereat, you must complete the Form of Proxy (*yellow*) which is attached to and forms part of this Circular, in accordance with the instructions contained therein and ensure that it is received by the Transfer Secretaries by no later than 48 hours before the Preference Share Scheme Meeting that is to be held at 12:00 on Wednesday, 13 October 2021, i.e. by 12:00 on Monday, 11 October 2021. The Form of Proxy (*yellow*) may also be submitted to the chairperson of the Preference Share Scheme Meeting (or adjourned or postponed Preference Share Scheme Meeting) at any time before the proxy exercises any rights of the Liberty Preference Shareholder at the Preference Share Scheme Meeting by emailing it to the Company Secretary of Liberty at [jill.parratt@liberty.co.za](mailto:jill.parratt@liberty.co.za) and copying the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za).

### **D. Electronic participation at the Preference Share Scheme Meeting**

The Preference Share Scheme Meeting will be conducted entirely by way of electronic means, and not in person.

Liberty has retained the services of Ince to remotely host the Preference Share Scheme Meeting on an interactive electronic platform, in order to facilitate remote participation and voting by Liberty Preference Shareholders.

The electronic meeting facilities arranged will permit all participants at the Preference Share Scheme Meeting to communicate concurrently, without an intermediary, and to participate reasonably effectively in the meeting. Electronic voting will therefore be the only method available for Liberty Preference Shareholders to vote at the Preference Share Scheme Meeting.

Liberty Preference Shareholders who wish to participate electronically in and/or vote at the Preference Share Scheme Meeting are required to complete the Electronic Participation Form (*pink*) attached to and forming part of this Circular and email same together with the required documentation to the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) as soon as possible, but in any event by no later than 12:00 on Monday, 11 October 2021. This will facilitate the presentation of reasonably satisfactory identification and enable the chairperson of the Preference Share Scheme Meeting to be reasonably satisfied that the right of participants to participate and vote in the Preference Share Scheme Meeting has been reasonably verified as required in terms of section 63(1) of the Companies Act.

Any Liberty Preference Shareholder or proxy that does not submit the completed Electronic Participation Form (*pink*) and the required documentation to the Transfer Secretaries as detailed above by 12:00 on Monday, 11 October 2021, may still participate via electronic communication at the Preference Share Scheme Meeting and may email the Electronic Participation Form (*pink*) to the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) at any time prior to the commencement of the Preference Share Scheme Meeting. However, for the purpose of effective administration, Liberty Preference Shareholders and their proxies are strongly urged to send their completed Electronic Participation Forms (*pink*) by 12:00 on Monday, 11 October 2021.

The Transfer Secretaries will assist Liberty Preference Shareholders with the requirements for electronic participation in, and/or voting at, the Preference Share Scheme Meeting. The Transfer Secretaries will validate each such Liberty Preference Shareholder's entitlement to participate in and/or vote at the Preference Share Scheme Meeting before providing them with the necessary means to access the Preference Share Scheme Meeting and/or the associated voting platform. Liberty Preference Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the Preference Share Scheme Meeting. Any such charges will not be for the account of Liberty, SBG, the Transfer Secretaries, Ince and/or any third party service provider appointed in order to facilitate the Preference Share Scheme Meeting by electronic means.

None of Liberty, SBG, the Transfer Secretaries, Ince or any third party service provider appointed in order to facilitate the Preference Share Scheme Meeting by electronic means can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Liberty Preference Shareholder from participating in and/or voting at the Preference Share Scheme Meeting. In order to ensure that all Liberty Preference Shareholders' votes are taken into account, Dematerialised Preference Shareholders with Own-Name Registration and Certificated Preference Shareholders are encouraged to submit a duly completed Form of Proxy (*yellow*) in accordance with the instructions contained therein, and Dematerialised Preference

Shareholders without Own-Name Registration are encouraged to provide their CSDP or Broker with their voting instructions in the manner stipulated in their Custody Agreement.

For the avoidance of doubt, Dematerialised Preference Shareholders without Own-Name Registration would still need to submit their voting instructions via their CSDP or Broker or obtain a letter of representation from their CSDP or Broker to participate in and/or vote at the Preference Share Scheme Meeting by electronic participation.

## II. GENERAL

### A. Approval of the Preference Share Scheme at the Preference Share Scheme Meeting

The Preference Share Scheme must be approved by a Special Resolution of Liberty Preference Shareholders at the Preference Share Scheme Meeting at which sufficient Liberty Preference Shareholders must be present to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised on the Preference Share Scheme Resolution.

In order to be approved, the Preference Share Scheme Resolution must be supported by at least 75% of the voting rights exercised on the resolution, excluding the vote of SBG and any party acting in concert with SBG. As at the Last Practicable Date, SBG did not hold any Liberty Preference Shares.

### B. Court approval

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

A copy of section 115 of the Companies Act pertaining to the required approvals for the Preference Share Scheme is set out in **Annexure 6** to this Circular.

### C. Dissenting Preference Shareholders

A Liberty Preference Shareholder who is entitled to vote on the Preference Share Scheme Resolution is entitled to seek relief in terms of section 164 of the Companies Act if that Liberty Preference Shareholder:

- notified Liberty in advance and in writing of its intention to oppose the Preference Share Scheme Resolution; and
- voted against the Preference Share Scheme Resolution, but the Preference Share Scheme Resolution was adopted.

A copy of section 164 of the Companies Act pertaining to Dissenting Preference Shareholders' Appraisal Rights is set out in **Annexure 7** to this Circular.

## III. TRP APPROVALS

Liberty Preference Shareholders are advised that the Preference Share Scheme constitutes an "affected transaction" as defined in section 117(1)(c) of the Companies Act and, as such, the Preference Share Scheme is regulated by the Companies Act and the Takeover Regulations.

Liberty Preference Shareholders should take note that the TRP, in approving this Circular and otherwise exercising its powers and functions with regard to the Preference Share Scheme, including issuing the TRP Compliance Certificate, does not consider or express any opinion or view on the commercial advantages or disadvantages of the Preference Share Scheme.

## IV. FOREIGN PREFERENCE SHAREHOLDERS

The distribution of and implications of the Circular may be affected by the Laws of the relevant jurisdiction of a Foreign Preference Shareholder. In particular, subject to certain exceptions, this Circular is not for general circulation in the US. It is the responsibility of Foreign Preference Shareholders to satisfy themselves as to the full observance of the Laws and regulatory requirements of the relevant jurisdiction in connection with the receipt of the Preference Share Scheme Consideration pursuant to the Preference Share Scheme becoming Operative, including the obtaining of any governmental, exchange control or other consents, the making of any filings which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. If you are in any doubt as to your position and/or what action to take, please consult your CSDP, Broker, legal advisor, accountant, banker, other financial intermediary or other professional advisor immediately.

If you are a Foreign Preference Shareholder, your attention is drawn to **Annexure 4** to this Circular for further details concerning the Preference Share Scheme, as applicable to you.

## **V. LOST OR DESTROYED DOCUMENTS OF TITLE IN RESPECT OF CERTIFICATED PREFERENCE SHAREHOLDERS**

If Documents of Title have been lost or destroyed, Certificated Preference Shareholders should nevertheless return the Form of Surrender and Transfer (*blue*) duly signed and completed. The Transfer Secretaries shall issue a suitable indemnity form (in a form and substance acceptable to Liberty and SBG) for completion and signature by such Certificated Preference Shareholder, who will be responsible for satisfying Liberty that the Documents of Title have been lost or destroyed.

Only upon receipt of such indemnity form duly completed and signed by such Certificated Preference Shareholder and accompanied by satisfactory evidence of such loss or destruction, will Liberty consider the action taken by such Certificated Preference Shareholder in terms of the Preference Share Scheme.

## **VI. SURRENDER OF DOCUMENTS OF TITLE**

### **A. Dematerialised Preference Shareholders**

You do not have to surrender any Documents of Title. This will be done by your CSDP or Broker. You must **NOT** complete the attached Form of Surrender and Transfer (*blue*).

### **B. Certificated Preference Shareholders**

If you hold Certificated Preference Shares and wish to participate in the Preference Share Scheme, you should pay special attention to the provisions of this paragraph B and the provisions of paragraph 5.3.4.2 of this Circular.

If the Preference Share Scheme becomes Operative, you will be required to surrender your Documents of Title in respect of all your Liberty Preference Shares in order to claim the Preference Share Scheme Consideration payable or deliverable to you.

If you wish to expedite receipt of the Preference Share Scheme Consideration and surrender your Documents of Title in anticipation of the Preference Share Scheme becoming Operative, you should complete the attached Form of Surrender and Transfer (*blue*) and return it, together with the relevant Documents of Title relating to all your Liberty Preference Shares, in accordance with the instructions contained therein, to the Transfer Secretaries to be received by no later than 12:00 on the Preference Share Scheme Record Date.

Should you surrender your Documents of Title in anticipation of the Preference Share Scheme becoming Operative and the Preference Share Scheme then does not become Operative, the Transfer Secretaries shall, within five Business Days of the latest of: (i) the date upon which it becomes known that the Preference Share Scheme will not become Operative; (ii) receipt by the Transfer Secretaries of the relevant Documents of Title; (iii) the date on which it becomes known that the Standby Offer will not become Operative; and (iv) the Standby Offer Closing Date, if the relevant Liberty Preference Shares have not been Tendered as at the Standby Offer Closing Date, return the Documents of Title to you, by registered post, at your own risk.

## **VII. DEMATERIALISATION OR REMATERIALISATION OF AND TRADING IN PREFERENCE SHARE SCHEME SHARES**

You are not required to Dematerialise your Liberty Preference Shares in order to participate in the Preference Share Scheme. If you wish to Dematerialise your Preference Share Scheme Shares, please contact the Transfer Secretaries or your CSDP or Broker.

You should note that once you have surrendered your Documents of Title in respect of your Preference Share Scheme Shares, in anticipation of the Preference Share Scheme becoming Operative, you will not be able to Dematerialise or trade any of the Preference Share Scheme Shares to which those Documents of Title relate from the date of your surrender until the Preference Share Scheme Implementation Date, or if the Preference Share Scheme is not implemented, between the date of your surrender and the date on which your Documents of Title are returned to you as set out in this Circular.

No Dematerialisation or rematerialisation of Preference Share Scheme Shares may take place from the Business Day following the last day to trade prior to the Preference Share Scheme Meeting up to and including the Voting Record Date in respect of the Preference Share Scheme Meeting, and if the Preference Share Scheme becomes Operative, on or after the Business Day following the Preference Share Scheme Last Day to Trade.

### **VIII. POSTING FORMS OF SURRENDER AND TRANSFER (BLUE) AND DOCUMENTS OF TITLE**

Forms of Surrender and Transfer (*blue*) and Documents of Title that are sent through the post are sent at the risk of the Liberty Preference Shareholder concerned. Accordingly, Liberty Preference Shareholders should take note of postal delivery times so as to ensure that the forms and relevant Documents of Title are received timeously. It is therefore recommended that such forms and Documents of Title rather be sent by registered post or delivered by hand to the Transfer Secretaries.

### **IX. OTHER**

The contents of this Circular do not purport to constitute legal advice or to comprehensively deal with the legal, regulatory and tax implications of the Preference Share Scheme or any other matter for each Liberty Preference Shareholder. Liberty Preference Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory and tax positions regarding the Preference Share Scheme or any other matter and in particular the receipt of the Preference Share Scheme Consideration, as applicable.

Neither Liberty nor SBG accepts responsibility, or will be held liable, for any act of or omission by any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker or any registered holder of Preference Share Scheme Shares to notify any Beneficial Owner of the transactions set out in this Circular or to take any action on behalf of such Beneficial Owner.

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## ACTION REQUIRED BY LIBERTY PREFERENCE SHAREHOLDERS IN RESPECT OF THE STANDBY OFFER

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The definitions and interpretations commencing on page 18 of this Circular shall apply, *mutatis mutandis*, to this section (unless the context indicates otherwise).

**This Circular is important and requires your immediate attention. The actions you need to take are set out below. If you are in any doubt as to the action you should take arising from this Circular, please consult your CSDP, Broker, banker, accountant, legal advisor, other financial intermediary or other professional advisor immediately.**

Should a Standby Offer Trigger Event occur, the Standby Offer will automatically become effective in accordance with the provisions of paragraph 6 of this Circular. In such event, an announcement will be issued on SENS and ANS, confirming that the Preference Share Scheme will not proceed and that the Standby Offer has become effective, and advising Liberty Preference Shareholders of the salient dates applicable to the Standby Offer. For the avoidance of doubt, Liberty Preference Shareholders will be entitled to accept the Standby Offer from 11:00 on the Standby Offer Opening Date.

Liberty Preference Shareholders shall be entitled to either:

- accept the Standby Offer in respect of all or some of their Standby Offer Shares; or
- reject the Standby Offer.

### I. ACTION REQUIRED IN RESPECT OF THE STANDBY OFFER

If you wish to reject the Standby Offer, you do not need to take any further action and will continue to hold your Liberty Preference Shares.

If you wish to accept the Standby Offer, you must do so in the manner described below, depending on whether you are a Certificated Preference Shareholder or a Dematerialised Preference Shareholder.

#### A. Dematerialised Preference Shareholders

If you are a Dematerialised Preference Shareholder and the Standby Offer becomes Operative, you may be contacted by your CSDP or Broker in the manner stipulated in your Custody Agreement and subject to the cut-off time in order to ascertain whether or not you wish to accept the Standby Offer. If you wish to accept the Standby Offer, you must notify your CSDP or Broker of your acceptance of the Standby Offer in the time and manner stipulated in your Custody Agreement.

If you are a Dematerialised Preference Shareholder and wish to accept the Standby Offer, but have not been contacted by your CSDP or Broker, it would be advisable for you to contact and furnish your CSDP or Broker with instructions in regard to your acceptance of the Standby Offer. These instructions must be provided in the manner and by the cut-off date and time stipulated in your Custody Agreement, and must be communicated by your CSDP or Broker to the Transfer Secretaries by no later than 12:00 on the Standby Offer Closing Date.

You do not have to surrender any Documents of Title and must **NOT** complete the attached Form of Acceptance and Transfer (*green*). This will be done by your CSDP or Broker.

If you notify your CSDP or Broker of your desire to accept the Standby Offer, you will **NOT** be able to rematerialise and/or trade your Liberty Preference Shares from the date on which you notify your CSDP or Broker of your acceptance of the Standby Offer. You will, however, be entitled to sell such Liberty Preference Shares to SBG in terms of the Standby Offer and to receive the Standby Offer Consideration in respect of such Liberty Preference Shares tendered, in the event that the Standby Offer becomes Operative.

#### B. Certificated Preference Shareholders

If the Standby Offer becomes Operative and you are a Certificated Preference Shareholder who wishes to accept the Standby Offer, you must complete the Form of Acceptance and Transfer (*green*) attached to this Circular in accordance with its instructions and deliver it, together with your Documents of Title to be received by the Transfer Secretaries, at Rosebank Towers 15 Biermann Avenue, Rosebank, Johannesburg, 2196, South Africa (PO Box 61763, Marshalltown, 2107) by no later than 12:00 on the Standby Offer Closing Date.

If you accept the Standby Offer and surrender your Documents of Title, you will **NOT** be able to Dematerialise and/or trade your Liberty Preference Shares from the date that you surrender your Documents of Title in respect of those Liberty Preference Shares.



If you wish to surrender your Documents of Title prior to the Preference Share Scheme Meeting in anticipation of the Preference Share Scheme or the Standby Offer becoming Operative, your right to attend, speak and vote at the Preference Share Scheme Meeting will remain unaffected.

If you have completed the Form of Surrender and Transfer (*blue*) and returned it, together with the relevant Documents of Title, to the Transfer Secretaries in anticipation of the Preference Share Scheme becoming Operative, and the Preference Share Scheme does not become Operative, and you wish to accept the Standby Offer upon it becoming Operative, you will still be required to complete the Form of Acceptance and Transfer (*green*), but you will not be required to surrender your Documents of Title again.

Should you surrender your Documents of Title in anticipation of either the Preference Share Scheme or the Standby Offer becoming Operative and the Preference Share Scheme or the Standby Offer does not become Operative, the Transfer Secretaries shall, within five Business Days of the latest of: (i) the date upon which it becomes known that the Preference Share Scheme will not become Operative; (ii) the date upon which it becomes known that the Standby Offer will not become Operative; (iii) the Standby Offer Closing Date, if the relevant Liberty Preference Shares have not been Tendered as at the Standby Offer Closing Date; and (iv) receipt by the Transfer Secretaries of the relevant Documents of Title, return the Documents of Title to you, by registered post, at your own risk.

## **II. DEMATERIALISATION OR REMATERIALISATION OF AND TRADING IN STANDBY OFFER SHARES**

If you wish to Dematerialise your Standby Offer Shares, please contact the Transfer Secretaries or your Broker or CSDP. You are not required to Dematerialise your Standby Offer Shares in order to participate in the Standby Offer or to receive the Standby Offer Consideration.

Furthermore, you should note that, after acceptance of the Standby Offer you may not Dematerialise or trade any of the Standby Offer Shares in respect of which the Standby Offer has been accepted. You will however be entitled to dispose of such Standby Offer Shares to SBG in terms of the Standby Offer and to receive the Standby Offer Consideration in respect of such Standby Offer Shares in the event that the Standby Offer becomes Operative.

For the avoidance of doubt, you may not, after acceptance of the Standby Offer, instruct any Broker or CSDP to hold your Standby Offer Shares in respect of which the Standby Offer has been accepted as nominee on your behalf or, where such Standby Offer Shares are already held by the Broker or CSDP as nominee, request the Broker or CSDP to release such Standby Offer Shares in respect of which the Standby Offer has been accepted.

No Dematerialisation or rematerialisation of Standby Offer Shares may take place if the Standby Offer becomes Operative, or between the date of your acceptance of the Standby Offer up to and including the Standby Offer Closing Date.

## **III. POSTING FORMS OF ACCEPTANCE AND TRANSFER (*GREEN*) AND DOCUMENTS OF TITLE**

Forms of Acceptance and Transfer (*green*) and Documents of Title that are sent through the post are sent at the risk of the Liberty Preference Shareholder concerned. Accordingly, Liberty Preference Shareholders should take note of postal delivery times so as to ensure that the forms and relevant Documents of Title are received timeously. It is therefore recommended that such forms and Documents of Title rather be sent by registered post or delivered by hand to the Transfer Secretaries.

## **IV. VOTING AND ATTENDANCE AT THE PREFERENCE SHARE SCHEME MEETING**

The Standby Offer is subject to, *inter alia*, the approval of the Preference Share Delisting Resolution (unless such Standby Offer Condition is waived (in whole or in part) by SBG in accordance with paragraph 6.3.3 of this Circular), which Resolution will also be considered at the Preference Share Scheme Meeting.

Liberty Preference Shareholders are referred to the section of this Circular titled "*Action required by Liberty Preference Shareholders in relation to the Preference Share Scheme*" to ascertain the action required by Liberty Preference Shareholders if they wish to attend, participate and/or vote at the Preference Share Scheme Meeting, at which the Preference Share Delisting Resolution will be proposed.

## **V. OTHER**

The contents of this Circular do not purport to constitute legal advice or to comprehensively deal with the legal, regulatory and tax implications of the Standby Offer or any other matter for each Liberty Preference Shareholder. Liberty Preference Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory and tax positions regarding the Standby Offer or any other matter and in particular the receipt of the Standby Offer Consideration, as applicable.

Neither Liberty nor SBG accepts responsibility, or will be held liable, for any act of or omission by any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker or any registered holder of Liberty Preference Shares to notify any Beneficial Owner of the transaction set out in this Circular or to take any action on behalf of such Beneficial Owner.



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## SALIENT DATES AND TIMES

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2021

Record date to determine which Liberty Preference Shareholders are eligible to receive this Circular (“**Record Date**”)

**Friday, 3 September**

Circular posted to Liberty Preference Shareholders and Notice published on SENS and ANS on

**Monday, 13 September**

Notice of posting of this Circular and Notice published in the South African press on

**Tuesday, 14 September**

Last day to trade Liberty Preference Shares in order to be recorded in the Register to attend, participate in and vote at the Preference Share Scheme Meeting, being the “**Voting Last Day to Trade**” (*refer to note 2 below*)

**Tuesday, 5 October**

Record date for Liberty Preference Shareholders to be recorded in the Register in order to be eligible to attend, participate in and vote at the Preference Share Scheme Meeting, being the “**Voting Record Date**”, close of trade on

**Friday, 8 October**

Last day and time to lodge Forms of Proxy (*yellow*) with the Transfer Secretaries, 12:00 on (*refer to note 3 below*)

**Monday, 11 October**

Last time for Liberty Preference Shareholders who wish to object to the Preference Share Scheme to give notice to Liberty of their objections to the Preference Share Scheme Resolution in terms of section 164(3) of the Companies Act, 12:00 on

**Wednesday, 13 October**

Forms of Proxy (*yellow*) not lodged with the Transfer Secretaries to be submitted to the chairperson of the Preference Share Scheme Meeting at any time before the proxy exercises any rights of the Liberty Preference Shareholder at the Preference Share Scheme Meeting on

**Wednesday, 13 October**

**Wednesday, 13 October**

**Preference Share Scheme Meeting to be held, 12:00 on**

Results of the Preference Share Scheme Meeting released on SENS and ANS on or about

**Wednesday, 13 October**

Results of the Preference Share Scheme Meeting published in the South African press on or about

**Thursday, 14 October**

**If the Preference Share Scheme is approved by Liberty Preference Shareholders at the Preference Share Scheme Meeting:**

Last day for Liberty Preference Shareholders who voted against the Preference Share Scheme to require Liberty to seek Court approval for the Preference Share Scheme in terms of section 115(3)(a) of the Companies Act, if at least 15% of the total votes of Liberty Preference Shareholders at the Preference Share Scheme Meeting were exercised against the Preference Share Scheme

**Wednesday, 20 October**

Last day for Liberty Preference Shareholders who voted against the Preference Share Scheme to apply for a Court to review the Preference Share Scheme in terms of section 115(3)(b) of the Companies Act if less than 15% of the total votes of Liberty Preference Shareholders at the Preference Share Scheme Meeting were exercised against the Preference Share Scheme (*refer to note 5 below*)

**Wednesday, 27 October**

Last date for Liberty to give notice of adoption of the Preference Share Scheme Resolution to Dissenting Preference Shareholders in accordance with section 164(4) of the Companies Act (*refer to note 5 below*)

**Wednesday, 27 October**

Assuming notice of adoption of the Preference Share Scheme Resolution is given to Dissenting Preference Shareholders on Wednesday, 27 October 2021, last day for Dissenting Preference Shareholders to make a demand to Liberty that Liberty pay such Dissenting Preference Shareholders the fair value of all Liberty Preference Shares held by them, in terms of section 164(7) of the Companies Act

**Wednesday, 24 November**

**The following dates assume that no Court approval of the Preference Share Scheme is required and these dates will be confirmed in the finalisation announcement if the Preference Share Scheme becomes Operative:**

TRP Compliance Certificate issued in terms of section 121(b) of the Companies Act, expected on or about

**Thursday, 28 October**

Finalisation announcement with regard to the Preference Share Scheme to be published on SENS and ANS before 10:00 on or about

**Friday, 29 October**

Finalisation announcement with regard to the Preference Share Scheme to be published in the South African press on or about

**Monday, 1 November**

Expected last day to trade, being the last day to trade Liberty Preference Shares on the JSE in order to participate in the Preference Share Scheme, being the **"Preference Share Scheme Last Day to Trade"**

**Tuesday, 9 November**

Expected suspension of listing of Liberty Preference Shares on the JSE at the commencement of trade on

**Wednesday, 10 November**

Expected **"Preference Share Scheme Record Date"**, being the date on which Preference Share Scheme Participants must be recorded in the Register to receive the Preference Share Scheme Consideration, by close of trade on

**Friday, 12 November**

Expected **"Preference Share Scheme Implementation Date"** on or about

**Monday, 15 November**

Certificated Preference Share Scheme Participants who have: (i) lodged their Forms of Surrender and Transfer (*blue*); and (ii) provided valid bank details and details for their CSDP or Broker to the Transfer Secretaries on or prior to 12:00 on the Preference Share Scheme Record Date expected to have the Preference Share Scheme Consideration paid into their nominated bank accounts by way of EFT

**Monday, 15 November**

Dematerialised Preference Share Scheme Participants expected to have their bank accounts credited with the Preference Share Scheme Consideration on or about

**Monday, 15 November**

Expected date for termination of the listing of Liberty Preference Shares in terms of the Preference Share Scheme at the commencement of trade on the JSE on

**Tuesday, 16 November**

#### **Notes:**

- (1) All of the above dates and times are subject to change as may be agreed between Liberty and SBG, with the approval of the JSE and TRP, if required. The dates have been determined based on certain assumptions regarding the dates by which certain Regulatory Approvals including, but not limited to, those of the JSE and TRP, will be obtained and that no Court approval of the Preference Share Scheme will be required. Any change will be released on SENS and ANS and published in the South African press.
- (2) Liberty Preference Shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, Persons who acquire Liberty Preference Shares after close of trade on Tuesday, 5 October 2021, will not be eligible to attend, participate in and vote at the Preference Share Scheme Meeting, as the Voting Record Date is Friday, 8 October 2021. Provided the Preference Share Scheme is approved and Liberty Preference Shareholders acquire the Liberty Preference Shares on or prior to the Preference Share Scheme Last Day to Trade (expected to be Tuesday, 9 November 2021), such Liberty Preference Shareholders will be eligible to participate in the Preference Share Scheme, as the expected Preference Share Scheme Record Date is Friday, 12 November 2021.
- (3) Certificated Preference Shareholders and Dematerialised Preference Shareholders with Own-Name Registration may submit a Form of Proxy (*yellow*) at any time before the commencement of the Preference Share Scheme Meeting (or any adjournment or postponement of the Preference Share Scheme Meeting) or submit it to the chairperson of the Preference Share Scheme Meeting before the appointed proxy exercises any of the relevant Liberty Preference Shareholder's rights at the Preference Share Scheme Meeting (or any adjournment or postponement of the Preference Share Scheme Meeting), provided that should a Liberty Preference Shareholder lodge a Form of Proxy (*yellow*) with the Transfer Secretaries less than 48 hours (excluding Saturdays, Sundays and gazetted national public holidays) before the Preference Share Scheme Meeting, such Liberty Preference Shareholder will also be required to furnish a copy of such Form of Proxy (*yellow*) to the chairperson of the Preference Share Scheme Meeting by emailing it to the Company Secretary of Liberty at [jill.parratt@liberty.co.za](mailto:jill.parratt@liberty.co.za) and copying the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) before the appointed proxy exercises any of such Liberty Preference Shareholder's rights at the Preference Share Scheme Meeting (or adjourned or postponed Preference Share Scheme Meeting). Dematerialised Preference Shareholders without Own-Name

Registration who wish to attend the Preference Share Scheme Meeting, or appoint a proxy to represent them at the Preference Share Scheme Meeting, should instruct their CSDPs or Brokers to issue them with the necessary letters of representation to attend the Preference Share Scheme Meeting, in the manner stipulated in their Custody Agreement.

- (4) If the Preference Share Scheme Meeting is adjourned or postponed, Forms of Proxy (*yellow*) submitted for the initial Preference Share Scheme Meeting will remain valid in respect of any adjournment or postponement of the Preference Share Scheme Meeting.
- (5) All dates and times given in this Circular are South African dates and times. As at the date of this Circular, Wednesday, 27 October 2021 is proclaimed as a statutory public holiday in South Africa for local government elections. If the proclamation is not revoked by the President of South Africa, the references to Wednesday, 27 October 2021 shall be deemed to be references to Thursday, 28 October 2021.
- (6) If the Preference Share Scheme becomes Operative, Certificated Preference Shares may not be Dematerialised or rematerialised after the Preference Share Scheme Last Day to Trade.
- (7) If a Standby Offer Trigger Event occurs, the salient dates and times in respect of the Standby Offer will be released on SENS and ANS and, where required, published in the South African press.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular and its Annexures, unless otherwise stated or the context indicates otherwise, the words and expressions in the first column shall have the meanings stated opposite them in the second column, and words and expressions in the singular shall include the plural and *vice versa*, words importing natural persons shall include juristic persons and unincorporated associations of persons and *vice versa*, and any reference to one gender shall include the other genders:

<b>“A2X”</b>	the A2X Market, a market infrastructure licensed as an exchange in terms of the Financial Markets Act;
<b>“Aggregate Preference Share Scheme Consideration”</b>	the amount calculated by multiplying the Preference Share Scheme Consideration by the Preference Share Scheme Shares;
<b>“Aggregate Standby Offer Consideration”</b>	the amount calculated by multiplying the Standby Offer Consideration by the Standby Offer Shares tendered pursuant to the Standby Offer;
<b>“Annexures”</b>	the annexures attached to this Circular;
<b>“ANS”</b>	the A2X news service;
<b>“Appraisal Rights”</b>	in respect of the: <ul style="list-style-type: none"><li>(i) Ordinary Share Scheme, the rights afforded to Liberty Ordinary Shareholders under section 164 of the Companies Act; and</li><li>(ii) Preference Share Scheme, the rights afforded to Liberty Preference Shareholders under section 164 of the Companies Act, which is contained in <b>Annexure 7</b> to this Circular;</li></ul>
<b>“Authorised Dealer”</b>	a Person authorised to deal in foreign exchange as contemplated in the Exchange Control Regulations;
<b>“Beneficially Owned”</b>	in relation to a share, having any form of “ <i>beneficial interest</i> ” (as defined in section 1 of the Companies Act) in that share, and “ <b>Beneficial Owner</b> ” shall be construed accordingly;
<b>“Broker”</b>	any Person registered as a “ <i>broking member equities</i> ” in accordance with the provisions of the Financial Markets Act, including any nominee of such Person;
<b>“Business Day”</b>	any day other than a Saturday, Sunday or a gazetted national public holiday in South Africa;
<b>“Certificate” or “Certificated”</b>	Liberty Preference Shares that have not been Dematerialised and which are evidenced by physical share certificates and/or other Documents of Title;
<b>“Certificated Preference Shareholder”</b>	a holder of Liberty Preference Shares evidenced by share certificates and/or other physical Documents of Title, which have not been surrendered for Dematerialisation in terms of the rules and requirements of Strate and which may no longer be traded on the JSE;
<b>“Certificated Preference Shares”</b>	Liberty Preference Shares which are represented by a share certificate or other Documents of Title, which are not Dematerialised Preference Shares;
<b>“the/this Circular”</b>	this bound document, dated Monday, 13 September 2021, including the Annexures hereto and incorporating the Notice, a Form of Proxy ( <i>yellow</i> ), a Form of Surrender and Transfer ( <i>blue</i> ), a Form of Acceptance and Transfer ( <i>green</i> ) and an Electronic Participation Form ( <i>pink</i> );
<b>“Common Monetary Area”</b>	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini;
<b>“Companies Act”</b>	the Companies Act, No. 71 of 2008, as amended;

<b>“Court”</b>	any South African court with competent jurisdiction to approve the implementation of the Preference Share Scheme Resolution set out in the Notice pursuant to section 115 of the Companies Act and/or to review the Preference Share Scheme Resolution and/or to determine the fair value of the Preference Share Scheme Shares and/or to make an order pursuant to section 164(14) of the Companies Act;
<b>“CSDP”</b>	a Central Securities Depository Participant, being a “ <i>participant</i> ” as defined in the Financial Markets Act, including any nominee of such participant;
<b>“Custody Agreement”</b>	the custody mandate agreement between a Dematerialised Preference Shareholder and a CSDP or Broker, governing their relationship in respect of Dematerialised Preference Shares held by a Dematerialised Preference Shareholder on the Uncertificated Securities Register and administered by a CSDP or Broker on behalf of that Dematerialised Preference Shareholder;
<b>“Dematerialise” or “Dematerialised” or “Dematerialisation”</b>	the process whereby physical share certificates and/or other Documents of Title are replaced with electronic records evidencing ownership of shares or, as the case may be, shares which are evidenced by electronic records of ownership, for purposes of Strate, as contemplated in the Financial Markets Act, and reflected in the Uncertificated Securities Register;
<b>“Dematerialised Preference Shareholder”</b>	a registered holder and/or Beneficial Owner of Liberty Preference Shares that have been Dematerialised in accordance with the rules of Strate, evidencing ownership of shareholding in electronic format, which shares may be traded on the JSE;
<b>“Dematerialised Preference Shares”</b>	Liberty Preference Shares that have been Dematerialised or have been issued in Dematerialised form;
<b>“Dissenting Preference Shareholders”</b>	Liberty Preference Shareholders who: (i) validly exercise their Appraisal Rights (if any) in relation to the Preference Share Scheme by giving written notice to Liberty objecting to the Preference Share Scheme Resolution, voting against the Preference Share Scheme Resolution and making a demand, in accordance with sections 164(5), 164(7) and 164(8) of the Companies Act, that Liberty pay to them the fair value of their Liberty Preference Shares; and (ii) have not withdrawn that demand or allowed an offer by Liberty to lapse as contemplated in sections 164(9)(a) or (b), or section 164(15)(c)(v)(aa) of the Companies Act;
<b>“Distribution”</b>	a distribution by a company of money or other property of that company to or for the benefit of holders of any shares of that company, whether in the form of a dividend, a payment in <i>lieu</i> of a capitalisation share, as consideration for the acquisition of any shares of that company or otherwise in respect of any shares of that company;
<b>“Documents of Title”</b>	a share certificate, certified transfer deed, balance receipt and/or any other form of document of title acceptable to Liberty and SBG in respect of Liberty Ordinary Shares or Liberty Preference Shares, as the case may be;
<b>“EFT”</b>	electronic funds transfer;
<b>“Electronic Participation Form (pink)”</b>	the electronic participation form ( <i>pink</i> ), which is attached to and forms part of this Circular;

<b>“Encumbrance”</b>	<p>(i) any mortgage, pledge, hypothecation, lien, option, restriction, right of first refusal, right of pre-emption, right of retention, right of set-off, third party right or interest, assignment in security, title extension, trust arrangement, cession in security, security interest of any kind or any other encumbrance of any kind; and</p> <p>(ii) any other type of preferential transaction or agreement having, or which might have, the effect of Encumbering as contemplated in (i), whether or not subject to a condition precedent, and the words <b>“Encumbered”</b> and <b>“Encumber”</b> shall bear corresponding meanings;</p>
<b>“Exchange Control Regulations”</b>	the Exchange Control Regulations, 1961, as amended, promulgated in terms of section 9 of the Currency and Exchanges Act, No. 9 of 1933, as amended, and all directives and rulings issued thereunder;
<b>“Financial Markets Act”</b>	the Financial Markets Act, No. 19 of 2012, as amended;
<b>“Firm Intention Announcement”</b>	the joint firm intention announcement in respect of, among other things, the Preference Share Scheme, released by Liberty and SBG on SENS and ANS, on Thursday, 15 July 2021;
<b>“Foreign Preference Shareholder”</b>	a Liberty Preference Shareholder who has a registered address outside South Africa, is located outside South Africa and/or who is a national, citizen or resident of a country other than South Africa;
<b>“Form of Acceptance and Transfer (green)”</b>	the form of acceptance and transfer ( <i>green</i> ) of Documents of Title, which is attached to and forms part of this Circular;
<b>“Form of Proxy (yellow)”</b>	the form of proxy ( <i>yellow</i> ), which is attached to and forms part of this Circular;
<b>“Form of Surrender and Transfer (blue)”</b>	the form of surrender and transfer ( <i>blue</i> ) of Documents of Title, which is attached to and forms part of this Circular;
<b>“General Meeting”</b>	the general meeting of Liberty Ordinary Shareholders convened in terms of the Companies Act to be held at 10:00 on Wednesday, 13 October 2021, in connection with the Ordinary Share Scheme for the purpose of considering and, if deemed fit, approving, with or without modification, the Ordinary Share Scheme Resolution together with any reconvened general meeting/s held as a result of the adjournment or postponement of that general meeting;
<b>“Governmental Authority”</b>	<p>(i) the government of any applicable jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;</p> <p>(ii) any governmental, quasi-governmental body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental authority or quasi-governmental authority within any applicable jurisdiction; and</p> <p>(iii) any securities exchange within any applicable jurisdiction;</p>
<b>“Group”</b>	in relation to any Person, means that Person and its Subsidiaries from time to time;
<b>“Implementation Agreement”</b>	the written agreement entitled <i>“Implementation Agreement”</i> (and the schedules thereto) entered into between Liberty and SBG on or about 14 July 2021, as amended by the Addendum to the Implementation Agreement dated on or about 26 August 2021, which, among other things, sets out the terms and conditions of the Preference Share Scheme and its implementation;
<b>“Ince”</b>	Ince Proprietary Limited, registration number: 1939/012146/07, a private company incorporated in accordance with the laws of South Africa;

**“Income Tax Act”**

the Income Tax Act, No. 58 of 1962, as amended;

**“Independent Board”**

the independent board of Liberty, consisting of Ms. Thembisa Skweyiya, Ms. Carol Lynette Roskruge Cele, Ms. Nooraya Khan, Mr. Yunus Goolam Hoosen Suleman, Mr. Howard Walker, Mr. James Harry Sutcliffe, Mr. Nick Criticos, Ms. Laura Nicole Hartnady and Mr. Prins Mhlanga, constituted in accordance with regulation 108(8) of the Takeover Regulations in order to consider the terms and conditions of the Preference Share Scheme, all of whom are independent Liberty Directors;

**“Independent Expert”**

Ernst & Young Advisory Services Proprietary Limited, registration number: 2006/018260/07, a private company incorporated in accordance with the Laws of South Africa, whose further details are set out in the section of this Circular entitled “*Corporate Information and Advisors*”;

**“Independent Expert’s Report”**

the fair and reasonable opinion regarding the Preference Share Scheme, the Standby Offer and the Preference Share Delisting, in the form of a report contemplated in section 114(3) of the Companies Act and regulation 90 of the Takeover Regulations, and as required in terms of paragraph 1.15(d) and Schedule 5 to the Listings Requirements, which is set out in **Annexure I** to this Circular;

**“Insolvency Event”**

shall have occurred in respect of a Person if:

- (i) it is dissolved, terminated or deregistered, unless reinstated or re-registered within 15 days after the date of a dissolution, termination or deregistration;
- (ii) an order or declaration is made or a resolution is passed, for the sequestration, curatorship, administration, custodianship, bankruptcy, business rescue, liquidation, winding-up, receivership, trusteeship or re-organisation of that Person, or of a material part of its assets or undertaking, in each case, whether provisional or final and whether of voluntarily or otherwise other than where: (i) such action is dismissed, withdrawn or discharged within 15 days of its service or such step being taken; or (ii) it is demonstrated within such 15 day period that such action is frivolous or vexatious and is being contested;
- (iii) it seeks the appointment of a curator, sequestrator, administrator, liquidator, conservator, receiver, administrative receiver, business rescue practitioner, compulsory manager, trustee, custodian or other similar official (whether provisional or final) for it or for any material part of its assets or undertaking, and/or such a Person is appointed, other than where such action, proceeding or other procedure or step is withdrawn or discharged within 15 days thereof, or it is demonstrated within such 15 day period that such action is frivolous or vexatious and is being contested;
- (iv) it is unable (or admits inability) to pay its debts generally as they fall due or is (or admits to being) otherwise insolvent;
- (v) it proposes or seeks to make or makes a general assignment or any arrangement or composition or compromise with or for the benefit of its creditors or a moratorium is agreed or declared in respect of or affecting its indebtedness, or it is or is deemed by any Law to be “*financially distressed*”; or
- (vi) it is subject to any event which, under the applicable Laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (i) to (v) (all inclusive);

<b>“Irrevocable Undertakings”</b>	the irrevocable undertakings to vote in favour of the Preference Share Scheme Resolution and the Preference Share Delisting Resolution and accept the Standby Offer; which were provided by the Liberty Preference Shareholders listed in paragraph 16 of this Circular as at the Last Practicable Date;
<b>“JSE”</b>	the JSE Limited, registration number: 2005/022939/06, a public company incorporated in accordance with the Laws of South Africa, or the securities exchange licensed under the Financial Markets Act and operated by the JSE, as the context may require;
<b>“Last Practicable Date”</b>	Friday, 3 September 2021, being the last practicable date prior to the finalisation of this Circular;
<b>“Law” or “Laws”</b>	law or laws, legislation, statutes, regulations, directives, orders, notices, promulgations and other decrees of any Governmental Authority which have force of law or which would be an offence not to obey, and the common law, all of the aforementioned as modified, re-enacted, restated, replaced or re-implemented from time to time;
<b>“Lexshell 615”</b>	Lexshell 615 Investments Proprietary Limited, registration number: 2004/007666/07, a private company incorporated in accordance with the Laws of South Africa, and a wholly-owned Subsidiary of Liberty;
<b>“Liberty”</b>	Liberty Holdings Limited, registration number: 1968/002095/06, a public company incorporated in accordance with the Laws of South Africa, the shares and preference shares of which are listed on the Main Board of the JSE;
<b>“Liberty Board” or “Liberty Directors”</b>	the board of directors of Liberty, as constituted from time to time;
<b>“Liberty Group”</b>	Liberty and its Subsidiaries from time to time;
<b>“Liberty Group Limited”</b>	Liberty Group Limited, registration number: 1957/002788/06, a public company incorporated in accordance with the Laws of South Africa;
<b>“Liberty MOI”</b>	the memorandum of incorporation of Liberty, as at the Last Practicable Date;
<b>“Liberty Ordinary Shareholder”</b>	a registered holder of one or more Liberty Ordinary Shares or, in relation to voting, any other Person who is entitled to exercise the voting rights attaching to such Liberty Ordinary Shares;
<b>“Liberty Ordinary Shares”</b>	ordinary shares with a par value of 8.33 recurring cents each issued by Liberty;
<b>“Liberty Preference Shareholder”</b>	a registered holder of one or more Liberty Preference Shares or, in relation to voting, any other Person who is entitled to exercise the voting rights attaching to such Liberty Preference Shares;
<b>“Liberty Preference Shares”</b>	cumulative preference shares with a par value of 10 cents each issued by Liberty, which have been issued on a non-redeemable basis, and which are listed as hybrid instruments on the Main Board of the JSE;
<b>“Listings Requirements”</b>	the Listings Requirements of the JSE, as amended from time to time;
<b>“Long Stop Date”</b>	28 February 2022, or such later date as may be agreed in writing by Liberty and SBG to be the Long Stop Date, and released on SENS and ANS;
<b>“Material Liberty Group Member”</b>	Liberty Group Limited and STANLIB;
<b>“Material SBG Group Member”</b>	SBSA;
<b>“Member”</b>	of a Group, a Person which forms part of that Group;
<b>“NDA”</b>	the Amended and Restated Non-Disclosure Agreement between SBG and Liberty, dated 12 May 2021, which agreement facilitates the exchange of information between SBG and Liberty for purposes of, and/or in connection with, the Implementation Agreement and the Preference Share Scheme;



<b>“Notice”</b>	the notice convening the Preference Share Scheme Meeting, which is attached to and forms part of this Circular;
<b>“NSX”</b>	the Namibian Stock Exchange;
<b>“Operative”</b>	in respect of the Preference Share Scheme, when all the Preference Share Scheme Conditions have been fulfilled or waived, as the case may be, and in respect of the Standby Offer, when all the Standby Offer Conditions have been fulfilled or waived, as the case may be;
<b>“Ordinary Resolution”</b>	a resolution adopted by Liberty Preference Shareholders with the support of more than 50% of the voting rights exercised on the Resolution;
<b>“Ordinary Share Scheme”</b>	<p>the scheme of arrangement in terms of section 114(1)(c) of the Companies Act, to be proposed by the Liberty Board between Liberty and the eligible Liberty Ordinary Shareholders, in terms of which, if implemented:</p> <ul style="list-style-type: none"> <li>(i) the Ordinary Share Scheme participants will be deemed to have disposed of their shares to SBG for the Ordinary Share Scheme consideration; and</li> <li>(ii) SBG shall be obliged to pay the Ordinary Share Scheme consideration, to the Ordinary Share Scheme participants, in consideration for the disposal of the Ordinary Share Scheme shares to SBG,</li> </ul> <p>on the terms and conditions set out in the Ordinary Share Scheme Circular, and subject to any amendment or variation, as contemplated in the Ordinary Share Scheme Circular;</p>
<b>“Ordinary Share Scheme Circular”</b>	the scheme circular setting out the terms and conditions of, <i>inter alia</i> , the Ordinary Share Scheme, to be posted to Liberty Ordinary Shareholders on or about the date of this Circular in which, among other things, Liberty will: (i) propose the Ordinary Share Scheme; and (ii) convene the General Meeting to consider the Ordinary Share Scheme Resolution;
<b>“Ordinary Share Scheme Resolution”</b>	the Special Resolution required to be approved by Liberty Ordinary Shareholders at the General Meeting in order to implement and give effect to the Ordinary Share Scheme in terms of sections 114 and 115 of the Companies Act, details of which are contained in the Ordinary Scheme Circular and the notice of General Meeting;
<b>“Own-Name Registration” or “Dematerialised Preference Shareholders with Own-Name Registration”</b>	the status of Dematerialised Preference Shareholders who have instructed their CSDP to hold their Dematerialised Preference Shares in their own name on the sub-register (being the list of Liberty Preference Shareholders maintained by the CSDP and forming part of the Register);
<b>“Person”</b>	includes any individual, body corporate, trust, company, close corporation, Governmental Authority, corporate entity, unincorporated association or other entity, whether or not recognised under any Law as having separate legal existence or personality and wherever incorporated, created or established;
<b>“Post Scheme Finalisation Liberty Distribution”</b>	if, despite paragraph 10.1(iii), Liberty declares, makes or pays any Distribution in respect of the Liberty Ordinary Shares (other than the Special Distribution) after 14 July 2021 in an aggregate amount that exceeds 50% (i.e. dividend cover of 2.0 times) of Liberty’s underlying core operating earnings for the reporting period prior to the date of such declaration or payment, any amount in excess of that amount;
<b>“Preference Share Delisting”</b>	the termination of the listing of all Liberty Preference Shares from the Main Board of the JSE, in terms of paragraph 1.17 of the Listings Requirements, upon implementation of the Preference Share Scheme or pursuant to the Preference Share Delisting Resolution being adopted and the Standby Offer being implemented, as applicable;

<b>“Preference Share Delisting Resolution”</b>	a delisting resolution approved by the requisite majority of Liberty Preference Shareholders at the Preference Share Scheme Meeting, as contemplated in paragraphs 1.15(a) and 1.16 of the Listings Requirements;
<b>“Preference Share Scheme”</b>	<p>the scheme of arrangement in terms of section 114(1)(c) read with section 115 of the Companies Act, proposed by the Liberty Board between Liberty and the Liberty Preference Shareholders, in terms of which, if the scheme becomes Operative:</p> <ul style="list-style-type: none"> <li>(i) the Preference Share Scheme Participants will be deemed to have disposed of the Preference Share Scheme Shares to SBG for the Preference Share Scheme Consideration; and</li> <li>(ii) SBG shall be obliged to pay the Preference Share Scheme Consideration, to the Preference Share Scheme Participants, on the Preference Share Scheme Implementation Date, in consideration for the disposal of the Preference Share Scheme Shares to SBG,</li> </ul> <p>on the terms and conditions set out in this Circular, and subject to any amendment or variation, as contemplated in paragraph 7 of this Circular;</p>
<b>“Preference Share Scheme Conditions”</b>	the suspensive conditions to the Preference Share Scheme, as set out in paragraph 5.2 of this Circular, and <b>“Preference Share Scheme Condition”</b> means any one of them as the context may require;
<b>“Preference Share Scheme Consideration”</b>	an amount of R1.50, payable by SBG to the Preference Share Scheme Participants for the acquisition of each Liberty Preference Share held by Preference Share Scheme Participants on the Preference Share Scheme Record Date, pursuant to the Preference Share Scheme;
<b>“Preference Share Scheme Finalisation Date”</b>	the date on which the <i>“finalisation information”</i> (as contemplated by the Listings Requirements) is published in an announcement to be released on SENS and ANS, which date shall fall on the first Business Day following the date on which the Preference Share Scheme Conditions are fulfilled or waived, as the case may be, or such other date as the JSE may determine;
<b>“Preference Share Scheme Implementation Date”</b>	the date on which the Preference Share Scheme is to be implemented, being the Monday immediately following the Preference Share Scheme Record Date (or such other date as the JSE may direct);
<b>“Preference Share Scheme Last Day to Trade”</b>	the last day to trade in Liberty Preference Shares on the JSE in order to participate in the Preference Share Scheme, being three Business Days prior to the Preference Share Scheme Record Date and not less than five Business Days after the Preference Share Scheme Finalisation Date (or such other date as the JSE may direct);
<b>“Preference Share Scheme Meeting”</b>	the general meeting of Liberty Preference Shareholders convened in terms of the Companies Act to be held at 12:00 on Wednesday, 13 October 2021, for the purpose of considering and, if deemed fit, approving, with or without modification, the Resolutions contained in the Notice, together with any reconvened general meeting/s held as a result of the adjournment or postponement of that general meeting;
<b>“Preference Share Scheme Participants”</b>	means any Person who is recorded in the Register as a holder of Liberty Preference Shares on the Preference Share Scheme Record Date, excluding Dissenting Preference Shareholders who have not, whether voluntarily or pursuant to a final order of the Court, withdrawn their demands made in terms of sections 164(5) to 164(8) of the Companies Act before the Preference Share Scheme Record Date, or allowed any offers made to them in terms of section 164(11) of the Companies Act to lapse before the Preference Share Scheme Record Date, being Persons who are entitled to receive the Preference Share Scheme Consideration;

<b>“Preference Share Scheme Record Date”</b>	the date on and time by which Liberty Preference Shareholders must be recorded in the Register in order to be eligible to receive the Preference Share Scheme Consideration, being the close of business on the first Friday following the Preference Share Scheme Last Day to Trade (or such other date as the JSE may direct);
<b>“Preference Share Scheme Resolution”</b>	the Special Resolution required to be approved by Liberty Preference Shareholders in order to implement and give effect to the Preference Share Scheme in terms of sections 114 and 115 of the Companies Act, details of which are contained in the Notice;
<b>“Preference Share Scheme Shares”</b>	all of the issued Liberty Preference Shares held by the Preference Share Scheme Participants on the Preference Share Scheme Record Date;
<b>“Preference Share Scheme Voting Last Day to Trade”</b>	the last day to trade in Liberty Preference Shares on the JSE in order to be recorded in the Register to attend, participate in and vote at the Preference Share Scheme Meeting, being Tuesday, 5 October 2021;
<b>“Preference Share Scheme Voting Record Date”</b>	the last date to be recorded in the Register in order for Liberty Preference Shareholders to be eligible to attend, speak and vote at the Preference Share Scheme Meeting (or any adjournment thereof), being Friday, 8 October 2021;
<b>“R” and “Rand” and “cents”</b>	South African rand and cents, the lawful currency of South Africa;
<b>“Register”</b>	the register of Certificated Preference Shareholders and certificated Liberty Ordinary Shareholders maintained by the Transfer Secretaries and the Uncertificated Securities Register maintained by the relevant CSDPs in accordance with section 50 of the Companies Act;
<b>“Regulatory Approvals”</b>	the approvals, authorisations, consents, exemptions, clearances or confirmations of non-opposition, from Government Authorities which are necessary in terms of any applicable Laws to implement the Preference Share Scheme and the Standby Offer, as the case may be;
<b>“Resolutions”</b>	the Special Resolutions and Ordinary Resolution to be proposed at the Preference Share Scheme Meeting as set out in the Notice, which resolutions will, <i>inter alia</i> , authorise and approve the Preference Share Scheme and the Preference Share Delisting;
<b>“SBG”</b>	Standard Bank Group Limited, registration number: 1969/017128/06, a public company incorporated in accordance with the Laws of South Africa, the shares and preference shares of which are listed on the Main Board of the JSE, the NSX and the A2X;
<b>“SBG Board” or “SBG Directors”</b>	the board of directors of SBG, as constituted from time to time;
<b>“SBG First Preference Shares”</b>	SBG first cumulative preference shares with a par value of one Rand each in the authorised and issued share capital of SBG, and which are listed as hybrid instruments on the Main Board of the JSE;
<b>“SBG Group”</b>	SBG and its Subsidiaries from time to time, provided that for purposes of this Circular, neither Liberty nor any Member of the Liberty Group shall be considered a Member of the SBG Group;
<b>“SBG Offer”</b>	collectively, the Ordinary Share Scheme, the Preference Share Scheme and the Standby Offer;
<b>“SBG Second Preference Shares”</b>	SBG non-redeemable, non-cumulative, non-participating, variable rate preference shares with a par value of one cent each in the authorised and issued share capital of SBG, and which are listed as hybrid instruments on the Main Board of the JSE;
<b>“SBG Shares”</b>	SBG ordinary shares with a par value of 10 cents each in the authorised and issued share capital of SBG;

<b>“SBSA”</b>	The Standard Bank of South Africa Limited, registration number: 1962/000738/06, a public company incorporated in accordance with the Laws of South Africa, and a licensed bank in terms of the Banks Act, No. 94 of 1990, as amended;
<b>“SENS”</b>	the Stock Exchange News Service of the JSE and the NSX;
<b>“Share Incentive Schemes”</b>	collectively, the Liberty Group Restricted Share Plan (long-term plan and deferred plan), the Liberty Performance Reward Plan and the Liberty Equity Growth Scheme;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“Special Distribution”</b>	the special distribution of R11.10 per Liberty Ordinary Share, which, if the Ordinary Share Scheme becomes unconditional, will be distributed, and paid to qualifying Liberty Ordinary Shareholders for each Liberty Ordinary Share held by them as at the Special Distribution record date;
<b>“Special Resolution”</b>	a resolution adopted by Liberty Preference Shareholders with the support of at least 75% of the voting rights exercised on the Resolution;
<b>“Standby Offer”</b>	the general offer by SBG to the Liberty Preference Shareholders to acquire all or a portion of the Liberty Preference Shares for the Standby Offer Consideration if a Standby Offer Trigger Event occurs, subject to the terms and Standby Offer Conditions set out in this Circular;
<b>“Standby Offer Closing Date”</b>	the last date on which Liberty Preference Shareholders will be entitled to accept the Standby Offer, which date shall be a Friday and no less than 10 Business Days after the date on which the Standby Offer is declared wholly unconditional;
<b>“Standby Offer Conditions”</b>	the conditions precedent to the Standby Offer set out in paragraph 6.3, and <b>“Standby Offer Condition”</b> means one of them as the context may require;
<b>“Standby Offer Consideration”</b>	means the consideration payable in cash in Rand for each Standby Offer Share, being an amount of R1.50;
<b>“Standby Offer Implementation Date”</b>	in relation to the Standby Offer, and with respect to each Standby Offer Participant, the date which is six Business Days after the later of: (i) the date upon which the Standby Offer is declared unconditional in all respects as contemplated in regulation 102(12)(a) of the Takeover Regulations; and (ii) acceptance of the Standby Offer by such Standby Offer Participant;
<b>“Standby Offer Opening Date”</b>	the opening date of the Standby Offer, being the first Business Day following the occurrence of a Standby Offer Trigger Event;
<b>“Standby Offer Participants”</b>	Liberty Preference Shareholders to whom the Standby Offer is made and who lawfully and validly accept the Standby Offer by 12:00 on the Standby Offer Closing Date and who are entitled, subject to the Standby Offer becoming Operative, to receive the Standby Offer Consideration;
<b>“Standby Offer Period”</b>	the period beginning at 09:00 on the Standby Offer Opening Date and ending at 12:00 on the Standby Offer Closing Date, during which the Liberty Preference Shareholders are entitled to accept the Standby Offer;
<b>“Standby Offer Shares”</b>	the Liberty Preference Shares held by the Standby Offer Participants;

<b>“Standby Offer Trigger Event”</b>	when the Preference Share Scheme lapses or fails, whether as a result of any Preference Share Scheme Condition being neither fulfilled nor, where applicable, waived or otherwise; provided that, if: (i) the Preference Share Scheme lapses or fails as a result of any Preference Share Scheme Condition in paragraphs 5.2.1.1 to 5.2.1.4 (both inclusive) not having been fulfilled or waived; or (ii) the Implementation Agreement is terminated in accordance with its terms prior to the Preference Share Scheme lapsing or failing, then in such circumstances, no Standby Offer Trigger Event will have occurred and the Standby Offer will terminate simultaneously with such lapsing or failure of the Preference Share Scheme or termination of the Implementation Agreement, as the case may be;
<b>“STANLIB”</b>	STANLIB Limited, registration number: 1997/014748/06, a public 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 registered as a central securities depository responsible for the electronic clearing and settlement of trades on the JSE;
<b>“Subsidiary”</b>	a “ <i>subsidiary</i> ” as defined in the Companies Act, but also includes a Person incorporated outside South Africa which would, if incorporated in South Africa, be a “ <i>subsidiary</i> ” as defined in the Companies Act;
<b>“Takeover Regulations”</b>	the regulations set out in chapter 5 of the Companies Regulations, 2011, promulgated under the Companies Act;
<b>“Transfer Secretaries”</b>	Computershare Investor Services Proprietary Limited, registration number: 2004/003647/07, a private company incorporated in accordance with the Laws of South Africa, whose further details are set out in the section of this Circular entitled “ <i>Corporate Information and Advisors</i> ”;
<b>“TRP”</b>	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
<b>“TRP Compliance Certificate”</b>	a compliance certificate to be issued by the TRP to Liberty in terms of section 121(b) of the Companies Act in respect of the Preference Share Scheme;
<b>“Uncertificated Securities Register”</b>	the record of Dematerialised Liberty Ordinary Shares and Dematerialised Liberty Preference Shares administered and maintained by a CSDP and which forms part of the Register (including the relevant sub-registers of the CSDPs administering the sub-registers of Liberty); and
<b>“US” or “United States”</b>	the United States of America.



## STANDARD BANK GROUP LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number: 1969/017128/06)  
JSE and A2X share code: SBK  
JSE preference share code: SBKP/SBPP  
NSX share code: SNB  
ISIN: ZAE000109815  
("SBG")



## LIBERTY LIBERTY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number: 1968/002095/06)  
JSE share code: LBH  
JSE preference share code: LBHP  
ISIN: ZAE000127148  
("Liberty")

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### SBG Directors

#### Executive Directors

Simpiwe Kenneth Tshabalala (Group Chief Executive Officer)  
Arno Daehnke (Chief Finance and Value Management Officer)

#### Non-Executive Directors

Xueqing Guan (Senior Deputy Chairman)  
Kgomotso Ditsebe Moroka  
Lubin Wang

#### Independent Non-Executive Directors

Thulani Sikhulu Gcabashe (Chairman)  
John Helenius Maree (Deputy Chairman)  
Gesina Maria Beatrix Kennealy (Lead Independent Director)  
Atedo Nari Atowari Peterside  
Geraldine Joslyn Fraser-Moleketi  
John Meadway Vice  
Martin Luke Oduor-Otieno  
Maureen Anne Erasmus  
Myles John Denniss Ruck  
Nomgando Nomalungelo Angelina Matyumza  
Nonkululeko Merina Cheryl Nyembezi  
Paul Langabi Hogan Cook

### Liberty Directors

#### Executive Directors

David Charles Munro (Group Chief Executive Officer)  
Yuresh Maharaj (Financial Director)

#### Non-Executive Directors

John Helenius Maree (Chairman)  
Simpiwe Kenneth Tshabalala

#### Independent Non-Executive Directors

Yunus Goolam Hoosen Suleman (Lead Independent Director)  
Carol Lynette Roskrug Cele  
Howard Walker  
James Harry Sutcliffe  
Laura Nicole Hartnady  
Nick Criticos  
Nooraya Khan  
Prins Mhlanga  
Thembisa Skweyiya  
Simon Peter Ridley\*

\*Although Simon Ridley is an independent non-executive director in terms of the Listings Requirements and the King IV Code on Corporate Governance in South Africa, 2016, he is not considered to be independent for purposes of the proposed transaction given his position as trustee of the Standard Bank Group Retirement Fund, which is a Liberty Ordinary Shareholder.

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## COMBINED CIRCULAR TO LIBERTY PREFERENCE SHAREHOLDERS

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### I. INTRODUCTION

- I.1 Liberty Preference Shareholders are referred to the Firm Intention Announcement released by Liberty and SBG on SENS and ANS on Thursday, 15 July 2021. In the Firm Intention Announcement, Liberty Preference Shareholders were advised that, among other things, Liberty and SBG had concluded the Implementation Agreement, pursuant to which SBG intended to make an offer to acquire the Liberty Preference Shares from the Liberty Preference Shareholders by way of a single offer, constituted by:
  - I.1.1 the Preference Share Scheme, in terms of which, if implemented, the Preference Share Scheme Participants will be deemed to have disposed of the Preference Share Scheme Shares to SBG for the Preference Share Scheme Consideration, which will be payable by SBG to the Preference Share Scheme Participants on the Preference Share Scheme Implementation Date; or

- 1.1.2 if a Standby Offer Trigger Event occurs, the Standby Offer by SBG to Liberty Preference Shareholders to acquire all of the Standby Offer Shares that are tendered by Standby Offer Participants for the Standby Offer Consideration, in accordance with paragraph 1.15(c) of the Listings Requirements, to be followed by the Preference Share Delisting.
- 1.2 The Preference Share Scheme and Standby Offer are proposed concurrently, however, Liberty will only implement the Standby Offer if a Standby Offer Trigger Event occurs. In this regard, in the event that the Preference Share Scheme becomes Operative, the Standby Offer will lapse at the latest immediately prior to the Preference Share Scheme Implementation Date. Alternatively, if the Preference Share Scheme does not become Operative, a Standby Offer Trigger Event occurs and the Standby Offer Conditions are fulfilled or waived, as the case may be, the Standby Offer will be implemented.
- 1.3 The operation and implementation of the Preference Share Scheme is subject to the fulfilment or waiver, as the case may be, of the Preference Share Scheme Conditions including, among other things, approval of the Preference Share Scheme Resolution by Liberty Preference Shareholders. If the Preference Share Scheme Conditions are not fulfilled or waived, as the case may be, on or before the Long Stop Date, the Preference Share Scheme will not become Operative and will not be implemented.
- 1.4 The operation and implementation of the Standby Offer is subject to the fulfilment or waiver, as the case may be, of the Standby Offer Conditions by the Long Stop Date. If the Standby Offer Conditions are not fulfilled or waived, as the case may be, on or before the Long Stop Date, the Standby Offer will not become Operative and will not be implemented.
- 1.5 The Preference Share Delisting will occur if: (i) pursuant to paragraph 1.17(b) of the Listings Requirements, the Preference Share Scheme becomes Operative and is implemented; or (ii) the Preference Share Delisting Resolution is approved at the Preference Share Scheme Meeting and the Standby Offer becomes Operative and is implemented.
- 1.6 The Preference Share Scheme Consideration and Standby Offer Consideration each represented a premium of 36.4% to the closing price of a Liberty Preference Share on the JSE on 14 July 2021, being the last trading day prior to the date of the publication of the Firm Intention Announcement. The Liberty Preference Shares had not traded in the last 30 trading days prior to the date of the publication of the Firm Intention Announcement and accordingly, the last traded price to which the Preference Share Scheme Consideration and Standby Offer Consideration represent a premium of 36.4% has been set out below:

	<b>Liberty Preference Share as at 14 July 2021</b>	<b>Preference Share Scheme Consideration</b>	<b>Standby Offer Consideration</b>
Market price <sup>(1)</sup>	R1.10	R1.50	R1.50
Last traded price <sup>(2)</sup>	R1.10	R1.50	R1.50

**Notes:**

- (1) The “market price” represents the closing price of Preference Shares on the JSE on 14 July 2021, being the last trading day prior to the date of the publication of the Firm Intention Announcement on SENS and ANS.
- (2) The “last traded price” represents the price at which Liberty Preference Shares traded on the JSE on 17 February 2021, being the last price at which Liberty Preference Shares traded on the JSE prior to the Firm Intention Announcement.
- 1.7 In the event that the Preference Share Scheme becomes Operative, the JSE has granted in-principle approval for the suspension of the listing of the Liberty Preference Shares on the JSE with effect from the commencement of trade on the JSE on the day following the Preference Share Scheme Last Day to Trade, which is expected to be Wednesday, 10 November 2021, and the termination of the listing of the Liberty Preference Shares on the JSE from the commencement of trade on the day following the Preference Share Scheme Implementation Date, which is expected to be Tuesday, 16 November 2021.
- 1.8 If the Standby Offer becomes Operative and the Preference Share Delisting Resolution is approved, application will be made to the JSE for the delisting of the Liberty Preference Shares from the JSE. Liberty Preference Shareholders that do not validly accept the Standby Offer should note that, in the event that the Liberty Preference Shares and the Liberty Ordinary Shares are delisted, they will remain minority Liberty Preference Shareholders in an unlisted entity that is no longer subject to the Listings Requirements.



- 1.9 Should a Standby Offer Trigger Event occur, the Standby Offer will automatically become effective in accordance with the provisions of paragraph 6 of this Circular.

## 2. **PURPOSE OF THIS CIRCULAR**

- 2.1 The purpose of this Circular is to provide Liberty Preference Shareholders with relevant information regarding the Preference Share Scheme, the Standby Offer and the Preference Share Delisting, including the Independent Expert's Report, the recommendation of the Independent Board in respect of the Preference Share Scheme and the Standby Offer, and to give notice convening the Preference Share Scheme Meeting in order to consider and, if deemed fit, to pass with or without modification the Resolutions necessary to approve and implement the Preference Share Scheme or the Standby Offer (including the Preference Share Delisting) in accordance with the Companies Act, the Takeover Regulations and the Listings Requirements. A Notice of the Preference Share Scheme Meeting is attached to, and forms part of, this Circular.
- 2.2 To obtain a full understanding of the terms and conditions of the Preference Share Scheme, the Standby Offer and the Preference Share Delisting, this Circular should be read in its entirety.

## 3. **RATIONALE FOR THE SBG OFFER**

- 3.1 SBG and Liberty have enjoyed a "*special relationship*" since 1974, as Liberty founder Sir Donald Gordon said in 1999. Over many years, the two groups of companies have cooperated at arm's length through a highly successful and valuable bancassurance arrangement. The SBG Offer represents a natural progression in this special relationship, increasing the integration and ability to collaborate to provide the best financial service offerings to clients through the most efficient means.
- 3.2 SBG's strategy is to be an Africa-focused, client centred and digitally enabled integrated financial services group. This strategy is underpinned by SBG's purpose: "*Africa is our home, we drive her growth.*" SBG's strategy and vision commits SBG to delivering simple, relevant and complete solutions to its clients through their preferred channel, whether online or in person. SBG has now begun the process of extending its range of services to become a trusted and preferred provider of an increasingly wide range of financial and associated services.
- 3.3 Liberty's strategy is to become a human-augmented platform business whose purpose is to make its clients' financial freedom possible. This naturally complements and reinforces SBG's purpose and strategy.
- 3.4 The Liberty Board and the SBG Board believe that SBG's acquisition of 100% of Liberty (including the Preference Shares) and integrating Liberty fully into the greater SBG Group will facilitate the creation of a united and formidable competitor in financial services in Africa with compelling scale.
- 3.5 The strategic benefits of the SBG Offer are numerous and compelling. A complete integration will enhance both entities' ability to meet clients' financial needs, making possible holistic advice and competitive solutions for clients, especially during major transition points in their lives. SBG's banking, private client asset management and short-term insurance capabilities will complement Liberty's strength in long term insurance and asset management, and this will enhance the competitive position of Liberty's adviser force in the market. Liberty will be fully integrated into the larger and stronger SBG Group and SBG will benefit from capital efficiencies following the SBG Offer. There is significant opportunity for rapid and efficient growth of fully integrated client offerings throughout SBG's existing operations, as well as joint penetration of new market opportunities across Africa.
- 3.6 The SBG Offer is a strong vote of confidence by SBG in the strength of Liberty's business, its client franchise, and very importantly its advisor networks and teams of people.
- 3.7 The Preference Share Scheme and the Standby Offer provide holders of Liberty Preference Shares with an opportunity to sell their holdings in illiquid securities at a significant premium to the price at which these securities have been traded historically.



#### 4. **INFORMATION ABOUT SBG**

- 4.1 SBG has controlled Liberty since 1999, when it acquired control from the late Sir Donald Gordon. SBG is Africa's largest financial services group by assets, with total assets of R2.5 trillion and a market capitalisation of R208 billion as at 31 December 2020. SBG is listed on the JSE and A2X with share code SBK, and the NSX with share code SNB. The SBG Group, including Liberty, employs just over 50,000 people across all of the 27 geographies (with 20 in Africa) in which it has operations as at 31 December 2020, and has 1,124 branches and 6,774 automatic teller machines to service clients' needs. SBG reported headline earnings of R15.9 billion for the year ended 31 December 2020.
- 4.2 SBG is an African-focused, client-centric, digitally enabled integrated financial services organisation. SBG's strategy is designed to realise the opportunities presented by Africa's longer-term structural trends. The SBG Group places its clients at the heart of everything it does, ensuring that its businesses are always on; always there to deliver to clients' needs in a secure, personalised and relevant way.
- 4.3 SBG has a 158-year history in South Africa and started building a franchise in sub-Saharan Africa almost 30 years ago. SBG has an on-the-ground presence in 20 countries on the African continent, and solid local knowledge required to operate a successful business in Africa. Its fit-for-purpose representation in, and connection with, global financial centres enables it to facilitate investment and development flows in Africa, and to access international capital to facilitate growth, diversification and development in Africa. SBG also has a strategic partnership with the largest bank in the world, the Industrial and Commercial Bank of China Limited, which is a 20% shareholder in SBG.
- 4.4 The long-term foreign currency ratings for SBSA, the single largest operating entity within the SBG Group, are: Fitch Ratings BB- (negative) and Moody's Ba2 (negative).

#### 5. **TERMS AND CONDITIONS OF THE PREFERENCE SHARE SCHEME**

In terms of section 114(1)(c) of the Companies Act, the Liberty Board proposes the Preference Share Scheme, as set out in this paragraph 5, between Liberty and the Liberty Preference Shareholders.

##### 5.1 **Overview and effect of the Preference Share Scheme**

In terms of the Preference Share Scheme and subject to the Preference Share Scheme becoming Operative, SBG will acquire the Preference Share Scheme Shares from the Preference Share Scheme Participants for the Preference Share Scheme Consideration with effect from the Preference Share Scheme Implementation Date and the following shall occur on the Preference Share Scheme Implementation Date:

- 5.1.1 the Preference Share Scheme Participants (whether they voted in favour of the Preference Share Scheme or not or abstained from voting) shall be deemed to have disposed of and transferred their Preference Share Scheme Shares (including all rights, interests and benefits attaching thereto), free of Encumbrances, to SBG, in exchange for the Preference Share Scheme Consideration;
- 5.1.2 the disposal and transfer by each Preference Share Scheme Participant of the Preference Share Scheme Shares held by such Preference Share Scheme Participant to SBG, and the acquisition and ownership of those Preference Share Scheme Shares by SBG, will be given effect to without any further act or instrument being required. Each Preference Share Scheme Participant irrevocably authorises Liberty, for and on behalf of that Preference Share Scheme Participant and with power of substitution, to cause that Preference Share Scheme Participant's Preference Share Scheme Shares to be transferred to, and registered in the name of, SBG on or at any time after the Preference Share Scheme Implementation Date, and to do all such things and take all such steps (including the signing of any transfer form) as Liberty in its discretion considers necessary in order to effect the transfer and registration;
- 5.1.3 Preference Share Scheme Participants shall be unconditionally entitled to receive the Preference Share Scheme Consideration, which will be payable by SBG to Preference Share Scheme Participants on the Preference Share Scheme Implementation Date, and shall be settled, in full, in accordance with paragraph 5.3 and without regard to any lien, right of set-off, counterclaim or other analogous right to which Liberty and/or SBG may otherwise be, or claim to be, entitled against a Preference Share Scheme Participant; and

- 5.1.4 the rights of the Preference Share Scheme Participants to receive the Preference Share Scheme Consideration will be rights enforceable by Preference Share Scheme Participants against Liberty only. Preference Share Scheme Participants will be entitled to require Liberty to enforce their rights in terms of the Preference Share Scheme against SBG.

As a consequence of the Preference Share Scheme becoming Operative, an application will be made to the JSE for the delisting of all of the Liberty Preference Shares from the JSE.

## 5.2 Preference Share Scheme Conditions

- 5.2.1 The implementation of the Preference Share Scheme is subject to the fulfilment or waiver, as the case may be, of each of the following Preference Share Scheme Conditions by no later than the Long Stop Date:
- 5.2.1.1 the Ordinary Share Scheme Resolution having been approved by Liberty Ordinary Shareholders at the General Meeting;
  - 5.2.1.2 either:
    - 5.2.1.2.1 no Liberty Ordinary Shareholder having exercised its Appraisal Rights by:
      - (i) delivering notice objecting to the Ordinary Share Scheme Resolution as contemplated in section 164(3) of the Companies Act; (ii) voting against the Ordinary Share Scheme Resolution; and (iii) delivering a valid demand, as contemplated in sections 164(5) to 164(8) of the Companies Act, within the time periods prescribed in sections 164(3) and (7) of the Companies Act; or
    - 5.2.1.2.2 if Appraisal Rights are validly exercised as aforesaid, they are not exercised in respect of more than 3.5% of the Liberty Ordinary Shares not held by SBG or Lexshell 615;
  - 5.2.1.3 if the Ordinary Share Scheme Resolution is opposed by 15% or more of the voting rights exercised on the Ordinary Share Scheme Resolution and, within five Business Days after the vote, any Person who voted against the Ordinary Share Scheme Resolution requires Liberty to seek approval of a Court in terms of section 115(3)(a) as read with section 115(5)(a) of the Companies Act, the Court having approved the implementation of the Ordinary Share Scheme Resolution;
  - 5.2.1.4 if any Person who voted against the Ordinary Share Scheme Resolution applies to Court for a review of the Ordinary Share Scheme Resolution in terms of sections 115(3)(b) and 115(6) of the Companies Act, either: (i) the Court having declined to grant leave to that Person for a review of the Ordinary Share Scheme Resolution; or (ii) if leave for a review of the Ordinary Share Scheme Resolution is granted by the Court, the Court having declined to set aside the Ordinary Share Scheme Resolution in accordance with section 115(7) of the Companies Act;
  - 5.2.1.5 the Preference Share Scheme Resolution having been approved at the Preference Share Scheme Meeting in accordance with section 115(2) of the Companies Act by the requisite 75% majority of votes exercised on the Preference Share Scheme Resolution;
  - 5.2.1.6 either:
    - 5.2.1.6.1 no Liberty Preference Shareholder having exercised its Appraisal Rights by:
      - (i) delivering notice objecting to the Preference Share Scheme Resolution as contemplated in section 164(3) of the Companies Act; (ii) voting against the Preference Share Scheme Resolution; and (iii) delivering a valid demand, as contemplated in sections 164(5) to 164(8) of the Companies Act, within the time periods prescribed in sections 164(3) and (7) of the Companies Act; or
    - 5.2.1.6.2 if Appraisal Rights are validly exercised as aforesaid, they are not exercised in respect of more than 3.5% of the Preference Share Scheme Shares;
  - 5.2.1.7 if the Preference Share Scheme Resolution is opposed by 15% or more of the voting rights exercised on the Preference Share Scheme Resolution and, within five Business Days after the vote, any Person who voted against the Preference Share Scheme Resolution requires Liberty to seek approval of a Court in terms of section 115(3)(a) as read with section 115(5)(a) of the Companies Act, the Court having approved the implementation of the Preference Share Scheme Resolution;

- 5.2.1.8 if any Person who voted against the Preference Share Scheme Resolution applies to Court for a review of the Preference Share Scheme Resolution in terms of sections 115(3)(b) and 115(6) of the Companies Act, either: (i) the Court having declined to grant leave to that Person for a review of the Preference Share Scheme Resolution; or (ii) if leave for a review of the Preference Share Scheme Resolution is granted by the Court, the Court having declined to set aside the Preference Share Scheme Resolution in accordance with section 115(7) of the Companies Act;
  - 5.2.1.9 the Regulatory Approvals required to implement the Preference Share Scheme having been duly obtained, in each case either unconditionally or, to the extent that any Regulatory Approval is subject to any obligation, undertaking, condition or qualification, SBG shall have confirmed in writing that such obligation, undertaking, condition or qualification is acceptable to SBG and SBG shall not unreasonably withhold or delay such confirmation; and
  - 5.2.1.10 the Implementation Agreement has not been terminated in accordance with its terms, prior to the time at which all of the other Preference Share Scheme Conditions (other than the condition requiring the issue of the TRP Compliance Certificate, as part of the Regulatory Approvals contemplated in paragraph 5.2.1.9) have been fulfilled or waived, as the case may be.
- 5.2.2 SBG and Liberty shall each use their reasonable endeavours to procure the fulfilment of the Preference Share Scheme Conditions as soon as reasonably practicable.
  - 5.2.3 Save as otherwise provided in paragraph 5.2.1, the Preference Share Scheme Conditions must be fulfilled or, where waiver is permitted, waived by no later than the Long Stop Date. Liberty and SBG shall be entitled to extend the Long Stop Date by written agreement. If the Long Stop Date is extended, the amended date will be released on SENS and ANS and, if required, published in the South African press.
  - 5.2.4 SBG is entitled to waive (in whole or in part) the Preference Share Scheme Conditions referred to in paragraphs 5.2.1.1 to 5.2.1.4 (both inclusive) and paragraph 5.2.1.6 by notice in writing delivered to Liberty. If any of those Preference Share Scheme Conditions is waived, details of such waiver will be released on SENS and ANS and published in the South African press.
  - 5.2.5 The Preference Share Scheme Conditions in paragraphs 5.2.1.5, 5.2.1.7, 5.2.1.8 and 5.2.1.9 are regulatory in nature and cannot be waived.
  - 5.2.6 Save as provided in paragraph 5.2.4 and subject to paragraph 5.2.5, neither SBG nor Liberty may waive any Preference Share Scheme Condition unless that waiver is agreed to in writing by both Liberty and SBG and is permissible in Law.
  - 5.2.7 An announcement will be released on SENS and ANS and, where required, published in the South African press as soon as possible after: (i) the fulfilment, or waiver, as the case may be, of all of the Preference Share Scheme Conditions; or (ii) the non-fulfilment of any Preference Share Scheme Condition.

### 5.3 Settlement of the Preference Share Scheme Consideration

- 5.3.1 Subject to paragraph 5.3.2 and subject to the Preference Share Scheme becoming Operative, on the Preference Share Scheme Implementation Date the Preference Share Scheme Participants shall receive the Preference Share Scheme Consideration, which shall be paid by SBG (via the Transfer Secretaries) to the Preference Share Scheme Participants. Liberty Preference Shareholders are reminded that the settlement of the Preference Share Scheme Consideration is subject to the Exchange Control Regulations, the salient provisions of which are set out in **Annexure 4** to this Circular.
- 5.3.2 SBG's obligation to pay the Preference Share Scheme Consideration to the Preference Share Scheme Participants will be fully and finally discharged upon SBG making payment of the Aggregate Preference Share Scheme Consideration to the Transfer Secretaries, which payment shall be made on or before the Preference Share Scheme Implementation Date. No cheques will be issued or paid in relation to the payment of the Preference Share Scheme Consideration.
- 5.3.3 Settlement of the Preference Share Scheme Consideration to Preference Share Scheme Participants will be administered and effected by the Transfer Secretaries, on behalf of SBG, as set out below.

5.3.4 If the Preference Share Scheme becomes Operative:

5.3.4.1 Dematerialised Preference Shareholders who become Preference Share Scheme Participants on the Preference Share Scheme Implementation Date will have their bank accounts credited with the Preference Share Scheme Consideration and their account at their CSDP or Broker debited with the Preference Share Scheme Shares on the Preference Share Scheme Implementation Date, or in the case of Dissenting Preference Shareholders who subsequently become Preference Share Scheme Participants as envisaged in paragraph 5.5.2.2, they will have their bank accounts credited with the Preference Share Scheme Consideration and their account at their CSDP or Broker debited with the Preference Share Scheme Shares, on the date contemplated therein; and

5.3.4.2 Certificated Preference Shareholders who become Preference Share Scheme Participants:

5.3.4.2.1 who have surrendered their Documents of Title and delivered the completed Form of Surrender and Transfer (*blue*) to the Transfer Secretaries on or before 12:00 on the Preference Share Scheme Record Date, will have the Preference Share Scheme Consideration paid into their nominated bank account by way of EFT, on the Preference Share Scheme Implementation Date; or

5.3.4.2.2 who surrender their Documents of Title and deliver the completed Form of Surrender and Transfer (*blue*) to the Transfer Secretaries after 12:00 on the Preference Share Scheme Record Date, will have the Preference Share Scheme Consideration paid into their nominated bank account by way of EFT, within five Business Days of the Transfer Secretaries receiving their Documents of Title and completed Form of Surrender and Transfer (*blue*).

5.3.5 If:

5.3.5.1 a Certificated Preference Shareholder who becomes a Preference Share Scheme Participant fails to surrender its Documents of Title and completed Form of Surrender and Transfer (*blue*), including the updated and valid bank details for the receipt of the Preference Share Scheme Consideration, to the Transfer Secretaries; or

5.3.5.2 a Dissenting Preference Shareholder subsequently becomes a Preference Share Scheme Participant pursuant to paragraph 5.5.2.2 and fails to surrender its Documents of Title and completed Form of Surrender and Transfer (*blue*) to the Transfer Secretaries,

the Preference Share Scheme Consideration payable to such Preference Share Scheme Participant will be paid to and/or held in trust by Liberty (or any third party nominated by Liberty for this purpose, which may include the Transfer Secretaries), who will hold such Preference Share Scheme Consideration in escrow in its bank account, until it is claimed by the Preference Share Scheme Participant concerned. The Preference Share Scheme Consideration will be held as aforesaid for a maximum period of three years from the Preference Share Scheme Implementation Date, after which period it will be paid over to the Guardian's Fund of the Court. No interest will accrue on any such funds held by Liberty. In this regard, such Preference Share Scheme Participants irrevocably authorise and appoint Liberty (or its agents), *in rem suam* (that is, irrevocably for their advantage), with full power of substitution, to act as agent in the name, place and stead of such Preference Share Scheme Participants to pay the Preference Share Scheme Consideration to the benefit of the Guardian's Fund in the aforesaid manner.

5.4 **Required approvals for the Preference Scheme**

5.4.1 Pursuant to section 115(2) of the Companies Act, a scheme of arrangement in terms of section 114 of the Companies Act must be approved by a Special Resolution adopted by Liberty Preference Shareholders entitled to exercise voting rights on such matter, at a meeting called for that purpose. At least 25% of the voting rights that are entitled to be exercised on the Special Resolution must be present at the meeting.

5.4.2 If at least 15% of the voting rights exercised on the Preference Share Scheme Resolution oppose it and a Liberty Preference Shareholder who voted against the Preference Share Scheme Resolution requires, within five Business Days after the vote, that Liberty seek Court approval for the Preference Share Scheme:

- 5.4.2.1 Liberty may not proceed to implement the Preference Share Scheme Resolution without the approval of a Court; and
  - 5.4.2.2 Liberty must apply to Court for approval within 10 Business Days after the vote and shall not treat the Preference Share Scheme Resolution as a nullity.
- 5.4.3 If less than 15% of the voting rights exercised on the Preference Share Scheme Resolution oppose it and a Liberty Preference Shareholder who voted against the Preference Share Scheme Resolution applies to Court within 10 Business Days of the vote for leave to review the Preference Share Scheme, Liberty may not proceed to implement the Preference Share Scheme Resolution unless the Court declines to grant such leave or declines to set aside the Preference Share Scheme Resolution. The Court may grant such leave only if it is satisfied that the applicant is acting in good faith, appears to be prepared and able to sustain proceedings and alleges facts that, if proved, would support the order being sought. A Court may only set aside the Preference Share Scheme Resolution if the Court finds that the Preference Share Scheme Resolution is manifestly unfair to Liberty Preference Shareholders or if the vote was materially tainted by a conflict of interest, for inadequate disclosure, failure to comply with the Companies Act or the Liberty MOI or if there is a significant and material irregularity.

## 5.5 **Dissenting Shareholders**

- 5.5.1 Liberty Preference Shareholders are hereby advised of their Appraisal Rights in terms of section 164 of the Companies Act, the full provisions of which are contained in **Annexure 7** to this Circular.
- 5.5.2 If the Preference Share Scheme becomes Operative, any Liberty Preference Shareholder who:
  - 5.5.2.1 is a Dissenting Preference Shareholder as at 12:00 on the Preference Share Scheme Record Date will, subject to paragraph 5.5.2.2, not participate in the Preference Share Scheme; or
  - 5.5.2.2 ceases to be a Dissenting Preference Shareholder after 12:00 on the Preference Share Scheme Record Date, shall become a Preference Share Scheme Participant; provided that transfer of that Dissenting Preference Shareholder's Preference Share Scheme Shares to SBG shall occur with retrospective effect from the Preference Share Scheme Record Date and settlement of the Scheme Consideration shall take place in accordance with paragraph 5.3.4.1 or paragraph 5.3.4.2 of this Circular, as the case may be. For the avoidance of doubt, it is recorded that such Dissenting Preference Shareholder, as a term of the Preference Share Scheme, authorises Liberty and/or the Transfer Secretaries in its place and stead, and for and on its behalf, to transfer its Preference Share Scheme Shares to SBG, against payment of the Preference Share Scheme Consideration and to take all other action and steps necessary to give effect to the foregoing.
- 5.5.3 A Dissenting Preference Shareholder who accepts an offer made in terms of section 164(11) of the Companies Act will not participate in the Preference Share Scheme.
- 5.5.4 Liberty Preference Shareholders wishing to exercise their Appraisal Rights are strongly advised to take professional advice in connection with such decision and should have regard to the fact that, in appropriate circumstances as detailed in section 164 of the Companies Act, the Court is empowered to grant a costs order in favour of, or against, a Dissenting Preference Shareholder.

## 6. **TERMS AND CONDITIONS OF THE STANDBY OFFER**

The Standby Offer will automatically become effective if a Standby Offer Trigger Event occurs. Liberty and SBG shall announce through SENS and ANS and, where required, in the South African press, that the Standby Offer has become effective. All dates and times pertinent to the Standby Offer will be included in the announcement published on SENS and ANS and, where required, in the South African press.

### 6.1 **Terms of the Standby Offer**

- 6.1.1 On the occurrence of a Standby Offer Trigger Event, SBG offers to acquire all Liberty Preference Shares in exchange for the Standby Offer Consideration. Liberty Preference Shareholders are entitled to elect to accept the Standby Offer in respect of all or some of the Liberty Preference Shares held by them at any time during the Standby Offer Period.
- 6.1.2 In the event that the Preference Share Scheme becomes Operative, the Standby Offer will never become effective. If the Standby Offer becomes effective, the Standby Offer will be subject to, and will become Operative upon the fulfilment or waiver, as applicable, of the Standby Offer Conditions.

- 6.1.3 Liberty and SBG confirm that SBG will be the acquirer of the Standby Offer Shares and that SBG is acting alone and is not acting as agent for any other Person.
- 6.1.4 If the Standby Offer becomes Operative and is implemented, and the Preference Share Delisting Resolution is approved by the requisite majority of Liberty Preference Shareholders at the Preference Share Scheme Meeting, application will be made to the JSE for the Preference Share Delisting.
- 6.1.5 Liberty Preference Shareholders who do not validly accept the Standby Offer should note that, in the event that the Standby Offer is implemented and the Liberty Preference Shares and the Liberty Ordinary Shares are delisted, they will remain as minority Liberty Preference Shareholders in an unlisted entity that is no longer subject to the Listings Requirements.

## 6.2 Standby Offer Period

- 6.2.1 The Standby Offer is irrevocable and will be open for acceptance from 09:00 on the Standby Offer Opening Date and shall close at 12:00 on the Standby Offer Closing Date. The Standby Offer will be open for acceptance by those Liberty Preference Shareholders that are recorded in the Register as holders of Liberty Preference Shares at any time from 09:00 on the Standby Offer Opening Date up to and including 12:00 on the Standby Offer Closing Date.
- 6.2.2 SBG may, in its absolute and sole discretion, but subject to the provisions and requirements of the Companies Act and the Takeover Regulations, extend the Standby Offer Closing Date on one or more occasions, in which event the amended Standby Offer Closing Date will be announced on SENS, and ANS and, where required, in the South African press.

## 6.3 Standby Offer Conditions

- 6.3.1 Implementation of the Standby Offer is subject to the fulfilment or, if applicable, waiver of the following conditions (being the Standby Offer Conditions) by no later than the Long Stop Date:
  - 6.3.1.1 the occurrence of a Standby Offer Trigger Event;
  - 6.3.1.2 the Preference Share Delisting Resolution having been approved, at the Liberty Preference Share Scheme Meeting, by the requisite majority of votes of the Liberty Preference Shareholders entitled to vote on the Preference Share Delisting Resolution, as contemplated in paragraph 1.16 of the Listings Requirements;
  - 6.3.1.3 Liberty Preference Shareholders accept the Standby Offer in respect of so many Liberty Preference Shares as will result in SBG acquiring more than 50% of the Liberty Preference Shares; and
  - 6.3.1.4 the Regulatory Approvals required to implement the Standby Offer having been duly obtained, in each case either unconditionally or, to the extent that any Regulatory Approval is subject to any obligation, undertaking, condition or qualification, SBG shall have confirmed in writing that such obligation, undertaking, condition or qualification is acceptable to SBG and SBG shall not unreasonably withhold or delay such confirmation.
- 6.3.2 The Standby Offer Conditions must be fulfilled or, where waiver is permitted, waived by no later than the Long Stop Date. Liberty and SBG shall be entitled to extend the Long Stop Date by written agreement. If the Long Stop Date is extended, the amended date will be released on SENS and ANS and, if required, published in the South African press.
- 6.3.3 SBG is entitled to waive (in whole or in part) any of the Standby Offer Conditions referred to in paragraphs 6.3.1.2 and 6.3.1.3, by notice in writing delivered to Liberty. If any of those Standby Offer Conditions is waived, details of such waiver will be released on SENS and ANS and published in the South African press.
- 6.3.4 The Standby Offer Condition in paragraph 6.3.1.4 is regulatory in nature and cannot be waived.
- 6.3.5 Save as provided in paragraph 6.3.3, neither SBG nor Liberty may waive any Standby Offer Condition unless that waiver is agreed to in writing by both Liberty and SBG and is permissible in Law.
- 6.3.6 An announcement will be released on SENS and ANS and, where required, published in the South African press as soon as possible after: (i) the fulfilment or waiver, as the case may be, of all of the Standby Offer Conditions; or (ii) the non-fulfilment of any Standby Offer Condition.



## 6.4 Procedure for acceptance of the Standby Offer

6.4.1 Liberty Preference Shareholders who do not wish to accept the Standby Offer do not need to take any further action and will continue to hold their Liberty Preference Shares.

6.4.2 Liberty Preference Shareholders who wish to accept the Standby Offer must do so in the manner described below, depending on whether they are a Certificated Preference Shareholder or a Dematerialised Preference Shareholder.

### 6.4.3 Dematerialised Preference Shareholders

6.4.3.1 Subject to the Standby Offer becoming Operative, Dematerialised Preference Shareholders who wish to accept the Standby Offer must do so in accordance with the instructions set out in paragraph A on page 13 of this Circular.

6.4.3.2 Once the acceptance of the Standby Offer in respect of any Dematerialised Preference Shareholder's Liberty Preference Shares has been communicated to the Transfer Secretaries, such acceptance of the Standby Offer will be final and irrevocable, and such Dematerialised Preference Shareholder may not withdraw its acceptance of the Standby Offer unless expressly permitted by the Takeover Regulations.

6.4.3.3 If a Dematerialised Preference Shareholder's acceptance of the Standby Offer is not communicated to the Transfer Secretaries through a CSDP or Broker by 12:00 on the Standby Offer Closing Date, the Standby Offer will be deemed to have been declined by that Dematerialised Preference Shareholder, and such Dematerialised Preference Shareholder will continue to hold its Liberty Preference Shares, subject to the Standby Offer being implemented. Late acceptances of the Standby Offer may be accepted or rejected at Liberty's and SBG's discretion.

6.4.3.4 Dematerialised Preference Shareholders do not have to surrender any Documents of Title and must **NOT** complete the attached Form of Acceptance and Transfer (*green*).

6.4.3.5 Dematerialised Preference Shareholders are reminded that if they notify their CSDP or Broker of their desire to accept the Standby Offer, they will **NOT** be able to rematerialise and/or trade their Liberty Preference Shares from the date on which they notify their CSDP or Broker of their acceptance of the Standby Offer. Dematerialised Preference Shareholders will, however, sell such Liberty Preference Shares to SBG in terms of the Standby Offer and receive the Standby Offer Consideration in respect of such Liberty Preference Shares tendered, in the event that the Standby Offer becomes Operative.

### 6.4.4 Certificated Preference Shareholders

6.4.4.1 Subject to the Standby Offer becoming Operative, Certificated Preference Shareholders who wish to accept the Standby Offer must do so by completing the Form of Acceptance and Transfer (*green*) attached to this Circular in accordance with its instructions and delivering it, together with the Documents of Title in respect of the Standby Offer Shares tendered, to the Transfer Secretaries, in accordance with the instructions set out in paragraph B on page 13 of this Circular.

6.4.4.2 Once a duly completed and signed Form of Acceptance and Transfer (*green*) together with the Documents of Title in respect of any Certificated Preference Shareholder's Liberty Preference Shares tendered is received by the Transfer Secretaries, such acceptance of the Standby Offer will be final and irrevocable and such Certificated Preference Shareholder may not withdraw its acceptance of the Standby Offer unless expressly permitted by the Takeover Regulations.

6.4.4.3 If the Standby Offer is not validly accepted by a Certificated Preference Shareholder by 12:00 on the Standby Offer Closing Date, the Standby Offer will be deemed to have been declined by that Certificated Preference Shareholder and such Certificated Preference Shareholder will continue to hold its Liberty Preference Shares. Late acceptances of the Standby Offer may be accepted or rejected at Liberty's and SBG's sole discretion.

6.4.4.4 Certificated Preference Shareholders who complete the Form of Surrender and Transfer (*blue*) and return it, together with the relevant Documents of Title, to the Transfer Secretaries in anticipation of the Preference Share Scheme becoming Operative, and who wish to accept the Standby Offer upon the Standby Offer becoming Operative, will still

be required to complete the Form of Acceptance and Transfer (*green*), but will not be required to surrender their Documents of Title again.

- 6.4.4.5 If you wish to surrender your Documents of Title prior to the Preference Share Scheme Meeting in anticipation of the Preference Share Scheme or the Standby Offer becoming Operative, your right to attend, speak and vote at the Preference Share Scheme Meeting will remain unaffected.
- 6.4.4.6 Forms of Acceptance and Transfer (*green*) and Documents of Title that are sent through the post are sent at the risk of the Certificated Preference Shareholders concerned. Accordingly, Certificated Preference Shareholders should take note of the postal delivery times so as to ensure that acceptances of the Standby Offer are received timeously. It is therefore recommended that duly completed Forms of Acceptance and Transfer (*green*), and Documents of Title be sent by registered post, or delivered by hand to the Transfer Secretaries.
- 6.4.4.7 If you accept the Standby Offer and surrender your Documents of Title, you will **NOT** be able to Dematerialise and/or trade your Liberty Preference Shares from the date that you surrender your Documents of Title in respect of those Liberty Preference Shares.
- 6.4.4.8 Should a Certificated Preference Shareholder surrender their Documents of Title in anticipation of the Preference Share Scheme or the Standby Offer becoming Operative and neither the Preference Share Scheme nor the Standby Offer then becomes Operative, the Transfer Secretaries shall, within five Business Days of either the date upon which it becomes known that the Preference Share Scheme and/or the Standby Offer will not become Operative or receipt by the Transfer Secretaries of the relevant Documents of Title, whichever is the later, return the Documents of Title to the Certificated Preference Shareholder concerned, by registered post, at that Certificated Preference Shareholder's own risk.
- 6.4.4.9 SBG reserves the right, in its absolute and sole discretion, to:
  - 6.4.4.9.1 treat as invalid Forms of Acceptance and Transfer (*green*) not completed correctly or not accompanied by the relevant Documents of Title (or, if applicable, evidence reasonably satisfactory to Liberty and SBG that the Documents of Title to the relevant Standby Offer Shares have been destroyed or lost and an indemnity reasonably acceptable to Liberty and SBG); and
  - 6.4.4.9.2 require proof of the authority of the Person signing the Form of Acceptance and Transfer (*green*), where such proof has not yet been lodged with or recorded by the Transfer Secretaries; or
  - 6.4.4.9.3 condone the non-compliance by any Certificated Preference Shareholder with any of the terms of the Standby Offer.
- 6.4.4.10 If a Form of Acceptance and Transfer (*green*) is treated as invalid due to non-compliance with the instructions contained therein, then the Certificated Preference Shareholder that submitted that Form of Acceptance and Transfer (*green*) will be deemed to have declined the Standby Offer, unless that Certificated Preference Shareholder re-submits a properly completed Form of Acceptance and Transfer (*green*) on or prior to 12:00 on the Standby Offer Closing Date.

## 6.5 Settlement of the Standby Offer Consideration

- 6.5.1 Subject to paragraph 6.5.2 and subject to the Standby Offer becoming Operative, on the Standby Offer Implementation Date the Standby Offer Participants shall receive the Standby Offer Consideration, which shall be paid by SBG to the Standby Offer Participants. Liberty Preference Shareholders are reminded that the settlement of the Standby Offer Consideration is subject to the Exchange Control Regulations, the salient provisions of which are set out in **Annexure 4** to this Circular.
- 6.5.2 SBG's obligation to pay the Standby Offer Consideration to the Standby Offer Participants will be fully and finally discharged upon SBG making payment of the Aggregate Standby Offer Consideration to the Transfer Secretaries, which payment shall be made on or before the Standby Offer Implementation Date. No cheques will be issued or paid in relation to the payment of the Standby Offer Consideration.



- 6.5.3 Settlement of the Standby Offer Consideration to Standby Offer Participants will be administered and effected by the Transfer Secretaries, on behalf of SBG, as set out below.
- 6.5.4 If the Standby Offer becomes Operative:
- 6.5.4.1 Dematerialised Preference Shareholders who become Standby Offer Participants will have their bank accounts credited with the Standby Offer Consideration and their account at their CSDP or Broker debited with the Standby Offer Shares on the Standby Offer Implementation Date; and
- 6.5.4.2 Certificated Preference Shareholders who become Standby Offer Participants who have surrendered their Documents of Title and delivered the completed Form of Acceptance and Transfer (green) to the Transfer Secretaries on or before 12:00 on the Standby Offer Closing Date, will have the Standby Offer Consideration paid into their nominated bank account by way of EFT, on the Standby Offer Implementation Date.
- 6.5.5 The Standby Offer Consideration shall be settled in full, in accordance with paragraphs 6.5.4.1 and 6.5.4.2, without regard to any lien, right of set-off, counterclaim or other analogous right to which Liberty and/or SBG may otherwise be, or claim to be, entitled against a Standby Offer Participant.

## 6.6 **General**

Within one Business Day of the fulfilment or waiver (to the extent permitted) of all of the Standby Offer Conditions, Liberty and SBG shall announce through SENS and ANS and, where required, in the South African press, that the Standby Offer has become Operative. Upon publication of the aforementioned SENS and ANS announcement, all of the Standby Offer Conditions shall be deemed to have been fulfilled or waived, as the case may be, notwithstanding that Liberty and SBG may subsequently discover that any Standby Offer Condition may not have been fulfilled or waived, as applicable.

## 7. **AMENDMENTS, VARIATIONS AND MODIFICATIONS OF THE PREFERENCE SHARE SCHEME AND THE STANDBY OFFER**

- 7.1 No amendment, variation or modification of the Preference Share Scheme or the Standby Offer shall be valid unless it complies with applicable Law (including the requirements of the JSE and the TRP) and is consented to by Liberty and SBG in writing, subject to paragraphs 5.2.4 and 6.3.3, provided that SBG shall, notwithstanding anything to the contrary in the Implementation Agreement, the Firm Intention Announcement or this Circular, be entitled (without the consent of Liberty) to propose a higher Preference Share Scheme Consideration and/or Standby Offer Consideration.
- 7.2 Liberty Preference Shareholders will be notified of any changes to the Preference Share Scheme or the Standby Offer by way of announcement published on SENS and ANS, and, if required, in the South African press.
- 7.3 All dates and times referred to in this Circular are subject to change. Any such change shall be published on SENS and ANS and in the South African press.

## 8. **TAX IMPLICATIONS OF THE PREFERENCE SHARE SCHEME AND THE STANDBY OFFER**

The tax implications of the Preference Share Scheme and/or the Standby Offer will depend on the individual tax circumstances of each Preference Share Scheme Participant or Standby Offer Participant and the tax jurisdictions applicable to such Preference Share Scheme Participant or Standby Offer Participant. The general tax implications of the Preference Share Scheme and/or the Standby Offer on the Preference Share Scheme Participants or Standby Offer Participants are set out in **Annexure 5** to this Circular. It is recommended that Preference Share Scheme Participants and/or Standby Offer Participants seek advice from appropriate professional advisors if they are in any doubt whatsoever about their tax position.

## 9. **TERMINATION EVENTS**

- 9.1 The Preference Share Scheme and/or the Standby Offer will terminate with immediate effect, if any or all of the Preference Share Scheme Conditions or Standby Offer Conditions, as the case may be, have not been fulfilled (or waived, to the extent possible) on or before the relevant date/s for fulfilment or waiver, as applicable.

- 9.2 In the event that the Preference Share Scheme does not become Operative or is otherwise not implemented for whatsoever reason, the Liberty Preference Shares held by the Dissenting Preference Shareholders will not be purchased by Liberty in terms of section 164 of the Companies Act.

## 10. SALIENT PROVISIONS OF THE IMPLEMENTATION AGREEMENT

The Implementation Agreement contains provisions relating to the proposal and implementation of the Preference Share Scheme and/or the Standby Offer, and the obligations of each of Liberty and SBG with respect to the Preference Share Scheme and/or the Standby Offer. Certain key provisions of the Implementation Agreement are summarised in this paragraph 10.

### 10.1 Pre-Completion Undertakings

In terms of the Implementation Agreement, Liberty and SBG have provided to each other certain pre-completion undertakings in relation to the period between the signature date of the Implementation Agreement and Preference Share Scheme Implementation Date and/or the Standby Offer Implementation Date. In this regard, Liberty has undertaken to SBG that it shall procure that each Material Liberty Group Member shall, among other things: (i) conduct its business in all material respects in the ordinary course and in accordance with its policies and strategies, which shall include, without limitation, not incurring any material liabilities or obligations outside the ordinary course; (ii) exercise its reasonable endeavours to preserve and protect its rights and assets; (iii) not declare, distribute or pay any Distribution which would constitute a Post Scheme Finalisation Liberty Distribution; (iv) not issue any further shares or grant options in respect of any unissued shares; and (v) not enter into contracts otherwise than in the ordinary course of business, unless otherwise agreed in writing with SBG.

### 10.2 Representations and warranties

In terms of the Implementation Agreement, Liberty and SBG have provided to each other certain representations and warranties.

### 10.3 Termination events

- 10.4 The Implementation Agreement will terminate with immediate effect and all rights and obligations of Liberty and SBG under the Implementation Agreement shall cease only in the following circumstances:

10.4.1 on written notice of termination by SBG to Liberty if:

10.4.1.1 the Independent Board: (i) withdraws, modifies or qualifies its recommendation to vote in favour of the Ordinary Share Scheme Resolution; and/or (ii) does not express and maintain a majority view that the ordinary scheme consideration, as contemplated in the Ordinary Share Scheme Circular, as contemplated is fair and reasonable to Liberty Ordinary Shareholders; or

10.4.1.2 the Independent Board: (i) withdraws, modifies or qualifies its recommendation to vote in favour of the Preference Share Scheme Resolution and the Preference Share Delisting Resolution; and/or (ii) does not express and maintain a majority view that the Preference Share Scheme Consideration and the Preference Share Standby Offer Consideration is fair and reasonable to Liberty Preference Shareholders; or

10.4.1.3 Liberty commits a material breach of the provisions of the Implementation Agreement and, if such breach is capable of remedy, Liberty fails to remedy such breach within the remedy period provided in the Implementation Agreement (or if no such remedy period is provided, then within 10 Business Days of a written notice from SBG to Liberty requiring same); or

10.4.1.4 an Insolvency Event has occurred in respect of Liberty or any Material Liberty Group Member;

10.4.2 on written notice of termination by Liberty to SBG if:

10.4.2.1 SBG commits a material breach of the provisions of the Implementation Agreement and, if such breach is capable of remedy, SBG fails to remedy such breach within the remedy period provided in the Implementation Agreement (or if no such remedy period is provided, then within 10 Business Days of a written notice from Liberty to SBG requiring same); or

- 10.4.2.2 an Insolvency Event has occurred in respect of SBG or any Material SBG Group Member; or
  - 10.4.3 on written notice of termination by either Liberty or SBG to the other if it has been finally determined that it would be illegal to implement all or a material part of the Ordinary Share Scheme; or
  - 10.4.4 by mutual written agreement between Liberty and SBG.
- 10.5 A copy of the Implementation Agreement is available for inspection as set out in paragraph 25.

## 11. **AGREEMENTS IN RELATION TO THE PREFERENCE SHARE SCHEME AND/OR THE STANDBY OFFER**

- 11.1 With the exception of the arrangement noted in paragraphs 10 and 16 and the NDA, no agreements or understandings which have any connection with or dependence on the Preference Share Scheme and/or the Standby Offer exist between Liberty and SBG or any person acting in concert with SBG or any SBG Director or any person who was an SBG Director within the period commencing 12 months prior to the date of publication of the Firm Intention Announcement, or any person which is or was a shareholder of SBG within the aforementioned period as at the Last Practicable Date.
- 11.2 With the exception of the arrangement noted in paragraphs 10 and 16 and the NDA, no agreements or understandings which have any connection with or dependence on the Preference Share Scheme and/or the Standby Offer exist between SBG and Liberty or any person acting in concert with Liberty or any Liberty Director or any person who was a Liberty Director within the period commencing 12 months prior to the date of publication of the Firm Intention Announcement, or any person which is or was a Liberty Preference Shareholder within the aforementioned period as at the Last Practicable Date.
- 11.3 Other than as set out in this Circular, no other agreement exists between SBG, Liberty, a SBG Director, a Liberty Director and/or any Liberty Preference Shareholder which could be considered material to a decision regarding the Preference Share Scheme and/or the Standby Offer to be taken by Liberty Preference Shareholders.

## 12. **OPINIONS AND RECOMMENDATIONS**

### 12.1 **The Independent Expert's Report**

- 12.1.1 The Independent Expert has provided the Independent Board and the Liberty Board with the Independent Expert's Report, which is set out in **Annexure I** to this Circular.
- 12.1.2 The Independent Expert is of the opinion that the Preference Share Scheme Consideration and the Standby Offer Consideration is fair and reasonable to Preference Share Scheme Participants and/or Standby Offer Participants, as applicable.

### 12.2 **Views of the Independent Board and the Liberty Board**

- 12.2.1 The Independent Board, taking into account the Independent Expert's Report, has formed the view that the fair value of a Liberty Preference Share is in the valuation range contained in the Independent Expert's Report. Apart from the actual and potential impact of the Covid-19 pandemic which remains subject to greater than usual estimation error, the Independent Board is not aware of factors that are difficult to quantify, or are unquantifiable, which affect this opinion.
- 12.2.2 The Independent Board is therefore unanimously of the opinion that the Preference Share Scheme Consideration and/or the Standby Offer Consideration, as applicable, is fair and reasonable and unanimously recommends that Liberty Preference Shareholders vote in favour of the Preference Share Scheme Resolution and the Preference Share Delisting Resolution.
- 12.2.3 In terms of paragraph 1.15(d) of the Listings Requirements, the Liberty Board, taking into account the Independent Expert Report, considers the Standby Offer to be fair in terms of paragraph 1.15 of the Listings Requirements.
- 12.2.4 The Independent Board has not received any other offers relating to the Liberty Preference Shares in the six months preceding the Last Practicable Date.

### 13. GUARANTEE AND FUNDING

- 13.1 SBG has furnished the TRP with an irrevocable unconditional bank guarantee issued by SBSA in favour of the Preference Share Scheme Participants and Standby Offer Participants, in accordance with regulations 111(4)(a) and 111(5) of the Takeover Regulations, in terms of which SBSA has guaranteed payment of the Aggregate Preference Share Scheme Consideration or the Aggregate Standby Offer Consideration, as the case may be, if SBG fails to discharge its obligation to pay either the Aggregate Preference Share Scheme Consideration or the Aggregate Standby Offer Consideration, as the case may be, when it becomes due on the Preference Share Scheme Implementation Date or the Standby Offer Implementation Date.
- 13.2 SBG confirms, in accordance with regulation 106(6)(c) of the Takeover Regulations, that the payment of the Aggregate Preference Share Scheme Consideration or the Aggregate Standby Offer Consideration, as applicable, is not being financed by debt.

### 14. INFORMATION RELATING TO LIBERTY AND LIBERTY DIRECTORS

#### 14.1 Interests of Liberty and Liberty Directors in SBG Shares, SBG First Preference Shares and SBG Second Preference Shares

- 14.1.1 As at the Last Practicable Date, Liberty had a beneficial interest in 5,245,586 SBG Shares (being 0.32% of the issued SBG Shares), which excludes interests in SBG Shares managed for the benefit of third parties.
- 14.1.2 As at the Last Practicable Date, Liberty did not have a beneficial interest in any SBG First Preference Shares or SBG Second Preference Shares and Liberty has had no dealings in SBG First Preference Shares or SBG Second Preference Shares during the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.
- 14.1.3 The following Liberty Directors have a beneficial interest in SBG Shares:

<b>Liberty Director</b>	<b>SBG Shares held</b>	<b>Beneficial interest<sup>(1)</sup></b>
Mr. DC Munro	1,400	0.000%
Mr. SK Tshabalala	556,350	0.034%
Mr. JH Maree	163,109	0.010%
Mr. SP Ridley	110,305	0.007%
Ms. N Khan	3,730	0.000%
<b>Total</b>	<b>834,894</b>	<b>0.052%</b>

(1) Based on 1,619,941,184 SBG Shares in issue as at the Last Practicable Date.

- 14.1.4 The following Liberty Directors have a beneficial interest in SBG Second Preference Shares:

<b>Liberty Director</b>	<b>SBG Second Preference Shares held</b>	<b>Beneficial interest<sup>(1)</sup></b>
Mr. JH Maree	10,331	0.019%
Mr. SP Ridley	36,783	0.069%
<b>Total</b>	<b>47,114</b>	<b>0.089%</b>

(1) Based on 52,982,248 SBG Second Preference Shares in issue as at the Last Practicable Date.

- 14.1.5 As at the Last Practicable Date, no Liberty Director has a beneficial interest in SBG First Preference Shares.

#### 14.2 Liberty and Liberty Directors' dealings in SBG Shares, SBG First Preference Shares and SBG Second Preference Shares

- 14.2.1 As a financial institution which invests funds for the benefit of its policy holders, Liberty has traded in SBG Shares, with all such trading being undertaken by STANLIB. The trading history of Liberty in SBG Shares for the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date is set out in **Annexure 8**.

- 14.2.2 The trading history of Liberty Directors, including their associates (as defined in the Listings Requirements) in SBG Shares for the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date is set out below:

<b>Liberty Director</b>	<b>Trade date</b>	<b>Beneficial interest direct/indirect</b>	<b>Acquisition/ Disposal</b>	<b>Price per share (Rand)</b>	<b>Number of shares</b>
Mr. DC Munro	11 March 2021	Direct	Disposal	141.99	107,500

- 14.2.3 The trading history of Liberty Directors, including their associates (as defined in the Listings Requirements) in SBG Second Preference Shares for the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date is set out below:

<b>Liberty Director</b>	<b>Associate</b>	<b>Trade date</b>	<b>Beneficial interest direct/indirect</b>	<b>Acquisition/ Disposal</b>	<b>Price per share (Rand)</b>	<b>Number of shares</b>
Mr. JH Maree	Ms. SM Maree	2 February 2021	Indirect	Disposal	67.40	3,034

- 14.2.4 No Liberty Directors have dealt in SBG First Preference Shares during the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.

#### 14.3 Interests of Liberty Directors in Liberty Ordinary Shares and Liberty Preference Shares

- 14.3.1 The direct and indirect beneficial interests of the Liberty Directors and their associates (as defined in the Listings Requirements), including any director who has resigned during the last 18 months, in Liberty Ordinary Shares and Liberty Preference Shares, as at the Last Practicable Date, are set out in the table below:

##### **Liberty Ordinary Shares**

<b>Liberty Director</b>	<b>Beneficial direct</b>	<b>Beneficial indirect</b>	<b>Held by associates</b>	<b>Total</b>	<b>Percentage of Liberty Ordinary Shares<sup>(1)</sup></b>
Mr. DC Munro	35,095	88,500		123,595	0.043%
Mr. Y Maharaj	20,317			20,317	0.007%
Mr. JH Maree	100,000			100,000	0.035%
Ms. T Skweyiya	2,455			2,455	0.001%
Mr. JH Sutcliffe			4,000	4,000	0.001%
Mr. SK Tshabalala	43,000			43,000	0.015%
<b>Total</b>	<b>200,867</b>	<b>88,500</b>	<b>4,000</b>	<b>293,367</b>	<b>0.102%</b>

(1) Based on 286,202,373 Liberty Ordinary Shares in issue as at the Last Practicable Date.

- 14.3.2 As at the Last Practicable Date, no Liberty Director or any of their associates (as defined in the Listings Requirements), including any director who has resigned during the last 18 months, has a beneficial interest in the Liberty Preference Shares.

#### 14.4 Liberty Directors' dealings in Liberty Ordinary Shares and Liberty Preference Shares

As at the Last Practicable Date, no Liberty Director or any of their associates (as defined in the Listings Requirements), including any director who has resigned during the last 18 months, has dealt in Liberty Ordinary Shares and/or Liberty Preference Shares for the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.

#### 14.5 Liberty Directors' continuation in office and remuneration

- 14.5.1 SBG has not formed any intention to alter the composition of the Liberty Board, although this will be considered and may be reconstituted in light of the governance requirements for an unlisted insurance company following the implementation of the SBG Offer and the delisting of Liberty from the JSE.

- 14.5.2 The remuneration of the Liberty Directors will not be affected by the Preference Share Scheme, although the delisting of the Liberty Ordinary Shares pursuant to the Ordinary Share Scheme results in a need to replace awards under the Share Incentive Schemes with replacement incentives from SBG. Consequently, the executive directors and all other Liberty employees who are participants in the Share Incentive Schemes will receive replacement incentives from SBG on no less favourable terms than the Share Incentive Schemes.
- 14.5.3 The details of the replacement incentives are being finalised as between the remuneration committees of SBG and Liberty. Once finalised, it is expected that proposals will be made to participants using the value attributed to Liberty Ordinary Shares by the Ordinary Share Scheme to convert their awards under the Liberty schemes partly into cash and partly into awards under the SBG schemes. The schemes operated by Liberty and SBG are similar – the replacement of awards will therefore be broadly on a like-for-like basis. As is the case with the Liberty schemes, the SBG schemes carry a combination of individual tenure, individual performance and organisational performance conditions, depending on the award.
- 14.5.4 The Liberty Directors' remuneration and benefits are set out in the consolidated audited historical financial statements of Liberty for the financial year ended 31 December 2020, which is available on Liberty's website ([www.libertyholdings.co.za](http://www.libertyholdings.co.za)). In particular, details of the awards under the Share Incentive Schemes are set out in Part 3 of the remuneration report of Liberty for the financial year ended 31 December 2020 and on page 124 (Note 44) of the consolidated audited historical financial statements of Liberty for the financial year ended 31 December 2020, both of which are available on the Liberty website.

#### 14.6 Service agreements

No service contracts with executive Liberty Directors have been entered into or amended within six months before the date of the Firm Intention Announcement. No service contracts have been concluded between Liberty and the non-executive Liberty Directors.

### 15. INFORMATION RELATING TO SBG AND SBG DIRECTORS

#### 15.1 Interests and dealings of SBG and SBG Directors in Liberty Ordinary Shares and Liberty Preference Shares

- 15.1.1 As at the Last Practicable Date, SBG holds 153,456,360 Liberty Ordinary Shares (being 53.62% of the issued Liberty Ordinary Shares). As at the Last Practicable Date, SBG holds no Liberty Preference Shares.
- 15.1.2 SBG has had no dealings in Liberty Ordinary Shares or Liberty Preference Shares during the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.
- 15.1.3 Lexshell 615, which is a wholly owned subsidiary of Liberty and indirectly controlled by SBG, holds 13,307,757 Liberty Ordinary Shares, representing 4.65% of all issued Liberty Ordinary Shares.
- 15.1.4 As at the Last Practicable Date, the following SBG Directors have a beneficial interest in Liberty Ordinary Shares:

<b>SBG Director</b>	<b>Liberty Ordinary Shares held</b>	<b>Beneficial interest<sup>(1)</sup></b>
Mr. JH Maree	100,000	0.035%
Mr. SK Tshabalala	43,000	0.015%
<b>Total</b>	<b>143,000</b>	<b>0.05%</b>

(1) Based on 286,202,373 Liberty Ordinary Shares in issue as at the Last Practicable Date.

- 15.1.5 As at the Last Practicable Date, no SBG Director has a beneficial interest in Liberty Preference Shares.
- 15.1.6 As at the Last Practicable Date, no SBG Director has dealt in Liberty Ordinary Shares and/or Liberty Preference Shares during the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date.

## 15.2 Interests of SBG Directors in SBG Shares, SBG First Preference Shares and SBG Second Preference Shares

15.2.1 The direct and indirect beneficial interests of SBG Directors in SBG Shares and SBG Second Preference Shares, as at the Last Practicable Date, are set out in the tables below:

### SBG Shares

SBG Director	Beneficial direct	Beneficial indirect	Held by associates	Total	Percentage of SBG Shares <sup>(1)</sup>
Mr. A Daehnke	192,270		133,384	325,654	0.0201%
Ms. GJ Fraser-Moleketi	1,890	13,000	1,675	16,565	0.001%
Mr. TS Gcabashe	41,700			41,700	0.0026%
Mr. JH Maree	163,109			163,109	0.0101%
Adv. KD Moroka	67,151			67,151	0.0041%
Mr. ANA Peterside		100,000		100,000	0.0062%
Mr. MJD Ruck	25,000			25,000	0.0015%
Mr. SK Tshabalala	556,350			556,350	0.0343%
<b>Total</b>	<b>1,047,470</b>	<b>113,000</b>	<b>135,059</b>	<b>1,295,529</b>	<b>0.08%</b>

(1) Based on 1,619,941,184 SBG Shares in issue as at the Last Practicable Date.

### SBG Second Preference Shares

SBG Director	Beneficial direct	Beneficial indirect	Held by associates	Total	Percentage of SBG Second Preference Shares <sup>(1)</sup>
Mr. JH Maree	10,331			10,331	0.019%

(1) Based on 52,982,248 SBG Second Preference Shares in issue as at the Last Practicable Date.

15.2.2 As at the Last Practicable Date, no SBG Director or any of their associates (as defined in the Listings Requirements), including any director who has resigned during the last 18 months, has a beneficial interest in the SBG First Preference Shares.

## 15.3 SBG Directors' dealings in SBG Shares, SBG First Preference Shares and SBG Second Preference Shares

No SBG Directors have dealt in SBG Shares, SBG First Preference Shares and/or SBG Second Preference Shares during the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date. The trading history of an associate of a SBG Director in SBG Second Preference Shares for the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date is set out below:

Director	Associate	Trade date	Beneficial interest direct/ indirect	Acquisition/ Disposal	Price per share (Rand)	Number of shares
Mr. JH Maree	Ms. SM Maree	2 February 2021	Indirect	Disposal	67.40	3,034



## 16. IRREVOCABLE UNDERTAKINGS

As at the Last Practicable Date, SBG has received Irrevocable Undertakings to vote in favour of the Preference Share Scheme Resolution and the Preference Share Delisting Resolution and accept the Standby Offer, as applicable, from the following Liberty Preference Shareholders who collectively hold approximately 4,833,235 Liberty Preference Shares, representing 32.22% of the Liberty Preference Shares, as at the Last Practicable Date:

<b>Liberty Preference Shareholder</b>	<b>Number of Liberty Preference Shares held</b>	<b>Percentage of Liberty Preference Shares<sup>(1)</sup></b>
Mr. Ivor Berger	3,616,270	24.11%
Santam Limited	1,216,965	8.11%
<b>Total</b>	<b>4,833,235</b>	<b>32.22%</b>

(1) Based on 15,000,000 Liberty Preference Shares in issue as at the Last Practicable Date.

## 17. FINANCIAL INFORMATION

### 17.1 Historical Financial Information of Liberty

Historical financial information of Liberty for the last three financial years ended 31 December 2018, 31 December 2019 and 31 December 2020, extracted from Liberty's audited annual financial statements for the years, is included in **Annexure 2** to this Circular. Liberty Preference Shareholders are referred to Liberty's website at [www.libertyholdings.co.za](http://www.libertyholdings.co.za) for the full audited financial statements.

### 17.2 Interim Financial Results of Liberty

The interim financial results of Liberty for the six-month period ended 30 June 2021, are included in **Annexure 3** to this Circular. Liberty Preference Shareholders are referred to Liberty's website at [www.libertyholdings.co.za](http://www.libertyholdings.co.za) for the full interim financial results (and supplementary information).

## 18. CONTINUATION OF THE BUSINESS OF LIBERTY

If the Preference Share Scheme or the Standby Offer is implemented, SBG intends to procure that Liberty will continue to operate its business substantially in the manner in which it operated its business before the Preference Share Scheme Implementation Date or the Standby Offer Implementation Date, as the case may be.

## 19. FOREIGN SHAREHOLDERS AND EXCHANGE CONTROL REGULATIONS

**Annexure 4** to this Circular contains a summary of the Exchange Control Regulations as they apply to Preference Share Scheme Participants or the Standby Offer Participants. Preference Share Scheme Participants or Standby Offer Participants who are Foreign Preference Shareholders must satisfy themselves as to the full observance of the laws of any relevant jurisdiction concerning the receipt of the either the Preference Share Scheme Consideration or the Standby Offer Consideration, as the case may be, including (without limitation) obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction. If in doubt, Preference Share Scheme Participants or Standby Offer Participants should consult their professional advisors immediately.

## 20. RESTRICTED JURISDICTIONS

To the extent that the release, publication or distribution of this Circular in certain jurisdictions outside of South Africa may be restricted or prohibited by the laws of such jurisdiction, then this Circular is deemed to have been provided for information purposes only and the Liberty Board and the SBG Board accepts no responsibility for any failure by Foreign Preference Shareholders to inform themselves about, and to observe, any applicable legal requirements in any such relevant foreign jurisdiction.

Liberty Preference Shareholders who are in doubt as to their position should consult their professional advisors immediately.

## 21. **NOTICE OF PREFERENCE SHARE SCHEME MEETING**

The Preference Share Scheme Meeting will be held virtually at 12:00 on Wednesday, 13 October 2021 (or any adjourned or postponed date in accordance with the provisions of section 64(11) of the Companies Act and the Liberty MOI, read with the Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in the Notice. The Notice is attached to and forms part of this Circular.

## 22. **SUSPENSION AND TERMINATION OF THE LISTING OF LIBERTY PREFERENCE SHARES**

22.1 Subject to the Preference Share Scheme becoming Operative and being implemented, the Preference Share Delisting is currently envisaged to take place with effect from the commencement of trade on Tuesday, 16 November 2021, subject to the events set out in the section entitled "*Salient Dates and Times*" of this Circular.

22.2 In the case of the Standby Offer, if the Standby Offer becomes Operative and is implemented and the Preference Share Delisting Resolution is approved, application will be made to the JSE for the delisting of the Liberty Preference Shares from the JSE.

## 23. **ADVISORS' CONSENTS**

All the parties listed in the section entitled "*Corporate Information and Advisors*" have consented in writing to act in the capacities stated and to their names being stated in this Circular and, in the case of the Independent Expert, to the inclusion of the Independent Expert Report in the form and context in which it has been reproduced in this Circular, and have not withdrawn their consents prior to publication of this Circular.

## 24. **DIRECTORS' RESPONSIBILITY STATEMENTS**

### 24.1 **Liberty Board responsibility statement**

The members of the Liberty Board (which includes the Independent Board), individually and collectively, accept full responsibility for the accuracy of the information contained in this Circular which relates to Liberty, and confirm that, to the best of their knowledge and belief, such information is true and this Circular does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this Circular; and that all reasonable enquiries to ascertain such facts have been made and that the Circular contains all information required by law and the Listings Requirements. No member of the Liberty Board is excluded from this statement.

### 24.2 **SBG Board responsibility statement**

The members of the SBG Board, individually and collectively, accept full responsibility for the accuracy of the information contained in this Circular which relates to SBG and confirms that, to the best of its knowledge and belief, such information is true and this Circular does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this Circular; and that all reasonable enquiries to ascertain such facts have been made and that the Circular contains all information required by law and the Listings Requirements. No member of the SBG Board is excluded from this statement.

## 25. **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours at the registered office of Liberty at the address found in the "*Corporate Information and Advisors*" section of this Circular and on the Liberty website at: [www.libertyholdings.co.za](http://www.libertyholdings.co.za), from the date of issue of this Circular up to and including the Preference Scheme Implementation Date or the Standby Offer Closing Date, as applicable:

25.1 the Liberty MOI;

25.2 a signed copy of the Implementation Agreement and the addendum thereto;

25.3 a signed copy of the NDA;

25.4 a signed copy of the Independent Expert's Report;

- 25.5 the consolidated audited historical financial statements of Liberty for the three financial years ended 31 December 2018, 31 December 2019 and 31 December 2020, as set out in **Annexure 2** to this Circular;
- 25.6 the unaudited, reviewed interim results of Liberty for the six months ended 30 June 2021, as set out in **Annexure 3** to this Circular;
- 25.7 a signed copy of this Circular;
- 25.8 the letter issued by the TRP approving the issue and publication of this Circular; and
- 25.9 the letters of consent referred to in paragraph 23 of this Circular;

**Signed on behalf of the Liberty Board**

Yunus Goolam Hoosen Suleman  
David Charles Munro  
Monday, 13 September 2021

**Signed on behalf of the SBG Board**

Arno Daehnke  
Monday, 13 September 2021

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## INDEPENDENT EXPERT'S REPORT

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3 September 2021

### The Board and Independent Board

Liberty Holdings Limited  
 Liberty Centre, 1 Ameshoff Street  
 Braamfontein  
 Johannesburg, 2001

Dear Sir/Madam:

### Report of the Independent Expert on the proposed buy-out of Liberty Holdings Limited's ("Liberty") preference shareholders by Standard Bank Group Limited ("SBG")

#### Introduction

SBG intends to make an offer to Liberty preference shareholders ("Preference Shareholders") to acquire all the issued Liberty preference shares with a par value of 10 cents each in Liberty ("Preference Shares") held by the Preference Shareholders and which, if successfully implemented, will result in the Preference Shares being delisted from the JSE ("the Proposed Transaction").

The Proposed Transaction will be implemented by way of a single offer constituted by:

- a scheme of arrangement in terms of Section 114 of the Companies Act, 71 of 2008 ("Companies Act"), comprising the acquisition by SBG of all the Preference Shares for a cash consideration of R1.50 per Preference Share ("Scheme Consideration"); or
- if the scheme of arrangement lapses, a conditional general offer ("General Offer") by SBG to the Preference Shareholders to acquire all of the Preference Shares for a cash consideration of R1.50 per Preference Share ("Offer Consideration"), in terms of Paragraph 1.15(c) of the Listings Requirements of the JSE ("JSE Listings Requirements).

The scheme of arrangement will be proposed by the board of directors of Liberty ("Board"), between Liberty and the Preference Shareholders.

- The details provided in respect of the Preference Shares are as follows:
- 15 000 000 cumulative Preference Shares;
- Non-redeemable;
- Dividend yield of R0.11 per share per annum (annual dividend of R1.65m);
- Current market capitalisation of R16.5m.

Full details of the Proposed Transaction are contained in the Circular in which this Opinion is replicated as Annexure 1 ("Circular"). The material interests of directors of Liberty and the impact of the Proposed Transaction on them are set out in paragraph 14 of the Circular.

#### Scope

In terms of Section 114(1)(c), as read with Section 115 of the Companies Act and Chapter 5 of the Takeover Regulations, the Board will propose a scheme of arrangement between Liberty and the Preference Shareholders.

Ernst & Young Advisory Services (Pty) Limited ("EY") has been appointed by Liberty as the independent expert to provide a fair and reasonable opinion ("Opinion") in compliance with Section 114(3) of the Companies Act, Regulation 90 of the Takeover Regulations and Schedule 5 to the JSE Listings Requirements, in respect of the Proposed Transaction.

Copies of Sections 115 and 164 of the Companies Act are included in Annexures 6 and 7, respectively, of the Circular.

#### Responsibility

Compliance with the Companies Act, the Takeover Regulations and the JSE Listings Requirements is the responsibility of the Board, including the independent board of Liberty ("Independent Board"). Our responsibility is to report on the Proposed Transaction in compliance with the related provisions of the Companies Act, Takeover Regulations and JSE Listings Requirements, as appropriate.

We confirm that our Opinion has been provided to the Board, including the Independent Board, for the sole purpose of assisting them in forming and expressing an opinion for the benefit of the Preference Shareholders, as required in terms of Paragraph 1.15(d) of the JSE Listings Requirements and Regulation 110 of the Takeover Regulations, as applicable.

### **Definition of the terms “fair” and “reasonable”**

Market value is defined as the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

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

The assessment of “reasonableness” is generally based on qualitative issues. Even though the consideration attributable to the transaction may differ from the market value of the shares subject to a transaction, a transaction may still be reasonable after considering other significant qualitative factors.

### **Information utilised**

In the course of our analysis, we relied upon financial and other information, obtained from Liberty, together with industry-related and other information in the public domain. Our conclusion is dependent on such information being complete and accurate in all material respects.

The principal sources of information used in formulating our Opinion regarding the valuation of the Preference Shares include:

- Liberty’s annual financial statements;
- The Firm Intention Announcement (as published on the Stock Exchange News Service on 15 July 2021);
- Discussions held with Liberty management; and
- EY analysis and research of publicly available information.

Where practical, we have corroborated the reasonableness of the information provided to us for the purposes of our Opinion, whether in writing or obtained through discussions with Liberty management.

### **Procedures performed**

In arriving at our Opinion, we have undertaken the following procedures in evaluating the fairness and reasonableness of the Proposed Transaction to Preference Shareholders:

- Supplemented our knowledge and understanding of the operations of Liberty;
- Considered information made available by, and from discussions held with, Liberty management;
- Considered the rationale and relevant information for the Proposed Transaction, as represented in the Firm Intention Announcement and by Liberty management;
- Reviewed general economic, market and related conditions relevant to the Preference Shares;
- Performed an independent valuation of the Preference Shares;
- Concluded on a value range for the Preference Shares for the Proposed Transaction; and
- Considered any further qualitative aspects of the Proposed Transaction or which affect the Scheme Consideration or the Offer Consideration.

We have not interviewed any Preference Shareholders to obtain their views on the Proposed Transaction.

Based on the results of the procedures mentioned above, we have determined the fairness and reasonableness of the Proposed Transaction to Preference Shareholders. We believe that the above considerations justify the conclusion outlined below.

### **Valuation**

In considering the Proposed Transaction value, we performed an independent valuation of the Preference Shares based on the information available to us.

EY performed a valuation based on a Dividend Discount Model (“DDM”) to determine whether the Scheme Consideration or Offer Consideration (as applicable) represents fair value for the Preference Shareholders.

The DDM valuation (income approach) was the primary valuation methodology utilised. Our DDM valuation was supplemented with the market approach (based on financial data for comparable publicly traded South African peer companies) as a secondary methodology to support the results of the DDM valuation. The DDM valuation was performed

taking cognisance of risk and other market and industry factors affecting Liberty's operations. The risk analysis was including but not limited to the operating environment in which Liberty operates, the current economic climate and the overall expected yields on similar shares in the market. Prevailing market and industry conditions were also considered in assessing the risk profile of Liberty.

Key value drivers for the Liberty DDM included:

- Nature of the shares being non-redeemable cumulative preference shares;
- The annual dividends paid of R0.11 per Preference Share;
- The discount rate, which has been modelled on a range of between 67% and 75% of the assumed prime rate. The prime rate has been based on the South African swap curve plus a spread of 3.5%; and
- External value drivers considered include prevailing market and industry conditions, including the impact of the Covid-19 pandemic, in which Liberty operates.

Key sensitivity analysis included discount rate movements, specifically that of interest rate increases or decreases.

### **Qualitative considerations**

We have considered the following as qualitative factors, in evaluating the reasonableness of the Proposed Transaction:

- Preference Shareholders will be offered liquidity through the Proposed Transaction, as the Preference Shares by nature are classified as non-redeemable shares.
- The Scheme Consideration or the Offer Consideration (as applicable) offers Preference Shareholders a premium on the current market capitalisation of the shares.

### **Findings**

Based on our procedures performed we have determined an independent valuation range for the Preference Shares as being between R1.17 and R1.27 per share, with R1.22 per share being the most likely value.

The Scheme Consideration or the Offer Consideration of R1.50 per Preference Share compares favorably to the above noted Preference Share valuation range.

### **Conclusion**

Based on the results of our procedures performed, our valuation work and qualitative considerations, and subject to the conditions set out herein, we are of the opinion that the Proposed Transaction is fair and reasonable insofar as the Preference Shareholders are concerned. Further, for purposes of paragraph 1.15(d) of the Listings Requirements, we are of the opinion that the General Offer is fair insofar as the Preference Shareholders are concerned.

### **Limiting conditions**

Our opinion is necessarily based upon the information available to us up to 30 June 2021, including in respect of the financial, regulatory, securities market and other conditions and circumstances existing and disclosed to us at the date thereof. We have furthermore assumed that all conditions precedent, including any material regulatory, other approvals and consents required in connection with the Proposed Transaction has been or will be timeously fulfilled and/or obtained.

This Opinion is provided solely for the use of Liberty for the sole purpose of assisting the Independent Board in forming and expressing an opinion on the Proposed Transaction for the benefit of Preference Shareholders.

We have also assumed that the Proposed Transaction will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by, representatives of Liberty and we express no opinion on such consequences. We have assumed that all agreements that will be entered into in respect of the Proposed Transaction will be legally enforceable.

While our work has involved an analysis of, *inter alia*, the annual financial statements, and other information provided to us, our engagement does not constitute, nor does it include, an audit conducted in accordance with generally accepted auditing standards.

We have relied upon and assumed the accuracy of the information used by us in deriving our Opinion. Where practical, we have corroborated the reasonability of the information provided to us for the purpose of this Opinion, whether in writing or obtained in discussions with management of Liberty, by reference to publicly available or independently obtained information. We assume no responsibility and make no representations with respect to the accuracy of any information provided to us in respect of Liberty.

An individual shareholder's decision may be influenced by his or her particular circumstances. This opinion does not purport to cater for each shareholder's circumstances and risk profile, but rather the general body of shareholders taken as a whole. Should a shareholder be in any doubt as to what action to take, he or she should consult an independent advisor.

**Independence, competence and fees**

We confirm that we have no direct or indirect interest in Liberty (or any of its subsidiaries). We also confirm that we have the necessary independence, qualifications and competence to provide the independent Opinion on the Proposed Transaction, as required by section 114(2) of the Companies Act.

Furthermore, we confirm that our professional fees of R500,000 (excluding VAT) are not contingent upon the success of the Proposed Transaction.

**Consent**

We consent to the inclusion of this letter in the Circular to be issued to the Preference Shareholders in the form and context in which it appears and in any required regulatory announcement or documentation.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Hannes Boshoff', written in a cursive style.**Hannes Boshoff**

Partner: Ernst & Young Advisory Services Proprietary Limited



## EXTRACTS OF THE CONSOLIDATED AUDITED HISTORICAL FINANCIAL STATEMENTS OF LIBERTY FOR THE THREE FINANCIAL YEARS ENDED 31 DECEMBER 2018, 31 DECEMBER 2019 AND 31 DECEMBER 2020

A complete set of the Liberty financial statements for each of the financial years ended 31 December 2018, 2019 and 2020 is available on the Liberty website at [www.libertyholdings.co.za](http://www.libertyholdings.co.za) and, on request to the Company Secretary of Liberty, full and complete copies of these financial statements will be made available to Liberty Shareholders.

### LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Rm	2020	Restated 2019	2018
<b>Assets</b>			
Intangible assets	498	611	572
Defined benefit pension fund employer surplus	89	117	140
Properties	30,823	36,642	35,961
Equipment	548	534	1,038
Right-of-use-assets	463	196	
Interests in joint ventures	510	1,316	1,353
Interests in associates	20,962	16,178	13,834
Deferred taxation	240	317	245
Deferred acquisition costs	784	790	777
Long-term policyholder assets – insurance contracts	5,050	7,017	6,708
Reinsurance assets	3,082	2,409	2,119
Long-term insurance	2,585	1,991	1,699
Short-term insurance	497	418	420
Financial investments	355,541	351,083	328,365
Policy loans receivable	230	248	340
Assets held for trading and for hedging	23,503	10,003	10,340
Repurchase agreements, scrip and collateral assets	8,617	11,573	12,658
Prepayments, insurance and other receivables	5,813	4,679	4,953
Cash and cash equivalents	18,632	17,377	16,974
Disposal group assets classified as held for sale	213	584	897
<b>Total assets</b>	<b>475,598</b>	<b>461,674</b>	<b>437,274</b>

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(CONTINUED)**

<b>Rm</b>	<b>2020</b>	<b>Restated 2019</b>	<b>2018</b>
<b>Liabilities</b>			
Long-term policyholder liabilities	325,192	324,246	310,994
Insurance contracts	208,904	207,104	201,851
Investment contracts with discretionary participation features	9,334	10,224	10,406
Financial liabilities under investment contracts	106,954	106,918	98,737
Reinsurance liabilities	206	246	283
Third-party financial liabilities arising on consolidation of mutual funds	61,505	56,758	48,186
Provisions	140	140	145
Deferred taxation	2,278	3,191	2,694
Deferred revenue	345	330	314
Short-term insurance liabilities	1,058	991	984
Financial liabilities	10,183	7,792	8,104
Lease liabilities	480	209	
Liabilities held for trading and for hedging	18,105	7,932	8,457
Repurchase agreements liabilities and collateral deposits payable	11,512	12,474	11,747
Employee benefits	1,341	1,376	1,377
Insurance and other payables	14,954	13,115	11,971
Current taxation	210	239	347
Disposal group liabilities classified as held for sale	92	246	278
<b>Total liabilities</b>	<b>447,601</b>	<b>429,285</b>	<b>405,881</b>
<b>Equity</b>			
Shareholders' equity	21,013	24,068	23,003
Share capital	26	26	26
Share premium	4,952	5,066	5,104
Retained surplus	17,221	19,882	18,661
Other reserves	(1,186)	(906)	(788)
Non-controlling interests	6,984	8,321	8,390
<b>Total equity</b>	<b>27,997</b>	<b>32,389</b>	<b>31,393</b>
<b>Total equity and liabilities</b>	<b>475,598</b>	<b>461,674</b>	<b>437,274</b>

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

<b>Rm</b>	<b>2020</b>	<b>Restated 2019</b>	<b>2018</b>
<b>Revenue</b>			
Insurance premiums	41,816	42,182	40,611
Reinsurance premiums	(2,614)	(2,381)	(2,090)
<b>Net insurance premiums</b>	<b>39,202</b>	<b>39,801</b>	<b>38,521</b>
Revenue from contracts with customers	3,400	4,062	4,073
Investment income	2,946	3,199	3,316
Interest income on assets using the effective interest rate method	1,648	1,920	1,516
Fair value adjustments to assets held at fair value through profit and loss	18,847	35,451	3,078
<b>Total income</b>	<b>66,043</b>	<b>84,433</b>	<b>50,504</b>
Claims and policyholder benefits under insurance contracts	(40,224)	(41,901)	(39,504)
Insurance claims recovered from reinsurers	2,161	2,079	1,571
Change in long-term policyholder assets and liabilities	(2,291)	(4,487)	11,449
Liabilities under insurance contracts	(1,848)	(5,294)	10,024
Policyholder assets related to insurance contracts	(1,967)	309	(776)
Investment contracts with discretionary participation features Applicable to reinsurers	889	168	1,607
	635	330	594
Fair value adjustment to long-term policyholder liabilities under investment contracts	(5,251)	(9,064)	1,273
Fair value adjustment to financial liabilities	(1,189)	(1,206)	(1,381)
Fair value adjustment on third-party mutual fund interests	(4,488)	(6,327)	(2,407)
Acquisition costs	(4,058)	(4,241)	(4,413)
General marketing and administration expenses	(11,264)	(11,075)	(11,184)
Remeasurement of disposal groups held for sale	35	(319)	(249)
Finance costs	(252)	(243)	(110)
Profit share allocations under bancassurance and other agreements	(1,472)	(1,512)	(1,284)
Profit on disposal of subsidiaries	14	141	
Equity accounted earnings from joint ventures	18	21	32
Equity accounted losses from associates	(1)	(2)	

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
(CONTINUED)**

<b>Rm</b>	<b>2020</b>	<b>Restated 2019</b>	<b>2018</b>
<b>(Loss)/profit before taxation</b>	(2,219)	6,297	4,297
Taxation	(403)	(2,662)	(1,255)
<b>Total (loss)/earnings</b>	(2,622)	3,635	3,042
<b>Other comprehensive (loss)/income</b>	(53)	9	369
<b>Items that may be reclassified subsequently to profit or loss</b>	(60)	(18)	269
Net change in fair value on cash flow hedges	(14)	47	(9)
Income and capital gains tax relating to net change in fair value on cash flow hedges	4	(13)	3
Net movement in debt instruments measured at FVOCI	–	(15)	42
Income tax relating to net movement in debt instruments measured at FVOCI	–	4	(12)
Foreign currency translation	(50)	(41)	245
<b>Items that may not be reclassified subsequently to profit or loss</b>	7	27	100
Owner-occupied properties – fair value adjustment	(84)	(8)	19
Income and capital gains tax relating to owner-occupied properties fair value adjustment	14	6	2
Change in long-term policyholder insurance liabilities (application of shadow accounting)	25	16	2
Actuarial gains on post-retirement medical aid liability	56	53	70
Income tax relating to post-retirement medical aid liability	(16)	(14)	(20)
Net adjustments to defined benefit pension fund	(24)	(19)	(30)
Income tax relating to defined benefit pension fund	7	5	8
Fair value adjustments to financial liabilities arising from own credit	40	(16)	68
Income tax relating to fair value adjustments to financial liabilities arising from own credit	(11)	4	(19)
<b>Total comprehensive (loss)/income</b>	(2,675)	3,644	3,411
<b>Total (loss)/earnings attributable to:</b>			
Shareholders' equity	(1,613)	3,078	2,398
Non-controlling interests	(1,009)	557	644
	(2,622)	3,635	3,042
<b>Total comprehensive (loss)/income attributable to:</b>			
Shareholders' equity	(1,647)	3,105	2,680
Non-controlling interests	(1,028)	539	731
	(2,675)	3,644	3,411
<b>Basic and fully diluted (loss)/earnings per share</b>	<b>Cents</b>	<b>Cents</b>	<b>Cents</b>
Basic (loss)/earnings per share	(611.7)	1,153.2	889.1
Fully diluted basic (loss)/earnings per share	(588.8)	1,112.0	863.7

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Rm	Items that may be reclassified subsequently to profit or loss				Items that may not be reclassified subsequently to profit or loss								
	Capital, treasury, reserve and CRRF	Em- power- ment reserve	Cash flow hedging reserve	Debt instru- ments <sup>(4)</sup>	Owner occupied pro- perties	Applica- tion of shadow account- ing	Post- retire- ment medical aid liability	Defined benefit pension fund	Financial liabili- ties own credit reserve	Share- based pay- ment reserve	Re- tained surplus	Non- con- trolling interests	Total
<b>Balance at</b>													
<b>1 January 2018</b>	<b>4,035</b>	<b>(123)</b>	<b>(1)</b>	<b>(131)</b>	<b>297</b>	<b>29</b>	<b>35</b>	<b>(61)</b>	<b>201</b>	<b>18,163</b>	<b>7,947</b>	<b>30,391</b>	
IFRS 9 transition adjustment (net of taxation)								(78)		(43)		(121)	
Net transaction between owners – Liberty Two Degrees <sup>(3)</sup>										(76)	377	301	
Transaction between owners – STANLIB REIT Fund Managers										128	(128)	–	
Share issue costs in subsidiary	(1)										(1)	(2)	
Ordinary dividends (total 691 cents per share)									(35)	(1,906)		(1,941)	
Total comprehensive income			158	(6)	21	2	50	(22)	49	2,398	731	3,411	
Cash flow hedge recycled through profit & loss				12							(2)	12	
Preference dividends Unincorporated property partnerships												(2)	(2)
Capital contribution Distribution											(222)	(222)	
											76	76	
											(298)	(298)	



**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**

Rm	Items that may be reclassified subsequently to profit or loss				Items that may not be reclassified subsequently to profit or loss								
	Capital, treasury, reserve and CRRF	Em- power- ment reserve	Cash flow hedging reserve	Debt instru- ments <sup>(4)</sup>	Owner occupied pro- perties	Applica- tion of shadow account- ing	Post- retire- ment medical aid liability	Defined benefit pension fund	Financial liabili- ties own credit reserve	Share- based pay- ment reserve	Non- con- trolling interests	Total	
<b>Balance at 31 December 2018</b>	<b>3,787</b>	<b>(99)</b>	<b>(125)</b>	<b>30</b>	<b>353</b>	<b>31</b>	<b>85</b>	<b>(83)</b>	<b>(29)</b>	<b>235</b>	<b>18,661</b>	<b>8,390</b>	<b>31,393</b>
Net transaction between owners – Liberty Two Degrees <sup>(3)</sup>									(30)			9	(21)
Acquisition of additional interest in Namibia Holdings									17			(25)	(8)
Disposal of interest in Liberty Life Swaziland									7			8	15
Acquisition of additional interest in unincorporated property consortiums												(180)	(180)
Total comprehensive income			(23)	34	(2)	16	39	(14)	(12)	3,078		539	3,644
FCTR <sup>(1)</sup> recycled through profit & loss			6										6
Ordinary dividends (total 691 cents per share)										(33)	(1,882)		(1,915)
Preference dividends Unincorporated property partnerships										(2)			(2)
Capital contribution Distribution										(246)		49	(295)
													49
													(295)
													(246)
													(295)



**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**

Rm	Items that may be reclassified subsequently to profit or loss		Items that may not be reclassified subsequently to profit or loss							Total			
	Capital, treasury, reserve and CRRF	Em- power- ment reserve FCTR <sup>(1)</sup>	Cash flow hedging reserve	Debt instru- ments <sup>(4)</sup>	Owner occupied pro- perties	Applica- tion of shadow account- ing	Post- retire- ment medical aid liability	Defined benefit pension fund	Financial liabili- ties own credit reserve		Share- based pay- ment reserve	Re- tained surplus	Non- con- trolling interests
Non-controlling interests' share of subsidiary distributions												(182)	(182)
Share buy-back <sup>(2)</sup>	(278)												(278)
Black economic empowerment transaction		21										7	28
Share-based payments										127		8	135
Transfer of vested share-based payments										(25)		25	
Net movements in owner-occupied properties												1	

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**

Rm	Items that may be reclassified subsequently to profit or loss				Items that may not be reclassified subsequently to profit or loss								
	Capital, treasury, reserve and CRRF	Em- power- ment reserve	Cash flow hedging reserve	Debt instru- ments <sup>(4)</sup>	Owner occupied pro- perties	Applica- tion of shadow account- ing	Post- retire- ment medical aid liability	Defined benefit pension fund	Financial liabili- ties own credit reserve	Share- based pay- ment reserve	Non- con- trolling interests	Total	
<b>Balance at 31 December 2019</b>	<b>3,509</b>	<b>(78)</b>	<b>140</b>	<b>19</b>	<b>350</b>	<b>47</b>	<b>124</b>	<b>(97)</b>	<b>(41)</b>	<b>304</b>	<b>19,882</b>	<b>8,321</b>	<b>32,389</b>
Net transaction between owners – Liberty Two Degrees <sup>(3)</sup>											35	(79)	(44)
Disposal of interest in Liberty General Insurance Malawi												8	8
Total comprehensive income			(31)	(10)	(70)	25	40	(17)	29		(1,613)	(1,028)	(2,675)
FCTR <sup>(1)</sup> recycled through profit & loss			2									2	4
Ordinary dividends (total 436 cents per share)										(23)	(1,176)	(1,199)	(1,199)
Preference dividends											(2)	(2)	(2)
Unincorporated property partnerships												(124)	(124)
Capital contribution												40	40
Distribution												(164)	(164)

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**

Rm	Items that may be reclassified subsequently to profit or loss				Items that may not be reclassified subsequently to profit or loss								
	Capital, treasury, reserve and CRRF	Em- power- ment reserve	Cash flow hedging reserve	Debt instru- ments <sup>(4)</sup>	Owner occupied pro- perties	Applica- tion of shadow account- ing	Post- retire- ment medical aid liability	Defined benefit pension fund	Financial liabili- ties own credit reserve	Share- based pay- ment reserve	Re- tained surplus	Non- con- trolling interests	Total
Non-controlling interests' share of subsidiary distributions												(123)	(123)
Share buy-back <sup>(2)</sup>	(362)												(362)
Black economic empowerment transaction		14									3		17
Share-based payments									101			7	108
Transfer of vested share-based payments									(42)		42		
Net movements in owner-occupied properties					(50)								50
<b>Balance at 31 December 2020</b>	<b>3,147</b>	<b>(64)</b>	<b>111</b>	<b>(101)</b>	<b>19</b>	<b>230</b>	<b>72</b>	<b>164</b>	<b>(114)</b>	<b>(12)</b>	<b>340</b>	<b>17,221</b>	<b>6,984 27,997</b>

(1) FCTR: Foreign Currency Translation Reserve.

(2) Share buy-backs are purchases of shares from the market to meet employee share-based payments obligations and to hold as treasury shares.

(3) Net transaction between owners refers to the acquisition or disposal of Liberty Two Degrees shares between Liberty Group Limited investment portfolios to match policyholder obligations during the year.

(4) Debt instruments measured at Fair Value through Other Comprehensive Income ("FVOCI").

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF CASH FLOWS**

<b>Rm</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Cash flows from operating activities</b>	(929)	2 021	(379)
Cash utilised by operations	(11,299)	(4,642)	(9,805)
Cash receipts from policyholders	58,144	60,151	58,512
Cash paid to policyholders, intermediaries, suppliers and employees	(69,443)	(64,793)	(68,317)
Interest income on financial assets using the effective interest rate method	1,648	1,920	1,516
Finance costs	(252)	(243)	(110)
Distributions paid	(2,746)	(3,349)	(3,196)
Distribution to non-controlling interests in unincorporated property partnerships	(164)	(295)	(298)
Taxation paid	(1,243)	(2,363)	(3,092)
Purchase of properties and capitalised subsequent expenditure	(292)	(175)	(742)
Proceeds on sales of properties	370		45
Net disposals of financial instruments	14,938	10,612	13,293
Proceeds on realisation of fair value gain on cash and cash equivalents (interest received)	749	468	912
(Repayment of)/proceeds on collateral deposits payable	(2,638)	88	1,098
<b>Cash flows from investing activities</b>	(290)	(184)	(512)
Purchase of equipment	(347)	(188)	(299)
Proceeds on sale of equipment	41	70	58
Acquisition of intangible assets	(174)	(145)	(283)
Net disposals of financial instruments	356	2	23
Net movements in loans with associate companies	(1)	(2)	
Acquisition of INVEST Fund Managers (Pty) Ltd		(1)	
Acquisition of Exeo Capital (Pty) Ltd			(1)
Acquisition of Mobilife Financial Services (Pty) Ltd			(10)
Proceeds on disposal of disposal groups classified as held for sale	2	268	
Net cash flows used in investing activities in disposal groups held for sale	(167)	(188)	
<b>Cash flows from financing activities</b>	2,466	(1,396)	2,785
Repayment of financial liabilities	(5,043)	(1,861)	(1,492)
Advance of financial liabilities	6,975	1,024	3,419
Repayment of lease liability	(86)	(78)	
Issue of repurchase agreements liabilities	23,492	18,002	
Net (repayment of)/proceeds on repurchase agreements liabilities	(22,506)	(18,060)	730
Non-controlling interests' capital movements in unincorporated property partnerships	40	49	76
Acquisition of non-controlling interests in Liberty Holdings Namibia		(8)	
Disposal of interest to non-controlling interests in Liberty Life Swaziland		15	
Net transactions between owners – Liberty Two Degrees	(44)	(21)	301
Share issue costs in Liberty Two Degrees			(2)
Acquisition of non-controlling interests in unincorporated property partnerships		(180)	
Share buy-back	(362)	(278)	(247)
<b>Net increase in cash and cash equivalents</b>	1,247	441	1,894
Cash and cash equivalents at the beginning of the year	17,377	16,974	15,169
Foreign currency translation	(44)	(22)	129
Disposal group assets reclassified as held for use/(classified as held for sale)	52	(16)	(218)
<b>Cash and cash equivalents at the end of the year</b>	18,632	17,377	16,974

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## UNAUDITED CONSOLIDATED INTERIM RESULTS OF LIBERTY FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2021

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A complete set of the interim results of Liberty for the six months period ended 30 June 2021 is available on the Liberty website at [www.libertyholdings.co.za](http://www.libertyholdings.co.za) and, on request to the Company Secretary of Liberty, a full and complete copy of the interim results will be made available to Liberty Shareholders.

### LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Rm	June 2021
<b>Assets</b>	
Intangible assets	549
Defined benefit pension fund employer surplus	85
Properties	30,653
Equipment	508
Right-of-use-assets	436
Interests in joint ventures	65
Interests in associates	21,297
Deferred taxation	203
Deferred acquisition costs	783
Long-term policyholder assets – insurance contracts	4,241
Reinsurance assets	3,492
Long-term insurance	2,887
Short-term insurance	605
Financial investments	377,173
Policy loans receivable	224
Assets held for trading and for hedging	15,854
Repurchase agreements, scrip and collateral assets	7,073
Prepayments, insurance and other receivables	7,435
Cash and cash equivalents	15,588
Non current assets and disposal group assets classified as held for sale	494
<b>Total assets</b>	<b>486,153</b>

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(CONTINUED)**

<b>Rm</b>	<b>June 2021</b>
<b>Liabilities</b>	
Long-term policyholder liabilities	340,490
Insurance contracts	218,461
Investment contracts with discretionary participation features	9,183
Financial liabilities under investment contracts	112,846
Reinsurance liabilities	198
Third-party financial liabilities arising on consolidation of mutual funds	65,188
Provisions	140
Deferred taxation	2,520
Deferred revenue	363
Short-term insurance liabilities	1,211
Financial liabilities	9,250
Lease liabilities	468
Liabilities held for trading and for hedging	12,387
Repurchase agreements, liabilities and collateral deposits payable	8,438
Employee benefits	1,129
Insurance and other payables	15,747
Current taxation	283
Disposal group liabilities classified as held for sale	86
<b>Total liabilities</b>	<b>457,898</b>
<b>Equity</b>	
Shareholders' equity	21,223
Share capital	26
Share premium	4,924
Retained surplus	17,439
Other reserves	(1,166)
Non-controlling interests	7,032
<b>Total equity</b>	<b>28,255</b>
<b>Total equity and liabilities</b>	<b>486,153</b>

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

<b>Rm</b>	<b>June 2021</b>
<b>Revenue</b>	
Insurance premiums	22,174
Reinsurance premiums	(1,298)
<b>Net insurance premiums</b>	
	20,876
Revenue from contracts with customers	1,732
Investment income	1,458
Interest income on financial assets using the effective interest rate method	766
Fair value adjustments to assets held at fair value through profit or loss	27,849
<b>Total income</b>	
	52,681
Claims and policyholder benefits under insurance contracts	(23,307)
Insurance claims recovered from reinsurers	1,806
Change in long-term policyholder assets and liabilities	(9,938)
Liabilities under insurance contracts	(9,585)
Policyholder assets related to insurance contracts	(809)
Investment contracts with discretionary participation features	145
Applicable to reinsurers	311
Fair value adjustment to long-term policyholder liabilities under investment contracts	(7,756)
Fair value adjustment to financial liabilities	(414)
Fair value adjustment on third-party mutual fund interests	(2,752)
Acquisition costs	(2,024)
General marketing and administration expenses	(5,768)
Finance costs	(122)
Profit share allocations under bancassurance and other agreements	(756)
Equity accounted earnings from joint ventures	10
<b>Profit before taxation</b>	
	1,660
Taxation	(1,109)
<b>Total earnings</b>	
	551
<b>Other comprehensive (loss)/income</b>	
	(45)
<b>Items that may be reclassified subsequently to profit or loss</b>	
	(13)
Net change in fair value on cash flow hedges	21
Income and capital gains tax relating to net change in fair value on cash flow hedges	(6)
Net movement in debt instruments measured at FVOCI	2
Income tax relating to net movement in debt instruments measured at FVOCI	(1)
Foreign currency translation	(29)
<b>Items that may not be reclassified subsequently to profit or loss</b>	
	(32)
Owner-occupied properties – fair value adjustment	(48)
Income and capital gains tax relating to owner-occupied properties fair value adjustment	12
Change in long-term policyholder insurance liabilities (application of shadow accounting)	12
Actuarial gains on post-retirement medical aid liability	(17)
Income tax relating to post-retirement medical aid liability	5
Net adjustments to defined benefit pension fund	(2)
Income tax relating to defined benefit pension fund	1
Fair value adjustments to financial liabilities arising from own credit	7
Income tax relating to fair value adjustments to financial liabilities arising from own credit	(2)
<b>Total comprehensive income</b>	<b>506</b>

**LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
(CONTINUED)**

<b>Rm</b>	<b>June 2021</b>
Total earnings attributable to:	
Shareholders' equity	223
Non-controlling interests	328
	551
Total comprehensive income attributable to:	
Shareholders' equity	184
Non-controlling interests	322
	506
<b>Basic and fully diluted earnings per share</b>	<b>Cents</b>
Basic earnings per share	84.3
Fully diluted basic earnings per share	80.4



## LIBERTY HOLDINGS GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Rm	Items that may be reclassified subsequently to profit or loss				Items that may not be reclassified subsequently to profit or loss								
	Capital, treasury, and reserve CRRF	Em- power- ment reserve	Cash flow hedging reserve	Debt instru- ments <sup>(3)</sup>	Owner occupied pro- perties	Applica- tion of shadow account- ing liability	Post- retire- ment medical aid liability	Defined benefit pension fund	Financial liabili- ties own credit reserve	Share- based pay- ment reserve	Re- tained surplus	Non- con- trolling interests	Total
<b>Balance at 1 January 2021</b>	<b>3,147</b>	<b>(64)</b>	<b>(101)</b>	<b>19</b>	<b>230</b>	<b>72</b>	<b>164</b>	<b>(114)</b>	<b>(12)</b>	<b>340</b>	<b>17,221</b>	<b>6,984</b>	<b>27,997</b>
Transaction between owners – Liberty Two Degrees <sup>(2)</sup>											11	(52)	(41)
Total comprehensive income		(23)	15	1	(36)	12	(12)	(1)	5		223	322	506
Preference dividends											(1)		(1)
Unincorporated property partnerships													(100)
Capital contribution													5
Distribution													(105)
Non-controlling interest share of subsidiary distributions												(124)	(124)
Share subscriptions	24									(8)		2	24
Share based payments										(16)	16		(6)
Transfer of vested share based payments													–
Net movements in owner occupied properties					31							(31)	–
<b>Balance at 30 June 2021</b>	<b>3,171</b>	<b>(64)</b>	<b>(86)</b>	<b>20</b>	<b>225</b>	<b>84</b>	<b>152</b>	<b>(115)</b>	<b>(7)</b>	<b>316</b>	<b>17,439</b>	<b>7,032</b>	<b>28,255</b>

(1) FCTR: Foreign Currency Translation Reserve.

(2) Net transaction between owners refers to the acquisition or disposal of Liberty Two Degrees shares between Liberty Group Limited investment portfolios to match policyholder obligations during the year.

(3) Debt instruments measured at Fair Value through Other Comprehensive Income ("FVOCI").

**LIBERTY HOLDINGS GROUP SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS**

<b>Rm</b>	<b>June 2021</b>
<b>Cash flows from operating activities</b>	<b>(465)</b>
Cash utilised by operations	(6,307)
Interest income on financial assets using the effective interest rate method	766
Distributions paid	(1,502)
Taxation paid	(742)
Net disposal of financial instruments	9,317
Net disposal of other assets	102
Net repayment of collateral deposits payable	(1,872)
Other operating cash flows	(227)
<b>Cash flows from investing activities</b>	<b>26</b>
Net disposal of investments	124
Net purchase of other and disposal group assets	(98)
<b>Cash flows from financing activities</b>	<b>(2,593)</b>
Net repayment of financial liabilities	(1,127)
Repayment of lease liabilities	(39)
Net repayment of repurchase agreements liabilities	(1,415)
Net cash flows from equity transactions with non-controlling interests	(36)
Share subscriptions	24
<b>Net decrease in cash and cash equivalents</b>	<b>(3,032)</b>
Cash and cash equivalents at the beginning of the year	18,632
Foreign currency translation	(12)
<b>Cash and cash equivalents at the end of the period</b>	<b>15,588</b>

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## EXCHANGE CONTROL REGULATIONS

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The definitions and interpretations commencing on page 18 of the Circular shall apply, *mutatis mutandis*, to this **Annexure 4** (unless the context indicates otherwise).

The settlement of the Preference Share Scheme Consideration and/or the Standby Offer Consideration for both Certificated Preference Shareholders and Dematerialised Preference Shareholders will be subject to the Exchange Control Regulations.

The following is a summary of the Exchange Control Regulations. It is intended as a guide only and is not a comprehensive statement of the Exchange Control Regulations which may apply to Liberty Preference Shareholders in relation to the Preference Share Scheme Consideration and/or the Standby Offer Consideration. Liberty Preference Shareholders who have any queries regarding the Exchange Control Regulations should contact their own professional advisors without delay.

The Exchange Control Regulations provide for restrictions on the exportation of capital from the Common Monetary Area. The Common Monetary Area consists of South Africa, the Republic of Namibia and the kingdoms of Lesotho and eSwatini. Transactions between residents of the countries comprising the Common Monetary Area and foreigners are subject to Exchange Control Regulations provisions, which are administered by the Financial Surveillance Department of the South African Reserve Bank ("**SARB**").

Various reforms have been made to the Exchange Control Regulations with a view to relax the rules pertaining to foreign investment. A considerable degree of flexibility is built into the system and the SARB has substantial discretionary powers in approving or rejecting a specific application that has been submitted through an Authorised Dealer in foreign exchange appointed by the SARB. The relaxations of the provisions of the Exchange Control Regulations are contained in the Currency and Exchanges Manual for Authorised Dealers ("**AD Manual**"). As provided for in the Exchange Control Regulations, the SARB has also delegated to Authorised Dealers the power to approve certain transactions, without the SARB's prior approval. The transactions that may be approved by Authorised Dealers without the SARB's prior approval are contained in the AD Manual, which is updated from time to time through the release of circulars by the SARB.

It was announced in the South African 2020 Budget that the Exchange Control Regulations would be replaced with a new capital flow management framework and regulations, which would be implemented within a period of 12 months from the announcement. It was subsequently announced in the South African 2021 Budget on 24 February 2021, that in 2021, National Treasury and the SARB will continue to develop the legislative framework for the new capital flow management system announced in the South African 2020 Budget. The capital flow management framework will continue to be implemented during 2021. The SARB will issue a new set of "*Capital Flows Management Regulations*" in terms of the Currency and Exchanges Act, No. 9 of 1933, as amended. This framework is being developed with the Financial Intelligence Centre and SARS. However, insofar as the various transactions are concluded before the Exchange Control Regulations are replaced, the Exchange Control Regulations will still apply.

It was further stated that the concept of "*emigration*" as recognised by the SARB would be phased out with effect from 1 March 2021 and be replaced by a verification process. Exchange Control Circular 6/2021 dated 26 February 2021 and Circular 8/2021 dated 21 May 2021 set out the changes in relation to emigrants and changes to the AD Manual with effect from 1 March 2021.

Until 28 February 2021, the Exchange Control Regulations read with the AD Manual distinguished between residents, non-residents and emigrants. As of 1 March 2021, under the new framework, natural person residents and natural person emigrants are treated identically. To ensure a smooth transition from the old framework to the new framework, natural persons who applied to be emigrants under the old framework, by obtaining a MP336(b) form that was attested by an Authorised Dealer on or before 28 February 2021, will be dealt with in terms of the exchange control procedures relating to emigration for exchange control purposes prior to 1 March 2021 provided their emigration applications were approved on or before 28 February 2021.

For the purposes of the Exchange Control Regulations:

- a resident means any person, being a natural person or a legal entity, who has taken up permanent residence, is domiciled or registered in South Africa;
- a non-resident is a person, being a natural person or a legal entity, whose normal place of residence, domicile or registration is outside the Common Monetary Area; and
- an emigrant means a South African resident who has left South Africa to take up permanent residence or has been granted permanent residence in any country outside of the Common Monetary Area. For purposes of the Exchange Control Regulations read with the AD Manual, a South African resident will only be regarded as an emigrant if he placed his emigration on record with the SARB under the exchange control policy which applied up to 28 February 2021.

Liberty Preference Shareholders who are uncertain as to whether they are residents or non-residents or South African non-tax residents (emigrants) for purposes of the Exchange Control Regulations read with the AD Manual, are advised to approach their relevant Authorised Dealer to request confirmation.

**1. Residents of the Common Monetary Area (and emigrants from the Common Monetary Area under the previous framework)**

- 1.1 From 1 March 2021, natural person emigrants and natural person residents of the Common Monetary Area are treated identically, save in the context of securities control as indicated below in paragraph 1.5.
- 1.2 The Preference Share Scheme Consideration and/or the Standby Offer Consideration are not freely transferable from South Africa and must be dealt with in terms of the Exchange Control Regulations read with the AD Manual.
- 1.3 The distinction between South African assets and non-resident assets remains extant.
- 1.4 There are no restrictions on dealings in securities in South African companies by residents or emigrants of the Common Monetary Area.
- 1.5 In the context of the exchange control rules regarding securities control, the SARB has indicated in Exchange Control Circular 6/2021 and 8/2021 that the rules applicable to natural person emigrants will temporarily apply until discussions with the relevant stakeholders have been finalised. As such, a distinction must still be drawn between residents and emigrants for the time being and the following applies in respect of emigrants who formally emigrated before 1 March 2021:
  - 1.5.1 the Preference Share Scheme Consideration and/or the Standby Offer Consideration are not freely transferable from South Africa and must be dealt with in terms of the Exchange Control Regulations;
  - 1.5.2 Certificated Preference Shareholders whose registered addresses in the register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the Preference Share Scheme Consideration or the Standby Offer Consideration will be paid by way of EFT;
  - 1.5.3 in respect of a Liberty Preference Shareholder who holds Certificated Preference Shares and who is an emigrant from South Africa, whose registered address is outside the Common Monetary Area and whose Documents of Title are held in Certificated form and have been restrictively endorsed under the Exchange Control Regulations, the Preference Share Scheme Consideration or the Standby Offer Consideration will be deposited in the Preference Share Scheme Participant's or Standby Offer Participant's capital account with the Authorised Dealer to whose order the Preference Share Scheme Participant's or Standby Offer Participant's Certificated Preference Shares have been held, since the formalisation of the Preference Share Scheme Participant's or Standby Offer Participant's emigration, against delivery of the relevant Documents of Title;
  - 1.5.4 the Authorised Dealer surrendering the Documents of Title in terms of the Preference Share Scheme must countersign the Form of Surrender and Transfer (*blue*) and/or the Form of Acceptance and Transfer (*green*), in the event that the Standby Offer becomes Operative, thereby indicating that the Preference Share Scheme Consideration or the Standby Offer Consideration, as the case may be, will be placed directly in its control. The attached Form of Surrender and Transfer (*blue*) and Form of Acceptance and Transfer (*green*) each make provision for the details and signature of the Authorised Dealer concerned to be provided; and
  - 1.5.5 in terms of current exchange controls, emigrants may externalise the Preference Share Scheme Consideration and/or the Standby Offer Consideration by making application to the Authorised Dealer controlling the emigrant's remaining assets.

**2. All other non-residents of the Common Monetary Area**

- 2.1 The provisions of this paragraph should be read together with paragraph 19 of the Circular.
- 2.2 In the case of a Preference Share Scheme Participant or Standby Offer Participant who is a Certificated Preference Shareholder whose registered address is outside the Common Monetary Area and who is not a

South African tax resident, and whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, the Preference Share Scheme Consideration or the Standby Offer Consideration will, against delivery of the relevant Documents of Title, be transferred to the Preference Share Scheme Participant's or Standby Offer Participant's duly appointed Broker or CSDP. The Form of Surrender and Transfer (*blue*) and the Form of Acceptance and Transfer (*green*) each make provision for the nomination of a Broker or CSDP.

- 2.3 In the case of a Preference Share Scheme Participant or Standby Offer Participant who is a Dematerialised Preference Shareholder whose registered address is outside the Common Monetary Area and who is not a South African tax resident, the Preference Share Scheme Consideration or the Standby Offer Consideration will be transferred to its duly appointed Broker or CSDP.

### 3. **Information not provided**

If the information regarding Authorised Dealers is not given or the instructions are not given and no bank account or address details for the Liberty Preference Shareholder in question appears in the register, the Preference Share Scheme Consideration or the Standby Offer Consideration will be held in trust by Liberty or the Transfer Secretaries on behalf of Liberty.

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## GENERAL TAX IMPLICATIONS OF THE PREFERENCE SHARE SCHEME AND THE STANDBY OFFER

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The definitions and interpretations commencing on page 18 of the Circular shall apply, *mutatis mutandis*, to this **Annexure 5** (unless the context indicates otherwise).

The following is a summary of the South African tax considerations which are relevant for the Preference Share Scheme Participants or Standby Offer Participants who are to dispose of their Preference Share Scheme Shares or Standby Offer Shares pursuant to the Preference Share Scheme or the Standby Offer. This summary is based on the current understanding of the applicable laws, regulations, treaties and regulatory interpretations in effect in South Africa on the date of this Circular, all of which are subject to change, including changes that could have a retrospective effect.

The summary below is a general guide and is not intended to constitute a complete analysis of the taxation consequences of the SBG Offer in terms of South African taxation law. It is not intended to be, nor should it be construed as legal or taxation advice. This summary is therefore intended solely to draw the Preference Share Scheme Participants' attention to certain key aspects of the tax legislation that may be relevant to them pursuant to the SBG Offer (specifically in respect of the Preference Share Scheme and/or the Standby Offer). SBG, Liberty and their advisors cannot be held responsible for the taxation consequences that the Preference Share Scheme and/or the Standby Offer may have on individual Preference Share Scheme Participants or Standby Offer Participants and therefore Preference Share Scheme Participants and Standby Offer Participants are advised to consult their own tax advisors.

Preference Share Scheme Participants and Standby Offer Participants should also confirm how the general comments outlined below apply to their specific personal circumstances and to ascertain whether there are any additional or exceptional tax consequences which could apply.

The Preference Share Scheme proposes that SBG will purchase the Preference Share Scheme Shares from the Preference Share Scheme Participants for the Preference Share Scheme Consideration. If a Standby Offer Trigger Event occurs, the Standby Offer by SBG to Liberty Preference Shareholders to acquire all of the Standby Offer Shares that are tendered by Standby Offer Participants for the Standby Offer Consideration will be implemented (subject to the fulfilment or waiver, as the case may be, of the Standby Offer Conditions by the Long Stop Date).

### **DISPOSAL OF PREFERENCE SHARE SCHEME SHARES PURSUANT TO THE PREFERENCE SHARE SCHEME OR STANDBY OFFER SHARES PURSUANT TO THE STANDBY OFFER**

Persons who are tax resident in South Africa may be subject to capital gains tax upon the disposal of Preference Share Scheme Shares or Standby Offer Shares, if they hold the Preference Share Scheme Shares or Standby Offer Shares as capital assets. In turn, if a South African tax resident holds the Preference Share Scheme Shares as revenue assets, they may be subject to income tax upon the disposal of Preference Share Scheme Shares or Standby Offer Shares.

#### **Tax on capital gains**

Upon the disposal of the Preference Share Scheme Shares or Standby Offer Shares, a South African shareholder may realise a capital gain or capital loss for South African tax purposes, depending on whether the proceeds from the disposal exceed the shareholder's base cost in the Preference Share Scheme Shares or Standby Offer Shares. In general, the base cost (tax cost) of an asset will be the acquisition cost of such asset (either being the subscription price paid for the Preference Share Scheme Shares or Standby Offer Shares or the acquisition price if the Preference Share Scheme Shares or Standby Offer Shares were acquired from another party).

To the extent that a capital gain is realised, the South African shareholder will be required to include a prescribed portion of such capital gain in its normal taxable income, depending on the nature of the South African shareholder (ranging from 40% for natural persons to 80% for companies and trusts). The maximum effective tax rates applicable will be 18% in the case of a natural person or a special trust, 22.4% in the case of a company and 36% in the case of a trust.

Capital losses may only be set off against other capital gains realised in the same or any subsequent tax year. In the case of South African tax resident shareholders who are natural persons or special trusts, an annual exclusion of R40,000 is deducted from any capital gain realised in any tax year.

**Income tax**

South African tax residents will be subject to income tax on the proceeds arising on the disposal of the Preference Share Scheme Shares or Standby Offer Shares, if the Preference Share Scheme Shares or Standby Offer Shares are held as revenue assets. Gains (if any) may effectively be taxed at the applicable marginal rate for individuals and trusts (on a scale from 18% to 45%) and a rate of 28% for companies.

**Securities transfer tax**

STT at a rate of 0.25% of the taxable amount (which is, generally, the consideration for which the security is transferred or the market value of the security transferred) is levied on, *inter alia*, a transfer of the beneficial ownership of a security issued by a South African tax resident company.

STT will accordingly be payable upon a transfer of beneficial ownership of the Preference Share Scheme Shares or Standby Offer Shares. In the context of listed shares, STT is normally payable by the brokers and transfer secretaries and recoverable from the transferee (being SBG).

**NON-RESIDENT SHAREHOLDERS OF PREFERENCE SHARE SCHEME SHARES OR STANDBY OFFER SHARES**

Preference Share Scheme Participants or Standby Offer Participants that are not tax residents of South Africa will generally not be subject to income tax in South Africa pursuant to the sale of the Preference Share Scheme Shares or Standby Offer Shares, as non-resident taxpayers are only taxed on proceeds that are sourced in South Africa or when the holding of the Preference Share Scheme Shares or Standby Offer Shares is effectively connected with a permanent establishment of the Liberty Shareholder that is situated in South Africa. This is the case whether or not the Preference Share Scheme Shares or Standby Offer Shares are held on capital or revenue account by the non-resident Liberty Shareholder. Non-resident Liberty Shareholders are advised to obtain independent professional tax advice.

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**SECTION 114: PROPOSALS FOR SCHEME OF ARRANGEMENT AND SECTION 115: REQUIRED APPROVALS FOR TRANSACTIONS CONTEMPLATED IN CHAPTER 5 OF THE COMPANIES ACT**

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**SECTION 114 OF THE COMPANIES ACT**

- (1) Unless it is in liquidation or in the course of business rescue proceedings in terms of Chapter 6, the board of a company may propose and, subject to subsection (4) and approval in terms of this Part, implement any arrangement between the company and holders of any class of its securities by way of, among other things -
- (a) a consolidation of securities of different classes;
  - (b) a division of securities into different classes;
  - (c) an expropriation of securities from the holders;
  - (d) exchanging any of its securities for other securities;
  - (e) a re-acquisition by the company of its securities; or
  - (f) a combination of the methods contemplated in this subsection.
- (2) The company must retain an independent expert, who meets the following requirements, to compile a report as required by subsection (3):
- (a) The person to be retained must be:
    - (i) qualified, and have the competence and experience necessary to-
      - (aa) understand the type of arrangement proposed;
      - (bb) evaluate the consequences of the arrangement; and
      - (cc) assess the effect of the arrangement on the value of securities and on the rights and interests of a holder of any securities, or a creditor of the company; and
    - (ii) able to express opinions, exercise judgment and make decisions impartially.
  - (b) The person to be retained must not:
    - (i) have any other relationship with the company or with a proponent of the arrangement, such as would lead a reasonable and informed third party to conclude that the integrity, impartiality or objectivity of that person is compromised by that relationship;
    - (ii) have had any relationship contemplated in subparagraph (i) within the immediately preceding two years; or
    - (iii) be related to a person who has or has had a relationship contemplated in subparagraph (i) or (ii).
- (3) The person retained in terms of subsection (2) must prepare a report to the board, and cause it to be distributed to all holders of the company's securities, concerning the proposed arrangement, which must, at a minimum-
- (a) state all prescribed information relevant to the value of the securities affected by the proposed arrangement;
  - (b) identify every type and class of holders of the company's securities affected by the proposed arrangement;
  - (c) describe the material effects that the proposed arrangement will have on the rights and interests of the persons mentioned in paragraph (b);



- (d) evaluate any material adverse effects of the proposed arrangement against-
    - (i) the compensation that any of those persons will receive in terms of that arrangement; and
    - (ii) any reasonably probable beneficial and significant effect of that arrangement on the business and prospects of the company;
  - (e) state any material interest of any director of the company or trustee for security holders;
  - (f) state the effect of the proposed arrangement on the interest and person contemplated in paragraph (e); and
  - (g) include a copy of sections 115 and 164.
- (4) Section 48 applies to a proposed arrangement contemplated in this section to the extent that the arrangement would result in any re-acquisition by a company of any of its previously issued securities.

## **SECTION 115 OF THE COMPANIES ACT**

- (1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:
- (a) the disposal, amalgamation or merger, or scheme of arrangement-
    - (i) has been approved in terms of this section; or
    - (ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and
  - (b) to the extent that Parts B and C of this Chapter, and the Takeover Regulations, apply to a company that proposes to-
    - (i) dispose of all or the greater part of its assets or undertaking;
    - (ii) amalgamate or merge with another company; or
    - (iii) implement a scheme of arrangement,
  - (c) the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4)(b), or exempted the transaction in terms of section 119(6).
- (2) A proposed transaction contemplated in subsection (1) must be approved-
- (a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64(2); and
  - (b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if-
    - (i) the holding company is a company or an external company;
    - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and

- (iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and
  - (c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).
- (3) Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if-
- (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or
  - (b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).
- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights-
- (a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or
  - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.
- (4A) In subsection (4), “**act in concert**” has the meaning set out in section 117(1)(b).
- (5) If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either-
- (a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or
  - (b) treat the resolution as a nullity.
- (6) On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant-
- (a) is acting in good faith;
  - (b) appears prepared and able to sustain the proceedings; and
  - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if-
- (a) the resolution is manifestly unfair to any class of holders of the company’s securities; or
  - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person-
- (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
  - (b) was present at the meeting and voted against that special resolution.

- (9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect-
- (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
  - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
  - (c) the transfer of shares from one person to another;
  - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
  - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
  - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

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**SECTION 164 OF THE COMPANIES ACT: DISSENTING SHAREHOLDERS' APPRAISAL RIGHTS**

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- (1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.
- (2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to-
  - (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
  - (b) enter into a transaction contemplated in section 112, 113, or 114, that notice must include a statement informing shareholders of their rights under this section.
- (3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.
- (4) Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who-
  - (a) gave the company a written notice of objection in terms of subsection (3); and
  - (b) has neither-
    - (i) withdrawn that notice; or
    - (ii) voted in support of the resolution.
- (5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if-
  - (a) the shareholder-
    - (i) sent the company a notice of objection, subject to subsection (6); and
    - (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
  - (b) the company has adopted the resolution contemplated in subsection (2); and
  - (c) the shareholder-
    - (i) voted against that resolution; and
    - (ii) has complied with all of the procedural requirements of this section.
- (6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting, or failed to include in that notice a statement of the shareholders rights under this section.
- (7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within-
  - (a) 20 business days after receiving a notice under subsection (4); or

- (b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.
- (8) A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state-
- (a) the shareholder's name and address;
  - (b) the number and class of shares in respect of which the shareholder seeks payment; and
  - (c) a demand for payment of the fair value of those shares.
- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless-
- (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
  - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
  - (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within five business days after the later of-
- (a) the day on which the action approved by the resolution is effective;
  - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
  - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every offer made under subsection (11)-
- (a) in respect of shares of the same class or series must be on the same terms; and
  - (b) lapses if it has not been accepted within 30 business days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12)-
- (a) the shareholder must either in the case of-
    - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
    - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
  - (b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and-
    - (i) tendered the share certificates; or

- (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has-
- (a) failed to make an offer under subsection (11); or
  - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the court under subsection (14)-
- (a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;
  - (b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and
  - (c) the court-
    - (i) may determine whether any other person is a dissenting shareholder who should be joined as a party;
    - (ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);
    - (iii) in its discretion may-
      - (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
      - (bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;
    - (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and
    - (v) must make an order requiring-
      - (aa) the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13)(a); and
      - (bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.
- (15A) At any time before the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case-
- (a) that shareholder must comply with the requirements of subsection 13(a); and
  - (b) the company must comply with the requirements of subsection 13(b).
- (16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.
- (17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months-
- (a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and

- (b) the court may make an order that-
  - (i) is just and equitable, having regard to the financial circumstances of the company; and
  - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.
- (18) If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.
- (19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to-
  - (a) the provisions of that section; or
  - (b) the application by the company of the solvency and liquidity test set out in section 4.
- (20) Except to the extent-
  - (a) expressly provided in this section; or
  - (b) that the Panel rules otherwise in a particular case,  
a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.

## TRADING HISTORY OF LIBERTY IN SBG SHARES

The definitions and interpretations commencing on page 18 of the Circular shall apply, *mutatis mutandis*, to this **Annexure 8** (unless the context indicates otherwise).

The below table sets out the trading history of Liberty in SBG Shares for the period beginning six months before the date of the Firm Intention Announcement and ending on the Last Practicable Date:

<b>Trade Date</b>	<b>Acquisition/Disposal</b>	<b>Number of SBG Shares</b>	<b>Gross price per SBG Share (Rand)</b>
18 January 2021	Acquisition	125,313	128.35
20 January 2021	Acquisition	612	128.58
20 January 2021	Disposal	62,759	128.53
26 January 2021	Acquisition	569,481	123.52
27 January 2021	Disposal	32,487	126.74
28 January 2021	Disposal	40,919	128.49
1 February 2021	Acquisition	191	124.76
2 February 2021	Acquisition	29,102	128.75
4 February 2021	Disposal	569,481	129.51
10 February 2021	Acquisition	25,741	136.00
12 February 2021	Acquisition	22,861	141.27
17 February 2021	Acquisition	12,738	135.83
18 February 2021	Acquisition	64	134.84
23 February 2021	Disposal	10,849	134.34
24 February 2021	Disposal	7,973	136.27
26 February 2021	Disposal	60,308	133.00
2 March 2021	Disposal	58,866	137.18
3 March 2021	Acquisition	1,069	135.96
3 March 2021	Disposal	27,043	135.96
8 March 2021	Acquisition	56,678	139.26
9 March 2021	Acquisition	1,638	140.69
10 March 2021	Acquisition	5,066	143.15
11 March 2021	Acquisition	17,608	142.00
11 March 2021	Disposal	55,463	142.00
16 March 2021	Disposal	44,128	130.41
17 March 2021	Acquisition	5,919	129.45
19 March 2021	Acquisition	3,015	126.14
19 March 2021	Disposal	16,381	126.14
23 March 2021	Acquisition	17,916	122.09
23 March 2021	Disposal	359	122.09
24 March 2021	Acquisition	5,316	122.73
25 March 2021	Acquisition	72,237	122.11
26 March 2021	Acquisition	70,300	125.78
29 March 2021	Acquisition	5,162	127.90
30 March 2021	Acquisition	1,791	128.96
7 April 2021	Acquisition	12,289	124.03
8 April 2021	Acquisition	1,624	121.85
12 April 2021	Disposal	101,730	122.85
13 April 2021	Acquisition	25,929	122.07
13 April 2021	Disposal	14,182	122.07
14 April 2021	Acquisition	3,578	119.85
15 April 2021	Acquisition	3,936	122.81
15 April 2021	Disposal	6,864	122.81
16 April 2021	Acquisition	368	123.08
19 April 2021	Disposal	57,483	122.64



<b>Trade Date</b>	<b>Acquisition/Disposal</b>	<b>Number of SBG Shares</b>	<b>Gross price per SBG Share (Rand)</b>
20 April 2021	Disposal	85,508	118.88
21 April 2021	Acquisition	590	117.90
22 April 2021	Disposal	4,402	118.01
23 April 2021	Acquisition	2,400	116.87
26 April 2021	Disposal	14,596	118.19
28 April 2021	Acquisition	4,744	119.82
30 April 2021	Disposal	48,117	118.01
5 May 2021	Acquisition	3,764	118.00
6 May 2021	Disposal	3,333	120.41
11 May 2021	Disposal	34,105	120.60
17 May 2021	Disposal	46,398	121.15
19 May 2021	Acquisition	2,532	120.81
20 May 2021	Acquisition	140	121.23
20 May 2021	Disposal	5,374	121.23
27 May 2021	Disposal	25,736	129.22
28 May 2021	Disposal	9,304	133.14
3 June 2021	Disposal	10,621	136.50
4 June 2021	Disposal	17,067	133.78
7 June 2021	Acquisition	25,051	134.08
8 June 2021	Acquisition	636	134.76
9 June 2021	Acquisition	662	139.33
10 June 2021	Disposal	6,571	137.71
15 June 2021	Disposal	16,896	135.81
18 June 2021	Acquisition	9,405	127.00
18 June 2021	Disposal	57,205	127.00
21 June 2021	Disposal	20,097	125.42
23 June 2021	Acquisition	61,375	125.92
23 June 2021	Disposal	122,559	125.92
24 June 2021	Disposal	7,655	126.99
25 June 2021	Disposal	9,977	127.65
30 June 2021	Acquisition	6,938	127.61
1 July 2021	Disposal	11,308	126.56
7 July 2021	Acquisition	1,012	128.09
8 July 2021	Acquisition	8,782	128.10
8 July 2021	Disposal	15,491	128.10
15 July 2021	Disposal	29,337	124.31
20 July 2021	Disposal	8,521	120.89
21 July 2021	Acquisition	26,709	120.79
22 July 2021	Acquisition	74	122.23
22 July 2021	Disposal	5,697	122.23
23 July 2021	Acquisition	28,415	122.49
29 July 2021	Disposal	13,048	122.79
4 August 2021	Disposal	49,739	126.35
5 August 2021	Disposal	516,725	130.82
10 August 2021	Disposal	31,422	132.88
11 August 2021	Acquisition	5,198	133.07
12 August 2021	Acquisition	4,273	131.44
12 August 2021	Disposal	33,692	130.94
17 August 2021	Disposal	26,415	136.19
18 August 2021	Disposal	132	137.97
19 August 2021	Acquisition	9,374	136.24
19 August 2021	Disposal	9	136.24
25 August 2021	Disposal	19	145.58
26 August 2021	Disposal	30,703	146.51
30 August 2021	Acquisition	4,395	146.13



# LIBERTY

## LIBERTY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1968/002095/06)

JSE share code: LBH

JSE preference share code: LBHP

ISIN: ZAE000127148

("Liberty")

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## NOTICE OF PREFERENCE SHARE SCHEME MEETING

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**If you are in any doubt as to what action you should take in respect of the Preference Share Scheme Meeting and/or the following Resolutions, please consult your CSDP, Broker, banker, legal advisor, accountant or other professional advisor immediately.**

All terms used in this Notice of Preference Share Scheme Meeting ("**Notice**") shall, unless the context otherwise requires or they are otherwise defined herein, have the meanings attributed to them in the Circular to which this Notice is attached.

### **Liberty Preference Shareholders are reminded that:**

- a Liberty Preference Shareholder entitled to attend and vote at the Preference Share Scheme Meeting is entitled to appoint a proxy to attend, speak and vote in its stead at the Preference Share Scheme Meeting in the place of that Liberty Preference Shareholder, and Liberty Preference Shareholders are referred to the attached Form of Proxy (*yellow*) in this regard;
- a proxy need not also be a Liberty Preference Shareholder; and
- in terms of section 63(1) of the Companies Act, any Person attending or participating in a meeting of shareholders must present reasonably satisfactory identification, and the chairperson must be reasonably satisfied that the right of any Person to participate in and vote (whether as shareholder or as proxy for a shareholder) has been reasonably verified.

Notice is hereby given that a meeting of the Liberty Preference Shareholders, as at the Voting Record Date of Friday, 8 October 2021, will be held virtually at 12:00 on Wednesday, 13 October 2021 (or any adjourned or postponed date determined in accordance with the provisions of section 64(11) of the Companies Act and the Liberty MOI, read with the Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in this Notice.

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

**"Resolved that**, the Preference Share Scheme in terms of section 114(1)(c) of the Companies Act (as more fully set out in the Circular and as may be amended as contemplated in the Circular), proposed by the Liberty Board between Liberty and the Liberty Preference Shareholders, in terms of which, *inter alia*, subject to the fulfilment or waiver of the Preference Share Scheme Conditions, and on the Preference Share Scheme Implementation Date:

- Preference Share Scheme Participants will receive the Preference Share Scheme Consideration for each Preference Share Scheme Share held on the Preference Share Scheme Record Date, being an amount of R1.50 in exchange for each of their Preference Share Scheme Shares; and
- SBG will acquire all of the Preference Share Scheme Shares in exchange for the Preference Share Scheme Consideration,

be and is hereby approved as a Special Resolution in accordance with section 115(2)(a) of the Companies Act."

### **Explanatory Note**

The reason for Special Resolution Number 1 is for Liberty Preference Shareholders to approve the Preference Share Scheme in terms of section 115(2)(a) of the Companies Act. In terms of section 115(2)(a) of the Companies Act, Special Resolution Number 1 must be adopted by Liberty Preference Shareholders:

- at a meeting at which sufficient persons are present to exercise at least 25% of the voting rights that are entitled to be exercised thereon; and

- with the support of at least 75% of all of the voting rights exercised on the Resolution, excluding the voting rights of SBG and any Person acting in concert with SBG.

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

“**Resolved that**, in terms of section 164(9)(c) of the Companies Act, if Special Resolution Number 1 is adopted but, thereafter: (i) any Preference Share Scheme Condition is not fulfilled or waived, as applicable; or (ii) the Preference Share Scheme otherwise lapses or fails, and accordingly terminates, then:

- Special Resolution Number 1 will be deemed to have been revoked; and
- each Dissenting Preference Shareholder which has, pursuant to the adoption of the revoked Special Resolution Number 1, sent a demand in terms of sections 164(5) to 164(8) of the Companies Act for payment of the fair market value of its Liberty Preference Shares shall cease to have, and be deemed not to have had, any right, pursuant to the adoption of the relevant revoked Special Resolution Number 1, to be paid such fair value of their Liberty Preference Shares under section 164 of the Companies Act.”

#### **Explanatory Note**

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

Special Resolution Number 2 must be adopted by Liberty Preference Shareholders:

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

### **ORDINARY RESOLUTION NUMBER 1 – APPROVAL FOR THE LIBERTY PREFERENCE SHARE DELISTING IN ACCORDANCE WITH PARAGRAPHS 1.15 AND 1.16 OF THE LISTINGS REQUIREMENTS**

“**Resolved that**, subject to the Standby Offer becoming Operative and being implemented in accordance with its terms, the listing of all Liberty Preference Shares on the JSE be terminated with effect from Tuesday, 16 November 2021, or such other date as the JSE may determine, in accordance with paragraphs 1.15(a) and 1.16 of the Listings Requirements.”

#### **Explanatory note**

The reason for Ordinary Resolution Number 1 is to authorise Liberty to make application to the JSE to delist the Liberty Preference Shares from the Main Board of the JSE in terms of paragraphs 1.15 and 1.16 of the Listings Requirements, in the event that the Standby Offer becomes Operative and is implemented.

Ordinary Resolution Number 1 requires the support of more than 50% of all of the voting rights exercised on the Resolution by the Liberty Preference Shareholders at the Preference Share Scheme Meeting, excluding any controlling shareholder, its associates and any Person acting in concert.

By order of the Board

**JM Parratt**

Group Company Secretary

Johannesburg

Monday, 13 September 2021

#### **Business address and Registered Office**

Liberty Centre

1 Ameshoff Street

Braamfontein

Johannesburg

South Africa

2001

**Transfer Secretaries**

Computershare Investor Services Proprietary Limited

(Registration number: 2004/003647/07)

Rosebank Towers

15 Biermann Avenue

Rosebank, Johannesburg

Gauteng

South Africa

2196

(Private Bag X9000, Saxonwold, 2132)





# LIBERTY

## LIBERTY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1968/002095/06)

JSE share code: LBH

JSE preference share code: LBHP

ISIN: ZAE000127148

("Liberty")

## FORM OF PROXY (YELLOW)

All terms used in this Form of Proxy (yellow) ("**Form**") shall, unless the context otherwise requires or they are otherwise defined herein, have the meanings attributed to them in the Circular to which this Form is attached.

For use by the holders of Certificated Preference Shares and/or Dematerialised Preference Shares held through a CSDP or Broker who have selected Own-Name Registration, registered as such at the close of business on the Voting Record Date, at the Preference Share Scheme Meeting to be held virtually at 12:00 on Wednesday, 13 October 2021 (or any adjourned or postponed date in accordance with the provisions of section 64(11) of the Companies Act and the Liberty MOI, read with the Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in the Notice.

It is recommended that you complete the Form in accordance with the instructions contained herein and ensure that it is received by the Transfer Secretaries, for administrative purposes, by no later than 48 hours before the Preference Share Scheme Meeting that is to be held virtually at 12:00 on Wednesday, 13 October 2021 (or any adjourned or postponed date in accordance with the provisions of section 64(11) of the Companies Act and the Liberty MOI, read with the Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in the Notice. Should the Form not be delivered to the Transfer Secretaries by this time, you will be required to furnish a copy of the Form to the chairperson of the Preference Share Scheme Meeting by emailing it to the Company Secretary of Liberty at [jill.parratt@liberty.co.za](mailto:jill.parratt@liberty.co.za) and copying the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) before the appointed proxy exercises any of the Liberty Preference Shareholder's rights at the Preference Share Scheme Meeting (or any postponement or adjournment thereof).

Dematerialised Preference Shareholders who have not selected Own-Name Registration must inform their CSDP or Broker timeously of their intention to attend and vote (or abstain) at the Preference Share Scheme Meeting or be represented by proxy thereat in order for the CSDP or Broker to issue them with the necessary letter of representation to do so or provide the CSDP or Broker timeously with their voting instructions should they not wish to attend the Preference Share Scheme Meeting in order for the CSDP or Broker to vote in accordance with their instructions at the Preference Share Scheme Meeting. Letters of representation must be lodged with the Transfer Secretaries by the commencement of the Preference Share Scheme Meeting (including any adjournment or postponement thereof). Such Dematerialised Preference Shareholders must not use this Form.

I/We \_\_\_\_\_ (full name/s in **BLOCK LETTERS**)

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

being the holder of preference shares in the share capital of Liberty, do hereby appoint (see note 4):

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

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

3. the chairperson of the Preference Share Scheme Meeting.

as my/our proxy to attend, participate in, speak and vote for me/us on my/our behalf at the Preference Share Scheme Meeting (or any postponement or adjournment thereof) for purposes 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 the Resolutions and/or abstain from voting in respect of the Liberty Preference Shares registered in my/our name/s. In accordance with the following instruction and otherwise in accordance with the Companies Act, the Liberty MOI and the terms of the attached notes.

Please indicate with an "X" in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy (if not the chairperson of the Preference Share Scheme Meeting) shall be entitled to vote or abstain from voting as he thinks fit, provided that if the proxy is the chairperson of the Preference Share Scheme Meeting, he shall be deemed to be instructed to vote in favour of the Resolutions set out in the Notice to which this Form is attached, in respect of all Liberty Preference Shares held by the Liberty Preference Shareholder.

	Number of votes		
	For	Against	Abstain
<b>Special Resolution Number 1</b> Approval of the Preference Share Scheme Resolution in accordance with section 115(2)(a) of the Companies Act			
<b>Special Resolution Number 2</b> Revocation of the Preference Share Scheme Resolution in accordance with section 164(9)(c) of the Companies Act			
<b>Ordinary Resolution Number 1</b> Approval for the Liberty Preference Share delisting in accordance with paragraphs 1.15 and 1.16 of the Listings Requirements			

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2021

Signature \_\_\_\_\_

Capacity of signatory \_\_\_\_\_ (where applicable)

**Note:** Authority of signatory to be attached (see notes 8 and 9 below)

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

Capacity of signatory \_\_\_\_\_

Telephone number ( \_\_\_\_\_ ) \_\_\_\_\_ Cell phone number \_\_\_\_\_

A Liberty Preference Shareholder entitled to attend and vote at the Preference Share Scheme Meeting is entitled to appoint a proxy to attend, participate in, speak at and vote in his stead. Each Liberty Preference Shareholder is entitled to appoint a proxy to attend, speak and vote in place of that Liberty Preference Shareholder at the Preference Share Scheme Meeting (including any postponement or adjournment thereof). A proxy need not be a Liberty Preference Shareholder.

## Summary of the rights established in terms of section 58 of the Companies Act

For purposes of this summary, the term "shareholder" shall have the meaning ascribed thereto in section 57(1) of the Companies Act.

In terms of section 58 of the Companies Act:

- At any time, a shareholder of a company is entitled to appoint an individual, including an individual who is not a shareholder of that company, as a proxy, to participate in, speak and vote at, a shareholders' meeting on behalf of the shareholder.
- A proxy appointment must be in writing, dated and signed by the relevant shareholder, and such proxy appointment remains valid for one year after the date upon which the proxy was signed, or any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c) of the Companies Act or expires earlier as contemplated in section 58(8)(d) of the Companies Act.
- Except to the extent that a company's memorandum of incorporation provides otherwise:
  - A shareholder may appoint two or more Persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
  - a proxy may delegate his authority to act on behalf of a shareholder to another Person, subject to any restriction set out in the instrument appointing the proxy; and
  - a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other Person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.
- Irrespective of the form of instrument used to appoint a proxy, the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company.
- Unless the proxy appointment expressly states otherwise, the appointment of a proxy is revocable. If the appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the company.
- The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date: (a) stated in the revocation instrument, if any; or (b) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.
- If the instrument appointing a proxy has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's memorandum of incorporation to be delivered by such company to the shareholder, must be delivered by such company to the shareholder, or to the proxy, if the shareholder has directed the relevant company to do so in writing and paid any reasonable fee charged by the company for doing so.
- A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the memorandum of incorporation, or the instrument appointing the proxy provide otherwise.
- If a company issues an invitation to shareholders to appoint one or more Persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:
  - such invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
  - the invitation, or form of instrument supplied by the relevant company, must: (a) bear a reasonably prominent summary of the rights established in section 58 of the Companies Act; (b) contain adequate blank space, immediately preceding the name or names of any Person or Persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by such shareholder; and (c) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour or against the applicable resolution/s to be put at the relevant meeting, or is to abstain from voting;
  - the company must not require that the proxy appointment be made irrevocable; and
  - the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

## Notes:

1. Every Liberty Preference Shareholder present in person or represented by proxy and entitled to vote at the Preference Share Scheme Meeting shall in the event of a poll be entitled to one vote in respect of each Liberty Preference Share held by him.
2. The Form must only be used by Certificated Preference Shareholders or Dematerialised Preference Shareholders with Own-Name Registration.
3. All other Beneficial Owners who have Dematerialised their shares through a CSDP or Broker and wish to attend the Preference Share Scheme Meeting must provide their CSDP or Broker with their voting instructions in terms of the relevant agreement entered into between them and the CSDP or Broker, as the case may be.
4. A Liberty Preference Shareholder may insert the name of its proxy in the space/s provided overleaf, with or without deleting "*the chairperson of the Preference Share Scheme Meeting*", but any such deletion must be initialled by the Liberty Preference Shareholder. Should this space be left blank, the chairperson of the Preference Share Scheme Meeting will exercise the proxy. The Person whose name appears on the Form and who is present at the Preference Share Scheme Meeting will be entitled to act as proxy.
5. A Liberty Preference Shareholder's voting instructions to the proxy must be indicated by the insertion of an "X" or the number of votes exercisable by that Liberty Preference Shareholder in the appropriate spaces provided. If an "X" has been inserted in one of the blocks to a particular Resolution, it will indicate the voting of all the Liberty Preference Shares held by the Liberty Preference Shareholder concerned. Failure to do this shall be deemed to authorise the proxy to vote or to abstain from voting at the Preference Share Scheme Meeting, as he thinks fit in respect of all the Liberty Preference Shareholder's exercisable votes. A Liberty Preference Shareholder or his proxy is not obliged to use all the votes exercisable by his proxy, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the Liberty Preference Shareholder or by his proxy.
6. A minor or any Person under incapacity must be assisted by his parent or guardian, as applicable, unless the relevant documents establishing his legal capacity are produced or have been registered by the Transfer Secretaries.
7. The completed Form or the power of attorney, or other authority, must be lodged with the Transfer Secretaries at:

Computershare Investor Services Proprietary Limited  
Rosebank Towers  
15 Biermann Avenue  
Rosebank, Johannesburg  
Gauteng  
South Africa  
2196;

### or posted or emailed to:

Private Bag X9000, Saxonwold, 2132  
Email: [proxy@computershare.co.za](mailto:proxy@computershare.co.za),

and is required to be delivered, for administrative purposes, to the Transfer Secretaries on or before 12:00 on Monday, 11 October 2021, being at least 48 hours (excluding Saturdays, Sundays and gazetted, national public holidays in South Africa) (or such lesser period as the Liberty Directors may determine in relation to any particular meeting) before the time appointed for the holding of the Preference Share Scheme Meeting (including a postponed or adjourned meeting), or in the case of a poll, not less than 24 hours (or such lesser period determined as aforesaid in relation to the particular poll) before the time appointed for taking the poll. Should the Form not be delivered to the Transfer Secretaries by this time, you will be required to furnish a copy of such Form to the chairperson of the Preference Share Scheme Meeting by emailing it to the Company Secretary of Liberty at [jill.parratt@liberty.co.za](mailto:jill.parratt@liberty.co.za) and copying the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) before the appointed proxy exercises any of the Liberty Preference Shareholder's rights at the Preference Share Scheme Meeting (or any postponement or adjournment thereof).

8. Documentary evidence establishing the authority of a Person signing this Form in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate etc.) must be attached to this Form unless previously recorded by the Transfer Secretaries or waived by the chairperson of the Preference Share Scheme Meeting.
9. Where this Form is signed under power of attorney, such power of attorney must accompany this Form, unless previously recorded by the Transfer Secretaries or waived by the chairperson of the Preference Share Scheme Meeting.
10. The completion and lodging of this Form shall not preclude the relevant Liberty Preference Shareholder from attending the Preference Share Scheme Meeting (including any postponement or adjournment thereof) and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Liberty Preference Shareholder wish to do so.
11. The completion of any blank spaces overleaf need not be initialled. Any alterations or corrections to this Form other than the deletion of alternatives must be initialled by the signatory/ies.
12. The chairperson of the Preference Share Scheme Meeting may reject or accept any Form which is completed other than in accordance with these instructions provided that he is satisfied as to the manner in which a Liberty Preference Shareholder wishes to vote.
13. Where there are joint holders of Liberty Preference Shares:
  1. any one holder may sign the Form;
  2. the vote/s of the senior Liberty Preference Shareholder (for that purpose seniority will be determined by the order in which the names of Liberty Preference Shareholders appear in the Register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote/s of the other joint Liberty Preference Shareholder/s.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Liberty Preference Shares in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by Liberty at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.







# LIBERTY

## LIBERTY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1968/002095/06)

JSE share code: LBH

JSE preference share code: LBHP

ISIN: ZAE000127148

("Liberty")

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## FORM OF SURRENDER AND TRANSFER (*BLUE*) IN RESPECT OF THE PREFERENCE SHARE SCHEME

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All terms used in this Form of Surrender and Transfer (*blue*) ("**Form**") shall, unless the context otherwise requires or they are otherwise defined herein, have the meanings attributed to them in the Circular to which this Form is attached.

### Important notes concerning this Form:

- This Form is only for use in respect of the Preference Share Scheme in accordance with the requirements of section 114 of the Companies Act.
- Full details of the Preference Share Scheme are contained in the Circular to which this Form is attached.
- If the Preference Share Scheme becomes Operative and is implemented, Preference Share Scheme Participants will receive the Preference Share Scheme Consideration on the Preference Share Scheme Implementation Date.
- A Dissenting Preference Shareholder who subsequently becomes a Preference Share Scheme Participant after the Preference Share Scheme Record Date shall receive the Preference Share Scheme Consideration.
- **This Form is attached for the convenience of Certificated Preference Shareholders who may wish to surrender their Documents of Title prior to the date of the Preference Share Scheme Meeting to be held virtually at 12:00 on Wednesday, 13 October 2021 (or any adjourned or postponed date in accordance with the provisions of section 64(11) of the Companies Act and the Liberty MOI, read with the Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in the Notice.**

### HOLDERS OF DEMATERIALIZED PREFERENCE SHARES MUST NOT COMPLETE THIS FORM.

### INSTRUCTIONS:

1. The surrender of Documents of Title is for use only by Certificated Preference Share Scheme Participants.
2. A separate Form is required for each Certificated Preference Share Scheme Participant.
3. **Part A** must be completed by all Preference Share Scheme Participants who return this Form.
4. **Part B** must be completed by all Preference Share Scheme Participants who completed Part A and who are emigrants from the Common Monetary Area.
5. **Part C** must be completed by Certificated Preference Shareholders who completed Part A and who elect to receive the Preference Share Scheme Consideration by way of EFT.
6. The completed Form and the Documents of Title in respect of the Liberty Preference Shares tendered must be returned to the Transfer Secretaries, so as to be received by not later than 12:00 on the Preference Share Scheme Record Date.
7. If this Form is returned with the relevant Documents of Title to Liberty Preference Shares, it will be treated as a conditional surrender which is made subject to the Preference Share Scheme becoming Operative. In the event of the Preference Share Scheme not becoming Operative for any reason whatsoever, the Transfer Secretaries will, by not later than five Business Days after the latest of: (i) the date upon which it becomes known that the Preference Share Scheme will not be Operative; (ii) receipt by the Transfer Secretaries of the relevant Documents of Title; (iii) the date on which it becomes known that the Standby Offer will not become Operative; or (iv) the Standby Offer Closing Date, if the relevant Liberty Preference Shares have not been Tendered as at the Standby Offer Closing Date, return the Documents of Title to the Preference Share Scheme Participants concerned, by registered post, at the risk of such Preference Share Scheme Participants.

8. Persons who have acquired Liberty Preference Shares after the date of the issue of the Circular to which this Form is attached, may obtain copies of the Form and the Circular from the Transfer Secretaries.
9. The Preference Share Scheme Consideration will not be delivered and/or paid to Certificated Preference Scheme Participants unless and until Documents of Title in respect of the relevant Preference Share Scheme Shares have been surrendered to the Transfer Secretaries.

To: **Transfer Secretaries**

Computershare Investor Services Proprietary Limited  
 Rosebank Towers  
 15 Biermann Avenue  
 Rosebank, Johannesburg  
 Gauteng  
 South Africa  
 2196  
 (PO Box 61763, Marshalltown, 2107)

Dear Sirs

**PART A: TO BE COMPLETED BY ALL CERTIFICATED PREFERENCE SHAREHOLDERS WHO RETURN THIS FORM.**

I/We, the undersigned Preference Share Scheme Participant, hereby surrender and enclose the undermentioned Liberty Preference Share certificate/s and/or other Documents of Title attached hereto, representing all the Liberty Preference Shares, registered in the name of the Person mentioned below and authorise the Transfer Secretaries, conditional upon the Preference Share Scheme becoming Operative, to register the surrender of these Liberty Preference Shares into the name of SBG or its nominee/s as follows:

Name of Liberty Preference Shareholder	Certificate number/s (in numerical order)	Number of Liberty Preference Shares covered by each certificate enclosed
Total		

**Surname or name of juristic person/name of trust together with the name of each trustee:**

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**Identify number/registration number/Master's reference number and identify numbers of each trustee:**

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Signature of Preference Share Scheme Participant	<b>Stamp and address of agent lodging this Form (if any)</b>
Assisted by me (if applicable):	
(State full name and capacity):	
Date:	
Telephone number (Home): (     )     )	
Telephone number (Work): (     )     )	
Cell phone number:	

**Notes:**

In order to comply with the Financial Intelligence Centre Act, No. 38 of 2001, as amended ("**FICA**"), the Transfer Secretaries will be unable to record any change of address unless the following documentation is received:

- an original certified copy of your identity document;
- an original certified copy of a document issued by the South African Revenue Service to verify your tax number. If you do not have one, please submit this in writing and have the letter signed by a Commissioner of Oaths; and
- an original or original certified copy of a service bill to verify your residential address.

**PART B: TO BE COMPLETED BY A CERTIFICATED PREFERENCE SHAREHOLDER WHO COMPLETED PART A AND WHO IS AN EMIGRANT FROM, OR NON-RESIDENT OF, THE COMMON MONETARY AREA (see notes 3 and 5 below).**

**In the case of Certificated Preference Shareholders who are emigrants:** The Preference Share Scheme Consideration will be paid (at the risk of the Certificated Preference Shareholders) to the Authorised Dealer nominated by the Certificated Preference Shareholders below for its control and credited to the emigrant's blocked account. Accordingly, non-residents who are emigrants must provide the following information: **NB PART A must also be completed.**

Name of Authorised Dealer:	<b>Stamp and address of agent lodging this Form (if any)</b>
Account number:	
Address:	
Signature of Authorised Dealer:	

**If emigrants make no nomination above:** the Preference Share Scheme Consideration will be paid into the bank account of such Certificated Preference Shareholder on record with Liberty, in accordance with article 45.4.2 of the Liberty MOI, at the risk of such Certificated Preference Shareholder.

**PART C: TO BE COMPLETED BY CERTIFICATED PREFERENCE SHAREHOLDERS WHO COMPLETED PART A AND WHO ELECT TO RECEIVE THE PREFERENCE SHARE SCHEME CONSIDERATION BY WAY OF EFT.**

**To be completed in BLOCK CAPITALS by Certificated Preference Shareholders wishing to receive payment of the Preference Share Scheme Consideration by means of EFT.**

I/We, being a holder/s of Liberty Preference Shares hereby request that the Preference Share Scheme Consideration be electronically deposited into my/our bank account, the details of which are as follows:

Name of account holder (no third-party accounts): \_\_\_\_\_

Bank name: \_\_\_\_\_

Branch name: \_\_\_\_\_

Branch code: \_\_\_\_\_

Account number: \_\_\_\_\_

Signature of Liberty Preference Shareholder: \_\_\_\_\_

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

(State full name and capacity): \_\_\_\_\_

Date: \_\_\_\_\_

Tel (Home): (        )                      Tel (Work): (        )                      Cell phone: \_\_\_\_\_

In terms of FICA, the Transfer Secretaries will only be able to record the bank details if certified true copies of the Liberty Preference Shareholder's identity document and bank statement or account confirmation letter are submitted with this Form.

Liberty and/or the Transfer Secretaries undertake no responsibility for verification of the banking details provided above nor for the authenticity of the signature above. Certificated Preference Shareholders warrant the correctness of the above banking details and indemnify and hold Liberty and the Transfer Secretaries harmless against any loss for funds having been paid into the account, details of which have been provided above.

**In the case of Certificated Preference Shareholders who fail to provide updated and valid bank details:**

The Preference Share Consideration will be paid into the bank account of such Certificated Preference Shareholder on record with Liberty, in accordance with article 45.4.2 of the Liberty MOI, at the risk of such Certificated Preference Shareholder.

## Notes:

1. Preference Share Scheme Participants should consult their professional advisors in case of doubt as to the correct completion of this Form.
2. All other non-residents of the Common Monetary Area must complete **Part B** if they wish the Preference Share Scheme Consideration to be paid to an Authorised Dealer in South Africa.
3. Emigrants from the Common Monetary Area must, in addition to **Part A**, also complete Part B. If Part B is not properly completed, the Preference Share Scheme Consideration will be held in trust by Liberty or the Transfer Secretaries pending receipt of the necessary nomination or instruction. No interest will accrue or be paid on any Preference Share Scheme Consideration so held in trust.
4. No receipts will be issued for documents lodged unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts, if required. Signatories may be called upon for evidence of their authority or capacity to sign this Form.
5. Persons who are emigrants from the Common Monetary Area should nominate the Authorised Dealer in foreign exchange in South Africa which has control of their remaining assets in Part B of this Form. Failing such nomination, the Preference Share Scheme Consideration due to such Preference Share Scheme Participants in accordance with the provisions of the Preference Share Scheme will be held by Liberty or the Transfer Secretaries, pending instructions from the Preference Share Scheme Participants concerned.
6. If this Form is not signed by the Preference Share Scheme Participant, the Preference Share Scheme Participant will be deemed to have irrevocably appointed the Transfer Secretaries to implement the Preference Share Scheme Participant's obligations under the Preference Share Scheme on his behalf.
7. Any alteration to this Form must be signed in full and not initialled.
8. If this Form is signed under a power of attorney, then such power of attorney, or a notarial certified copy thereof, must be sent with this Form for noting (unless it has already been noted by Liberty or the Transfer Secretaries).
9. Where the Preference Share Scheme Participant is a company or a close corporation, unless it has already been registered with Liberty or the Transfer Secretaries, a certified copy of the Liberty Directors' or members' resolution authorising the signing of this Form must be submitted if so requested by Liberty.
10. A minor must be assisted by his parent or guardian, unless the relevant documents establishing his legal capacity are produced or have been registered by the Transfer Secretaries.
11. Where there are any joint holders of any Preference Share Scheme Shares, only that holder whose name stands first in the Register in respect of such Preference Share Scheme Shares need sign this Form.
12. Notes 8, 9 and 10 do not apply in the event of this form bearing a JSE Broker's stamp.



# LIBERTY

## LIBERTY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1968/002095/06)

JSE share code: LBH

JSE preference share code: LBHP

ISIN: ZAE000127148

("Liberty")

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## FORM OF ACCEPTANCE AND TRANSFER (*GREEN*) IN RESPECT OF THE STANDBY OFFER

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All terms used in this Form of Acceptance and Transfer (*green*) ("**Form**") shall, unless the context otherwise requires or they are otherwise defined herein, have the meanings attributed to them in the Circular to which this Form is attached.

**This Form should be read in conjunction with the Circular.**

This Form is only for use by Certificated Preference Shareholders in respect of the Standby Offer proposed by SBG.

Full details of the Standby Offer are contained in the Circular to which this Form is attached.

**This Form is attached for use by Certificated Preference Shareholders for purposes of accepting the Standby Offer and tendering Standby Offer Shares in terms of the Standby Offer.**

**HOLDERS OF DEMATERIALIZED PREFERENCE SHARES MUST NOT COMPLETE THIS FORM.**

### INSTRUCTIONS:

1. A separate Form is required for each Certificated Preference Shareholder.
2. Certificated Preference Shareholders must complete this form in **BLOCK CAPITALS**.
3. The surrender of Documents of Title is for use only by Standby Offer Participants who are Certificated Preference Shareholders.
4. If you complete the Form of Surrender and Transfer (*blue*) and return it, together with the relevant Documents of Title, to the Transfer Secretaries in anticipation of the Preference Share Scheme becoming Operative, you will still be required to complete this Form, but you will not be required to surrender your Documents of Title again.
5. **Part A** must be completed by all Certificated Preference Shareholders who return this Form.
6. **Part B** must be completed by a Certificated Preference Shareholder who completed Part A and who is an emigrant from, or non-resident of, the Common Monetary Area.
7. **Part C** must be completed by Certificated Preference Shareholders who completed Part A and who elect to receive the Standby Offer Consideration to be made by way of EFT.
8. The completed Form and the Documents of Title in respect of the Standby Offer Shares tendered must be returned to the Transfer Secretaries so as to be received by not later than 12:00 on the Standby Offer Closing Date.
9. Once this Form is received by the Transfer Secretaries, your acceptance of the Standby Offer will be final, and you may not withdraw your acceptance unless expressly permitted by the Takeover Regulations.
10. If you do not validly accept the Standby Offer by 12:00 on the Standby Offer Closing Date, you will be deemed to have declined the Standby Offer. Late acceptances may be accepted or rejected at Liberty's and SBG's absolute and sole discretion.
11. If this Form is returned with the relevant Documents of Title to the Standby Offer Shares, it will be treated as a conditional surrender which is made subject to the Standby Offer becoming wholly unconditional. In the event of the Standby Offer not becoming wholly unconditional for any reason whatsoever the Transfer Secretaries will, by not later than five Business Days after: (i) the date upon which it becomes known that the Standby Offer will not become wholly unconditional; or (ii) receipt by the Transfer Secretaries of the relevant Documents of Title, whichever is the later, return the Documents of Title to the Liberty Preference Shareholders concerned, by registered post, at the risk of such Liberty Preference Shareholders.

12. Persons who have acquired Liberty Preference Shares after the date of the issue of the Circular to which this Form is attached, may obtain copies of the Form and the Circular from the Transfer Secretaries.
13. The Preference Share Standby Offer Consideration will not be sent to Certificated Standby Offer Participants unless and until Documents of Title in respect of the relevant Standby Offer Shares have been surrendered to the Transfer Secretaries.

To: **Transfer Secretaries**

Computershare Investor Services Proprietary Limited  
 Rosebank Towers  
 15 Biermann Avenue  
 Rosebank, Johannesburg  
 Gauteng  
 South Africa  
 2196  
 (PO Box 61763, Marshalltown, 2107)

Dear Sirs

**PART A: TO BE COMPLETED BY ALL STANDBY OFFER PARTICIPANTS WHO RETURN THIS FORM.**

I/We hereby surrender the Standby Offer Share certificate/s and/or other Documents of Title attached hereto, representing Preference Shares, registered in the name of the Person mentioned below and authorise the Transfer Secretaries, conditional upon the Standby Offer becoming Operative, to register the transfer of these Preference Shares into the name of SGB or its nominee/s:

Name of Preference Shareholder	Certificate number/s	Number of Preference Shares covered by each certificate/s enclosed
<b>Total</b>		

**Surname or Name of corporate body:**

First name/s in full \_\_\_\_\_

Title (Mr, Mrs, Miss, Ms, etc.) \_\_\_\_\_

Address to which the Standby Offer Consideration should be sent (if different from registered address) \_\_\_\_\_

Postal code \_\_\_\_\_

Signature of Preference Shareholder: \_\_\_\_\_

Name of agent lodging this Form (if any): \_\_\_\_\_

	Stamp and address of agent lodging this Form (if any)
Signature of Preference Share Scheme Participant	
Assisted by me (if applicable):	
(State full name and capacity):	
Date:	
Telephone number (Home): (      )	
Telephone number (Work): (      )	
Cell phone number:	

**PART B: TO BE COMPLETED BY A CERTIFICATED PREFERENCE SHAREHOLDER WHO COMPLETED PART A AND WHO IS AN EMIGRANT FROM, OR NON-RESIDENT OF, THE COMMON MONETARY AREA (see notes 3 and 4 below).**

**In the case of Certificated Preference Shareholders who are emigrants:** The Standby Offer Consideration will be paid (at the risk of the Certificated Preference Shareholders) to the Authorised Dealer nominated by the Certificated Preference Shareholders below for its control and credited to the emigrant's capital account. Accordingly, non-residents who are emigrants must provide the following information: **NB: PART A must also be completed.**

Name of Authorised Dealer:	<b>Stamp and address of agent lodging this Form (if any)</b>
Account number:	
Address:	
Signature of Authorised Dealer:	

**If emigrants make no nomination above:** the Standby Offer Consideration will be paid into the bank account of such Certificated Preference Shareholder on record with Liberty, in accordance with article 45.4.2 of the Liberty MOI, at the risk of such Certificated Preference Shareholder.

**PART C: TO BE COMPLETED BY CERTIFICATED PREFERENCE SHAREHOLDERS WHO COMPLETED PART A AND WHO ELECT TO RECEIVE THE STANDBY OFFER CONSIDERATION BY WAY OF EFT.**

I/We, being a holder/s of Standby Offer Shares hereby request that the Standby Offer Consideration be electronically deposited into my/our bank account, the details of which are as follows:

Name of account holder (no third-party accounts): \_\_\_\_\_

Bank name: \_\_\_\_\_

Branch name: \_\_\_\_\_

Branch code: \_\_\_\_\_

Account number: \_\_\_\_\_

Signature of Liberty Preference Shareholder: \_\_\_\_\_

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

(State full name and capacity): \_\_\_\_\_

Date: \_\_\_\_\_

Tel (Home): (        )                      Tel (Work): (        )                      Cell phone: \_\_\_\_\_

In terms of the Financial Intelligence Centre Act, No. 38 of 2001, as amended, the Transfer Secretaries will only be able to record the bank details if certified true copies of the Preference Shareholder's identity document and bank statement are submitted with this Form.

Liberty and/or the Transfer Secretaries undertake no responsibility for verification of the banking details provided above nor for the authenticity of the signature above. Certificated Preference Shareholders warrant the correctness of the above banking details and indemnify and hold Liberty, SBG and the Transfer Secretaries harmless against any loss for funds having been paid into the account, details of which have been provided above.

**In the case of Certificated Preference Shareholders who fail to provide updated and valid bank details:**

The Standby Offer Consideration will be paid into the bank account of such Certificated Preference Shareholder on record with Liberty, in accordance with article 45.4.2 of the Liberty MOI, at the risk of such Certificated Preference Shareholder.



## Notes and instructions:

1. Applications under this Form are irrevocable and may not be withdrawn once submitted.
2. Standby Offer Participants should consult their professional advisors in case of doubt as to the correct completion of this Form.
3. Emigrants of the Common Monetary Area must, in addition to **Part A**, also complete **Part B**. If Part B is not properly completed, the Standby Offer Consideration will be held in trust by Liberty or the Transfer Secretaries until claimed for a maximum period of three years, after which period such funds shall be paid over to the Guardian's Fund of the court. No interest will accrue or be paid on any Standby Offer Consideration so held in trust.
4. All other non-residents of the Common Monetary Area must also complete **Part B** if they wish the Standby Offer Consideration to be to be paid to an Authorised Dealer in South Africa.
5. Persons who are emigrants from the Common Monetary Area should nominate the Authorised Dealer in foreign exchange in South Africa which has control of their remaining assets in **Part B** of this Form. Failing such nomination, the Standby Offer Consideration due to such Standby Offer Participants in accordance with the provisions of the Standby Offer will be held by Liberty or the Transfer Secretaries, pending instructions from the Standby Offer Participants concerned.
6. The Standby Offer Consideration will not be sent to Standby Offer Participants unless and until Documents of Title in respect of the relevant Standby Offer Shares have been surrendered to the Transfer Secretaries.
7. If a Certificated Preference Shareholder produces evidence to the satisfaction of Liberty that Documents of Title in respect of Standby Offer Shares have been lost or destroyed, Liberty may waive the surrender of such Documents of Title against delivery of a duly executed indemnity (including against any damage, expense, loss or payment that Liberty, or any of its duly authorised representatives, may incur or suffer by reason of, or arising from, the payment of the Standby Offer Consideration to such person) in a form and on terms and conditions approved by Liberty and SBG, or may in their discretion waive such indemnity.
8. If this Form is not signed by the Certificated Preference Shareholder, the Certificated Preference Shareholder will be deemed to have irrevocably appointed the Transfer Secretaries to implement that Certificated Preference Shareholder's obligations under the Standby Offer, as the case may be, on his behalf.
9. No receipts will be issued for documents lodged, unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts. Signatories may be called upon for evidence of their authority or capacity to sign this Form.
10. Any alteration to this Form must be signed in full and should not be merely initialled.
11. If this Form is signed under a power of attorney, then such power of attorney, or a notarial copy hereof, must be sent with this Form for noting (unless it has already been noted by Liberty or the Transfer Secretaries).
12. Where the Certificated Preference Shareholder is a company or a close corporation, unless it has already been registered with Liberty or the Transfer Secretaries, a certified copy of the directors' or members' resolution authorising the signing of this Form must be submitted if so requested by Liberty.
13. A minor must be assisted by his parent or guardian, unless the relevant documents establishing his legal capacity are produced or have been registered by Liberty or the Transfer Secretaries.
14. *Notes 11, 12 and 13* do not apply in the case of a form bearing a JSE Broker's stamp.
15. Where Standby Offer Shares are held jointly, only the holder whose name stands first in the Register must sign this Form.



# LIBERTY

## LIBERTY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1968/002095/06)

JSE share code: LBH

JSE preference share code: LBHP

ISIN: ZAE000127148

("Liberty")

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## ELECTRONIC PARTICIPATION FORM (*PINK*)

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All terms used in this Electronic Participation Form (*pink*) ("**Form**") shall, unless the context otherwise requires or they are otherwise defined herein, have the meanings attributed to them in the Circular to which this Form is attached.

### ELECTRONIC PARTICIPATION IN THE PREFERENCE SHARE SCHEME MEETING TO BE HELD ON WEDNESDAY, 13 OCTOBER 2021

- Liberty has retained the services of Ince to remotely host the Preference Share Scheme Meeting on an interactive electronic platform, in order to facilitate remote participation and voting by Liberty Shareholders.
- Liberty Preference Shareholders or their proxies who wish to participate in the Preference Share Scheme Meeting via electronic communication must apply to the Transfer Secretaries via email to [proxy@computershare.co.za](mailto:proxy@computershare.co.za).
- Liberty Preference Shareholders who have Dematerialised their Liberty Preference Shares, other than those Dematerialised Preference Shareholders with Own-Name Registration, should contact their CSDP or Broker in the manner and time stipulated in their agreement with their CSDP or Broker:
  - to furnish them with their voting instructions; and
  - in the event that they wish to participate in the Preference Share Scheme Meeting or appoint a proxy, to obtain the necessary authority to do so.
- Preference Share Scheme Participants will be able to vote during the Preference Share Scheme Meeting through an electronic participation platform. Such Preference Share Scheme Participants, should they wish to have their vote/s counted at the Preference Share Scheme Meeting, must provide the Transfer Secretaries with the information requested below.
- Each Liberty Preference Shareholder, who has complied with the requirements below, will be contacted by Ince by no later than Monday, 11 October 2021 via email/mobile with a unique link to allow them to participate in the electronic Preference Share Scheme Meeting.
- The cost of the Preference Share Scheme Participant's phone call or data usage will be at his own expense and will be billed separately by his own telephone service provider.
- The Preference Share Scheme Participant's unique access credentials will be forwarded to the email/cell number provided below.

### APPLICATION FORM

Name and surname of Liberty Preference Shareholder:	
Name and surname of Liberty Preference Shareholder representative ( <i>if applicable</i> ):	
Identity number of Liberty Preference Shareholder or representative:	
Email address:	
Mobile number:	
Telephone number:	
Name of CSDP or Broker ( <i>If Liberty Preference Shares are held in Dematerialised format</i> ):	
SCA number/Broker account number or own name account number:	
Number of Liberty Preference Shares:	
Signature:	
Date:	

**TERMS AND CONDITIONS FOR PARTICIPATION AT THE PREFERENCE SHARE SCHEME MEETING TO BE HELD ON WEDNESDAY, 13 OCTOBER 2021 VIA ELECTRONIC COMMUNICATION**

- The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the Preference Share Scheme Meeting is for the expense of the Preference Share Scheme Participant and will be billed separately by the Preference Share Scheme Participant's own telephone service provider.
- The Preference Share Scheme Participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and that he will have no claim against Liberty, SBG, the Transfer Secretaries, the JSE, Ince and/or third party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the Preference Share Scheme Meeting. In order to ensure that all votes are taken into account, Preference Share Scheme Participants are encouraged to submit a completed Form of Proxy (*yellow*) or provide their CSDP or Broker with their voting instructions, as the case may be.
- Preference Share Scheme Participants will be able to vote during the Preference Share Scheme Meeting through an electronic participation platform. Such Participants, should they wish to have their vote/s counted at the Preference Share Scheme Meeting, must act in accordance with the requirements set out above.
- Once the Preference Share Scheme Participant has received the link, the onus to safeguard this information remains with the Preference Share Scheme Participant.
- The application will only be deemed successful if this Form has been fully completed and signed by the Preference Share Scheme Participant and delivered or emailed to the Transfer Secretaries at *proxy@computershare.co.za* prior to the commencement of the Preference Share Scheme Meeting, together with proof of identification.

Liberty Preference Shareholder name:

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Signature:

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Date:

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**Important:** You are required to attach a copy of your identity document/driver's licence/passport when submitting the application. In addition, in respect of any Liberty Preference Shareholder who is a juristic Person, you must also submit copies of registration documents together with the authorising resolution authorising you as the representative of such Liberty Preference Shareholder at the Preference Share Scheme Meeting.