

## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including these cover pages (unless the context indicates otherwise).

### ACTION REQUIRED

- This entire Circular is important and Shareholders are referred to page 6 of this Circular, which sets out the detailed action required of them in respect of the corporate actions set out in this Circular.
- If a Shareholder is in any doubt as to the action to be taken in respect of the corporate actions set out in this Circular, such Shareholder should consult with its Broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.
- If a Shareholder has disposed of all or any of its Shares, then this Circular, together with the accompanying notice convening the General Meeting and Form of Proxy, should be forwarded to the purchaser to whom, or the Broker, agent, CSDP or banker through whom, the Shareholder disposed of its Shares.

**Neither CSG nor the Offeror accepts any responsibility and will not be held liable for any failure on the part of the CSDP or Broker of any holder of Dematerialised Shares to notify such Shareholder of the corporate actions set out in this Circular.**



#### CSG HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number 2006/011359/06)  
Share Code CSG ISIN ZAE000184438  
("CSG" or "the Company")



#### ARC FUND

an *en commandite* partnership, represented  
by the General Partner

## COMBINED CIRCULAR TO SHAREHOLDERS

relating to:

- the Offer by UBI General Partner Proprietary Limited (in its capacity as general partner of the ARC Fund), being the Offeror, to acquire some or all of the ordinary shares in the Company not already owned by the Offeror for a cash consideration of 35 cents per Share held;
- the Delisting of all Shares from the Main Board of the JSE following the passing of the Delisting Resolution by Shareholders and the implementation of the Offer; and
- the response by the Independent Board containing their views in respect of the Offer,

and enclosing:

- the Independent Expert's Report;
- a notice convening a General Meeting of Shareholders;
- a Form of Proxy (*white*) to vote at the General Meeting of Shareholders (for use by Certificated Shareholders and Dematerialised Shareholders who have elected "own-name" registration only);
- a Form of Acceptance and Transfer (*blue*) (to be completed by Certificated Shareholders only); and
- an Electronic Participation Form (*white*).

Corporate Advisor  
to CSG

**Deloitte.**

Transaction  
Sponsor to CSG

**Deloitte.**

Legal Advisor  
to CSG

**CMS**  
law·tax·future

Independent  
Expert

**mazars**

Legal Advisor  
to the Offeror

**WEBBER WENTZEL**  
in alliance with > Linklaters

**Date of issue: Thursday, 18 November 2021**

*This Circular is available in English only. Copies of this Circular may be obtained from the registered office of the Company between 09:00 am and 16:30 pm on Business Days from the date of issue of this Circular until the Closing Date of the Offer. An electronic version of this Circular is also available on CSG's website (<https://www.csgholdings.co.za>).*

Due to Covid-19 restrictions, please contact the Company Secretary, at email: [mark@hnlaw.co.za](mailto:mark@hnlaw.co.za), should you wish to obtain or collect a copy of the Circular at the registered office.

### TRP APPROVALS

This Circular was submitted to the TRP and the contents of this Circular was accordingly approved by the TRP in terms of regulation 117 of the Takeover Regulations. Shareholders should take note that the TRP does not consider commercial advantages or disadvantages of affected transactions when it approves such transactions.

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## IMPORTANT LEGAL NOTES

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The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, unless the context indicates otherwise.

### FORWARD-LOOKING STATEMENTS

This Circular contains statements about CSG and the Offeror 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. 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 expenditures, 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. CSG and the Offeror caution that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industries in which CSG and the Offeror operate may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions, as regards CSG, made by CSG, or, as regards the Offeror, made by the Offeror, based on publicly available documents of the respective companies, all of which estimates and assumptions, although CSG or the Offeror 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 statements or assumptions include other matters not yet known to CSG, or the Offeror, or not currently considered material by CSG or the Offeror.

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 either CSG or the Offeror 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 is not known. CSG and the Offeror have no duty to, and do not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

Any forward-looking statement has not been reviewed nor reported on by the external auditors.

### FOREIGN SHAREHOLDERS

This Circular has been prepared for the purposes of complying with (i) the laws of South Africa, and is subject to applicable laws and regulations, including to the Companies Act, the Companies Regulations and the Exchange Control Regulations, and (ii) the JSE Listings Requirements. 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 or regulations of any jurisdiction outside of South Africa, or the requirements of any exchange other than the JSE.

The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by law and therefore any persons who are subject to the laws or regulations of any jurisdiction other than South Africa should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities or other laws or regulations of any such jurisdiction.

This Circular does not constitute a prospectus as contemplated in the Companies Act or Companies Regulations or a prospectus equivalent document nor does this Circular constitute the solicitation of an offer to purchase Shares or a solicitation of any vote or approval in any jurisdiction in which such solicitation would be unlawful. Shareholders are advised to read this Circular, which contains the full terms and conditions of the Offer, with care. Any decision to accept the Offer and/or approve the Delisting Resolution or any other response to the proposals contained in this Circular should be made only on the basis of the information in this Circular.

This Circular and any accompanying documentation are not intended to, and do not constitute, or form part of, an offer to sell or a solicitation of any vote or approval in any jurisdiction in which it is unlawful to make such an offer or solicitation, or in which such offer or solicitation would require CSG, or the Offeror to comply with filing and/or other regulatory obligations. In those circumstances, or otherwise if the distribution of this Circular and any accompanying documentation in jurisdictions outside of South Africa is restricted or prohibited by the laws or regulations of such jurisdiction, this Circular and any accompanying documentation are deemed to have been sent for information purposes only and should not be copied or redistributed.

Shareholders who are not resident in South Africa as contemplated in the Exchange Control Regulations must satisfy themselves as to the full observance of the laws or regulations of any applicable jurisdiction concerning the receipt of, or their election to receive the Offer Consideration or, if applicable, the Offer Consideration including any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such other jurisdictions, and are required to advise CSG of all such filing or regulatory obligations with which CSG or the Offeror may be required to comply in such jurisdictions in relation to the Offer. CSG, the Offeror and their respective boards of directors and advisors accept no responsibility for the failure by a Shareholder to inform itself about, or to observe, any applicable legal requirements in any relevant jurisdiction, nor for any failure by CSG or the Offeror to observe the requirements of any jurisdiction.

The Offer is proposed solely on the terms set out in this Circular, which includes details of the Offer and how the Delisting, may be approved. The Offer is not being proposed in any jurisdiction in which it is unlawful to propose such Offer.

It may be difficult for Shareholders situated outside of South Africa to enforce their rights against CSG and/or the Offeror and any claim that a Shareholder may have arising under United States ("**US**") or any other foreign securities laws or regulations, since CSG and the Offeror are located in South Africa. Such Shareholders may not be able to sue CSG, the Offeror, their officers or directors in a foreign court, including South African courts, for violations of US, or any other jurisdictions', securities laws or regulations. It may be difficult to compel CSG, the Offeror or a member of the respective groups of CSG or the Offeror to subject themselves to a US court's judgment.

Any 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.

## **MATERIAL RISKS**

The CSG Group's detailed material risks to its businesses are available on the Company's website at the following link <https://www.csgholdings.co.za>.

## **DATE OF INFORMATION PROVIDED**

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

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## CORPORATE INFORMATION OF CSG

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### CSG Holdings Limited

Date of Incorporation  
12 April 2006

Place of Incorporation  
Johannesburg, South Africa

### Company Secretary and Registered Offices

Mark Nico Hattingh  
6 Topaz Avenue  
Lyttelton Manor Ext 3  
Centurion  
0157  
(Postal address as above)

Email: mark@hnlaw.co.za  
Tel: +27 (0)12 664 7080

### Transaction Sponsor

Deloitte & Touche Sponsor Services Proprietary Limited  
(Registration number 1996/000034/07)  
5 Magwa Crescent  
Waterfall City  
Midrand  
2090  
(Private Bag X6, Gallo Manor, 2052)

### Corporate Advisor

Deloitte Capital Proprietary Limited  
(Registration number 2010/009339/07)  
5 Magwa Crescent  
Waterfall City  
Midrand  
2090  
(Private Bag X6, Gallo Manor, 2052)

### Legal Advisor

CMS RM Partners Inc  
(Registration number 2018/243548/21)  
85 Grayston Drive  
5th Floor Sandton  
2196  
Johannesburg, Gauteng  
(Postal address as per above)

### Transfer Secretaries

JSE Investor Services Proprietary Limited  
(Registration number 2000/007239/07)  
13th Floor  
19 Ameshoff Street  
Braamfontein  
Johannesburg  
2001  
(PO Box 4844, Johannesburg, 2000)

Tel:  
International: +27 (0)11 029 0112  
South Africa: 086 147 2644

### Independent Expert

Mazars Corporate Finance Proprietary Limited  
(Registration number 2003/029561/07)  
54 Glenhove Road  
Melrose Estate  
2076  
(PO Box 6697, Johannesburg, 2000)

### Meeting Scrutineers

The Meeting Specialist Proprietary Limited  
(Registration number 2017/287419/07)  
JSE Building, One Exchange Square  
2 Gwen Lane  
Sandown  
2196  
(PO Box 62043, Marshalltown, 2107)

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## CORPORATE INFORMATION OF THE OFFEROR

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**ARC Fund (represented herein by UBI General Partner  
Proprietary Limited in its capacity as General Partner)**

Registered Office:  
6th Floor  
Bowmans Building  
11 Alice Lane Sandton  
Gauteng  
(Postal address as per above)

**Legal Advisor**

Webber Wentzel  
90 Rivonia Road  
Sandton  
2196  
South Africa  
(PO Box 61771, Marshalltown, 2107)

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## ACTION REQUIRED BY SHAREHOLDERS

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The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, unless the context indicates otherwise.

If you have disposed of all or any of your Shares, then this Circular, together with the accompanying notice convening the General Meeting and Form of Proxy, should be forwarded to the purchaser to whom, or the Broker, agent, CSDP or banker through whom, you disposed of your Shares.

Please take careful note of the following provisions regarding the action to be taken by Shareholders.

### 1. THE GENERAL MEETING

The General Meeting will be held entirely via electronic facility/communication in terms of section 63(2)(a) of the Companies Act given the impact of Covid-19 on in-person meetings, at 10:00 am on Monday, 20 December 2021 (or any other adjourned, postponed or rescheduled date and time in accordance with, amongst others, the provisions of section 64 of the Companies Act and the MOI, as read with the JSE Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions required to authorise and effect the implementation of the Transaction. The notice of General Meeting is attached to, and forms part of, this Circular.

#### 1.1 Dematerialised Shareholders who do not have “own-name” registration

- 1.1.1 If you wish to attend the General Meeting, you should instruct your CSDP or Broker to issue you with the necessary letter of representation to attend the General Meeting, in the manner stipulated in the Custody Agreement governing the relationship between you and your CSDP or Broker. 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. Due to the exigencies of the necessary verification exercise that must be completed to ensure that all attendees are lawful participants, it may not be possible to promptly verify a Dematerialised Shareholder without “own-name” registration once the General Meeting has commenced. Shareholders are therefore strongly recommended to ensure the timeous receipt by the Meeting Scrutineers of the aforementioned letter of representation.
- 1.1.2 If you do not wish to, or are unable to attend the General Meeting, but wish to vote thereat, you should provide your CSDP or Broker with your voting instructions in the manner stipulated in the Custody Agreement governing the relationship between you and your CSDP or Broker. 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 the Custody Agreement concluded between you and your CSDP or Broker.
- 1.1.3 You must **not** complete the attached Form of Proxy.

#### 1.2 Dematerialised Shareholders who have “own-name” registration

- 1.2.1 You may attend, speak and vote at the General Meeting to be held virtually, with votes capable of being submitted during the General Meeting by Shareholders or by proxy prior to the commencement of the General Meeting, subject to section 57 and section 58 of the Companies Act.
- 1.2.2 If you do not wish to or are unable to attend the General Meeting but wish to be represented thereat, you should complete the attached Form of Proxy in accordance with the instructions contained therein and ensure that it is received by the Meeting Scrutineers, JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196 (PO Box 62043, Marshalltown, 2107) or via email to proxy@tmsmeetings.co.za by no later than 10:00 am on Wednesday, 15 December 2021, failing which Forms of Proxy may be emailed to the Meeting Scrutineers (who will provide same to the Chairperson of the General Meeting) at any time prior to the commencement of the General Meeting, provided that such Form of Proxy and the identification must be verified and registered before the commencement of the General Meeting.

#### 1.3 Certificated Shareholders

- 1.3.1 You may attend, speak at and vote at the General Meeting to be held virtually, with votes capable of being submitted during the General Meeting by Shareholders or by proxy prior to the commencement of the General Meeting, subject to section 57 and section 58 of the Companies Act.

- 1.3.2 If you do not wish to or are unable to attend the General Meeting but wish to be represented thereat, you should complete the attached Form of Proxy in accordance with the instructions contained therein and ensure that it is received by the Meeting Scrutineers, JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196 (PO Box 62043, Marshalltown, 2107) or via email to proxy@tmsmeetings.co.za by no later than 10:00 am on Wednesday, 15 December 2021, failing which, Forms of Proxy may be emailed to the Meeting Scrutineers (who will provide same to the Chairperson of the General Meeting) at any time prior to the commencement of the General Meeting, provided that such Form of Proxy and the identification must be verified and registered before the commencement of the General Meeting.

#### **1.4 Electronic participation at the General Meeting**

- 1.4.1 The General Meeting will only be accessible via electronic facility/communication in terms of section 63(2)(a) of the Companies Act, and as permitted in terms of the JSE Listings Requirements and the Company's MOI. The interactive electronic platform made available for the General Meeting will permit all Shareholders to communicate concurrently with each other without an intermediary, and to effectively participate in, and vote at, the General Meeting.
- 1.4.2 Shareholders who wish to electronically participate in and/or vote at the General Meeting are required to contact the Meeting Scrutineers at proxy@tmsmeetings.co.za as soon as possible, but in any event, for administrative purposes only, by no later than 10:00 am on Wednesday, 15 December 2021. However, this will not in any way affect the rights of Shareholders to register for the General Meeting after this date, provided, however, that only those Shareholders who are fully verified (as required in terms of section 63(1) of the Companies Act) and subsequently registered at the commencement of the General Meeting will be allowed to participate in and/or vote by electronic means. Shareholders are strongly encouraged to submit votes by proxy before the General Meeting. If Shareholders wish to attend the General Meeting, they should instruct their CSDP or Broker to issue them with the necessary letter of representation to attend the General Meeting, in the manner stipulated in their 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. Due to the exigencies of the necessary verification exercise that must be completed to ensure that all attendees are lawful participants, it may not be possible to promptly verify a Dematerialised Shareholder without "own-name" registration once the General Meeting has commenced. Shareholders are therefore strongly encouraged to ensure the timeous receipt by the Meeting Scrutineers of the aforementioned letter of representation.
- 1.4.3 The Transfer Secretaries will assist Shareholders with the requirements for electronic participation in, and/or voting at, the General Meeting. The Meeting Scrutineers are further obliged to validate (in consultation with CSG and, in particular, your CSDP) each such Shareholder's entitlement to participate in and/or vote at the General Meeting, before providing it with the necessary means to access the General Meeting and/or the associated voting forms.
- 1.4.4 Shareholders who wish to participate in the General Meeting, including proxy holders, will be required to submit the duly completed Electronic Participation Form, found on page 61 of this Circular, together with the relevant documents to proxy@tmsmeetings.co.za or the Company Secretary at mark@hnlaw.co.za by no later than 10:00 am on Wednesday, 15 December 2021, as provided for on the Electronic Participation Form. Shareholders are strongly encouraged to complete their verification well ahead of time.
- 1.4.5 Once your shareholding, identity and authority (if the Shareholder is not an individual) have been verified by the Meeting Scrutineers, you will be provided with details on how to join the General Meeting web stream. Shareholders will be required to send their duly completed voting forms to the Meeting Scrutineers via email before the commencement of the General Meeting.
- 1.4.6 Shareholders may participate in the General Meeting using the online platform and the unique link which will be provided to each participant who has completed the Electronic Participation Form and submitted it to the Meeting Scrutineers together with the relevant supporting documentation and will be able to vote between the commencement of the meeting (10:00 am on Monday, 20 December 2021) and the closure of voting as announced by the Chairperson during the General Meeting.
- 1.4.7 Shareholders will be liable for their own network charges and expenses in relation to electronic participation in the General Meeting. Any such charges will not be for the account of CSG or the Meeting Scrutineers. Neither of CSG nor the Meeting Scrutineers can be held liable in the event of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which may prevent any such Shareholder from participating in the General Meeting.
- 1.4.8 Notwithstanding the above, Shareholders are reminded that they are still able to vote normally through proxy submission, despite deciding to participate either electronically or not at all in the General Meeting. Shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting.

Please forward all relevant information to the below mentioned:

The Meeting Specialist Proprietary Limited  
JSE Building  
One Exchange Square  
2 Gwen Lane  
Sandown  
2196  
(PO Box 62043, Marshalltown, 2107) or  
Email to: proxy@tmsmeetings.co.za

## 2. THE OFFER

For the avoidance of doubt, Offeree Shareholders will be entitled to accept the Offer from 9:00 on the Opening Date. However, any Offer Shares Tendered will not be acquired by the Offeror until such time as the Offer is implemented, which is conditional, *inter alia*, on the Offer becoming unconditional.

Offeree Shareholders shall be entitled to either:

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

Offeree Shareholders who wish to reject the Offer do not need to take any further action and will continue to hold their Offer Shares and will be deemed to be Remaining Shareholders. Remaining Shareholders are advised that in the event that the Offer is implemented they will remain Shareholders in the unlisted company, with the tradability of their Shares being limited and will be issued certificates in respect of those Shares they have deemed to retain.

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

### 2.1 Certificated Shareholders

- 2.1.1 The provisions of this paragraph 2.1 do not apply to Dematerialised Shareholders who elect to accept the Offer.
- 2.1.2 Certificated Shareholders who wish to accept the Offer are required to complete the attached Form of Acceptance and Transfer and return it to the Transfer Secretaries together with their Documents of Title in respect of their Offer Shares, at their own risk, to be received by no later than 12:00 pm on the Closing Date. If a Form of Acceptance and Transfer is not received by 12:00 pm on the Closing Date, such Certificated Shareholder will be deemed to have declined the Offer. No late acceptances will be considered if received by the Transfer Secretaries after 12:00 pm on the Closing Date.
- 2.1.3 If the Documents of Title relating to the Shares held by a Certificated Shareholder have been lost or destroyed, Certificated Shareholders who wish to accept the Offer in respect of all or some of their Shares should nevertheless return a duly completed Form of Acceptance and Transfer together with a duly completed indemnity form obtainable from the Transfer Secretaries upon request. Only indemnity forms obtained from the Transfer Secretaries will be regarded as suitable. The Offeror shall be entitled to, in its absolute discretion, by way of written agreement in the instance in which satisfactory evidence has been provided that the Documents of Title have been lost or destroyed, waive the requirement that the Certificated Shareholder provides an indemnity.
- 2.1.4 No receipt will be issued by the Transfer Secretaries or the Offeror for Forms of Acceptance and Transfer or Documents of Title surrendered to the Transfer Secretaries in full or partial acceptance of the Offer unless specifically requested to do so by the Offeree Shareholder in question. Lodging agents who require special transaction receipts are requested to prepare such receipts and to submit them for stamping by the Transfer Secretaries together with the Form of Acceptance and Transfer.

### 2.2 Dematerialised Shareholders

- 2.2.1 Dematerialised Shareholders who wish to accept the Offer are required to notify their CSDPs or Brokers of their acceptance in the manner and by the deadline stipulated in the Custody Agreement. If no instruction is given to their CSDPs or Brokers, or if there is any doubt or dispute in respect of their acceptance, such Dematerialised Shareholders will be deemed to not have accepted the Offer. Dematerialised Shareholders **must not** complete the attached Form of Acceptance and Transfer. The CSDP or Broker of a Dematerialised Shareholder who wishes to accept the Offer must notify the Transfer Secretaries of such acceptance of the Offer.

- 2.2.2 The Offeror reserves the right, in its sole and absolute discretion, to:
- 2.2.2.1 in respect of Certificated Shares, treat as invalid Forms of Acceptance and Transfer not accompanied by valid Documents of Title;
  - 2.2.2.2 treat as invalid Forms of Acceptance and Transfer not properly completed;
  - 2.2.2.3 require proof of the authority of the person signing the Form of Acceptance and Transfer where such proof has not been lodged with or recorded by the Transfer Secretaries; and
  - 2.2.2.4 without prejudice to any of its rights, the Offeror reserves the right to condone, in its sole discretion, the non-performance by any Offeree Shareholder of any of the terms of the Offer.

### **2.3 Settlement of the Offer Consideration**

- 2.3.1 Certificated Shareholders who accept the Offer will have the Offer Consideration transferred to them by way of EFT into the bank account nominated by them in the Form of Acceptance and Transfer by no later than the Payment Date, being within six Business Days after the later of the Offer being declared unconditional and the date on which such Shareholders deliver Forms of Acceptance and Transfer and Documents of Title to the Transfer Secretaries, with the last Payment Date being the first Business Day after the Closing Date.
- 2.3.2 Dematerialised Shareholders who accept the Offer will have their accounts at their CSDP or Broker updated with the Offer Consideration by no later than the Payment Date, being within six Business Days after the later of the Offer being declared unconditional and the date on which the CSDPs or Brokers of such Offeree Shareholders notify the Transfer Secretaries of their acceptance of the Offer, with the last Payment Date being the first Business Day after the Closing Date.
- 2.3.3 If the Offer Consideration is not paid to Offeree Shareholders entitled thereto because the relevant Documents of Title and Forms of Acceptance and Transfer have not been surrendered, or if the Offer Consideration is returned undelivered to the Transfer Secretaries, the Offer Consideration will be held by the Offeror or the Transfer Secretaries, on behalf of and for the benefit of such Certificated Shareholders, until claimed and no interest will accrue thereon. This paragraph does not apply to Dematerialised Shares held by Offeree Shareholders.
- 2.3.4 The settlement of the Offer Consideration to which any Offeree Shareholder becomes entitled in terms of the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counter-claim or any other analogous right to which the Offeror may be entitled.
- 2.3.5 The settlement of the Offer Consideration for both Dematerialised Shareholders and Certificated Shareholders will be made subject to any applicable Exchange Control Regulations.

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## SALIENT DATES AND TIMES

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The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, unless the context indicates otherwise.

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### 2021

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| Record date to determine which Shareholders receive the Circular (together with the notice convening the General Meeting) on                           | Friday, 12 November    |
| Interim results for the six months ended 30 September 2021 published on SENS on  | Monday, 15 November    |
| Circular (incorporating the notice convening the General Meeting) published and distributed on   | Thursday, 18 November  |
| Announcement relating to the publishing and distribution of the Circular released on SENS on   | Thursday, 18 November  |
| Offer opens at 09:00 am on (refer to notes 3 and 4 below)  | Thursday, 18 November  |
| Last day to trade in Shares in order to be eligible to vote at the General Meeting on (refer to notes 5 and 6 below)                                   | Tuesday, 7 December    |
| Record date in order to be eligible to vote at the General Meeting on (refer to notes 5 and 6 below)   | Friday, 10 December    |
| Last day on which Forms of Proxy should be lodged with the Meeting Scrutineers for the General Meeting (by 10:00 am) on (refer to notes 7 and 8 below) | Wednesday, 15 December |
| General Meeting held at 10:00 am on*   | Monday, 20 December    |
| Results of the General Meeting released on SENS on   | Monday, 20 December    |

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### 2022

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| Expected date to receive approval from the Competition Authorities on or about   | Wednesday, 16 March |
| Expected date to receive TRP compliance certificate on   | Thursday, 17 March  |
| Expected publication of finalisation announcement relating to the Offer released on SENS on or about                                 | Friday, 18 March    |
| Expected publication of finalisation announcement relating to the Offer published in the South African press on or about             | Tuesday, 22 March   |
| Expected last day to trade in Shares in order to participate in the Offer on or about (refer to note 9 below)                        | Tuesday, 5 April    |
| Expected suspension of the listing of the Shares on the JSE with effect from the commencement of trade on or about                   | Wednesday, 6 April  |
| Expected date on which the Offer closes at 12:00 pm on or about  | Friday, 8 April     |
| Expected record date on which Offeree Shareholders must hold Shares in order to accept the Offer on or about (refer to note 9 below) | Friday, 8 April     |
| Expected results of the Offer announced on SENS on or about  | Monday, 11 April    |
| Expected payment of Offer Consideration to Offer Participants (refer to notes 10 and 11 below), with the last payment on             | Monday, 11 April    |
| Expected results of the Offer published in the South African press on or about   | Tuesday, 12 April   |
| Expected termination of the listing of the Shares at the commencement of trade on the JSE on or about                                | Tuesday, 12 April   |

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\* The General Meeting will not be held in a closed period.

**Notes:**

1. All dates and times in this Circular are local dates and times in South Africa.
2. The above dates and times are subject to change. Any changes will be released on SENS and, if required, published in the press.
3. The Offer must remain open for at least 30 Business Days after the Opening Date.
4. Offeree Shareholders should note that acceptance of the Offer will, subject to paragraph 2.6.1 of Part A, be irrevocable.
5. Shareholders should note that as transactions in the Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, Shareholders who acquire the Shares after Tuesday, 7 December 2021 will not be eligible to vote at the General Meeting.
6. For purposes of being eligible to attend, participate and vote at the General Meeting, no Dematerialisation or rematerialisation of the Shares may take place between Wednesday, 8 December 2021 and Friday, 10 December 2021, both days inclusive.
7. In order to ensure an orderly arrangement of affairs at the General Meeting, Forms of Proxy should be lodged with the Meeting Scrutineers by 10:00 am on Wednesday, 15 December 2021, failing which Forms of Proxy may be emailed to the Meeting Scrutineers (who will provide same to the Chairperson of the General Meeting) at any time prior to the commencement of the General Meeting, provided that such Form of Proxy and the identification must be verified and registered before the commencement of the General Meeting.
8. If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.
9. For purposes of being eligible to participate in the Offer, no Dematerialisation and rematerialisation of the Shares may take place after the last day to trade in the Shares for participation in the Offer being Tuesday, 5 April 2022. For the avoidance of doubt, Offer Participants cannot Dematerialise or rematerialise once they have validly accepted the Offer.
10. Certificated Shareholders who accept the Offer will have the Offer Consideration transferred to them by EFT into the bank account nominated by them in the Form of Acceptance and Transfer by no later than the Payment Date, being within six Business Days after the later of the Offer being declared unconditional and the date on which such Shareholders deliver Forms of Acceptance and Transfer and Documents of Title to the Transfer Secretaries, with the last Payment Date being the first Business Day after the Closing Date.
11. Dematerialised Shareholders who accept the Offer will have their accounts at their CSDP or Broker updated by no later than the Payment Date, being within six Business Days after the later of the Offer being declared unconditional and the date on which the CSDPs or Brokers of such Offeree Shareholders notify the Transfer Secretaries of their acceptance of the Offer, with the last Payment Date being the first Business Day after the Closing Date.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular and the annexures hereto, unless inconsistent with the context, an expression which denotes a gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa* and the expressions set out in the first column bear the meaning assigned to them in the second column.

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| “ARC Fund”                            | an <i>en commandite</i> partnership established in South Africa with its address at 6th Floor, Bowmans Building, 11 Alice Lane, Sandton, Johannesburg, 2196, South Africa. represented by the General Partner, with the Offeror’s corporate structure being set out in Annexure 6;   |
| “ARCI”                                | African Rainbow Capital Investments Limited (company number C148430), a public company incorporated in accordance with the laws of Mauritius, listed on the exchange operated by the JSE and on A2X Markets, and appointed as the limited partner of the ARC Fund. Refer to Annexure 6 for the corporate structure;  |
| “Authorised Dealer”                   | an authorised dealer of the South African Reserve Bank, established in terms of section 9 of the Currency and Banking Act, 31 of 1920, as amended and currently governed by the South African Reserve Bank Act, 90 of 1989, as amended designated as such in the Exchange Control Regulations  |
| “Board” or “Directors” or “CSG Board” | the board of directors of CSG at the Last Practicable Date, whose details are set out on page 16 of this Circular;   |
| “Broker”                              | any person registered as a broking member (equities) in terms of the rules of the JSE in accordance with the provisions of the Financial Markets Act;  |
| “Business Day”                        | any day other than a Saturday, Sunday or a public holiday in South Africa;   |
| “Cautionary Announcement”             | the cautionary announcement published on SENS on Monday, 11 October 2021;  |
| “cents”                               | South African cents in the official currency of South Africa;  |
| “Certificated Shareholders”           | Shareholders who hold Certificated Shares;   |
| “Certificated Shares”                 | Shares that have not been Dematerialised, the title to which is evidenced by a Document of Title, which have not been surrendered for Dematerialisation in terms of the requirements of Strate;  |
| “Circular”                            | this bound document dated Thursday, 18 November 2021, including the annexures hereto, the notice of General Meeting, the Form of Proxy ( <i>white</i> ), the Form of Acceptance and Transfer ( <i>blue</i> ) and the Electronic Participation Form ( <i>white</i> );   |
| “Closing Date”                        | the closing date of the Offer at 12:00 pm on a date to be announced on SENS, at least 10 Business Days prior thereto, and if required, published in the press, and which closing date shall be (i) a Friday (ii) not be earlier than 30 Business Days after the Opening Date and (iii) at least 10 Business Days after the Offer becomes unconditional. The Closing Date is anticipated to be by no later than 12:00 pm on Friday, 8 April 2022; |
| “Common Monetary Area”                | South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini;  |
| “Companies Act”                       | the Companies Act, 71 of 2008, as amended;   |
| “Companies Regulations”               | the Companies Regulations, 2011, published in terms of the Companies Act;  |
| “Company Secretary”                   | Mark Nico Hattingh, with registered address, 6 Topaz Avenue, Lyttelton Manor Ext 3, Centurion, 0157 and email address mark@hnlaw.co.za;  |
| “Competition Authorities”             | the Competition Commission, the Competition Tribunal or the Competition Appeal Court, whichever has jurisdiction for the purposes of the Offer, as established by the Competition Act, 89 of 1998, as amended;   |
| “Corporate Advisor”                   | Deloitte Capital Proprietary Limited (registration number 2010/009339/07), a private company incorporated in accordance with the laws of South Africa;   |
| “CSDP”                                | a Central Securities Depository Participant, being a participant as defined in section 1 of the Financial Markets Act;   |
| “CSG” or “the Company”                | CSG Holdings Limited (registration number 2006/011359/06), a public company incorporated in accordance with the laws of South Africa, with its Shares listed on the Main Board of the JSE;   |

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| <b>“CSG Group” or “Group”</b>               | CSG and its Subsidiaries from time to time;   |
| <b>“CSG Shareholders” or “Shareholders”</b> | registered holders of Shares recorded in the Register as at the relevant record date;   |
| <b>“CSG Shares” or “Shares”</b>             | ordinary no par value shares in the share capital of CSG which are listed on the Main Board of the JSE;   |
| <b>“Custody Agreement”</b>                  | the custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker, governing their relationship in respect of Dematerialised Shares held by a Dematerialised Shareholder on the Company’s uncertificated securities register and administered by a CSDP or Broker on behalf of that Dematerialised Shareholder; |
| <b>“Delisting”</b>                          | the termination of the listing of the Shares on the Main Board of the JSE, pursuant to the Delisting Resolution being adopted;  |
| <b>“Delisting Resolution”</b>               | the Ordinary Resolution to be proposed at the General Meeting to approve the delisting of the Shares from the Main Board of the JSE in terms of paragraphs 1.15(a) and 1.16 of the JSE Listings Requirements, pursuant to the Offer;  |
| <b>“Dematerialised Shareholder”</b>         | Shareholders who hold Dematerialised Shares;  |
| <b>“Dematerialised Shares”</b>              | Shares which have been Dematerialised or which were issued in Dematerialised form, and which are held on a Sub-Register of Shareholders administered by a CSDP;   |
| <b>“Documents of Title”</b>                 | valid share certificates, certified transfer deeds, balance receipts or any other proof of ownership of the Shares, reasonably acceptable to the Company in respect of the Offer Shares;  |
| <b>“EFT”</b>                                | electronic funds transfer;  |
| <b>“Electronic Participation Form”</b>      | for purposes of the General Meeting, the electronic participation form ( <i>white</i> ) attached to and forming part of this Circular;  |
| <b>“Eligible Shareholders”</b>              | the Shareholders who are entitled to attend and vote at the General Meeting;  |
| <b>“Exchange Control Regulations”</b>       | the Exchange Control Regulations, promulgated in terms of section 9 of the Currency and Exchanges Act, 9 of 1933, as amended;   |
| <b>“Excluded Shares”</b>                    | the Treasury Shares and the Shares that the Offeror already owns (indirectly through its interests in Gemcap), collectively representing 132 672 080 Shares and 25.27% of the issued Shares;  |
| <b>“Financial Markets Act”</b>              | the Financial Markets Act, 19 of 2012, as amended;  |
| <b>“Firm Intention Announcement”</b>        | the announcement released on SENS on Monday, 8 November 2021, advising Shareholders of the Offer and Delisting;   |
| <b>“Firm Intention Offer Letter”</b>        | the letter dated Thursday, 4 November 2021 issued by the Offeror regarding the Offer and containing, <i>inter alia</i> , the basis and terms which govern the implementation thereof;   |
| <b>“Foreign Shareholder”</b>                | a Shareholder who is a non-resident of South Africa as contemplated in the Exchange Control Regulations;  |
| <b>“Form of Acceptance and Transfer”</b>    | for purposes of accepting the Offer, the form of acceptance, surrender and transfer ( <i>blue</i> ) attached to and forming part of this Circular for use only by Offer Participants holding Certificated Shares;   |
| <b>“Form of Proxy”</b>                      | for purposes of the General Meeting, the form of proxy ( <i>white</i> ) attached to and forming part of this Circular, for use only by Certificated Shareholders and Own-Name Dematerialised Shareholders;  |
| <b>“FSP”</b>                                | the CSG Forfeitable Share Plan, established with the purpose of attracting, retaining and rewarding CSG employees, by providing them with the opportunity of receiving fully paid Shares through the granting of forfeitable awards;  |
| <b>“FSP Shares”</b>                         | the 3 700 000 Shares under the FSP as at the Last Practicable Date;   |
| <b>“Gemcap”</b>                             | Gemcap Proprietary Limited (registration number 2015/419603/07), a private company incorporated in accordance with the laws of South Africa and a wholly-owned portfolio company of the Offeror as per the corporate structure set out in Annexure 6;   |

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| <b>“General Meeting”</b>                      | the meeting of Shareholders convened in terms of the Companies Act (including any adjournment or postponement thereof), to be held entirely by electronic facility/communication at 10:00 am on Monday, 20 December 2021, and in connection with the Delisting for the purpose of considering and, if deemed fit, approving, with or without modification, the Resolutions set out in the notice of General Meeting attached to, and forming part of, this Circular; |
| <b>“General Partner”</b>                      | UBI General Partner Proprietary Limited (registration number 2016/224437/07), a private company incorporated in accordance with the laws of South Africa, wholly-owned by UBI, and appointed as the general partner of the ARC Fund as per the corporate structure set out in Annexure 6;  |
| <b>“Independent Board”</b>                    | those Directors who are independent non-executive directors appointed in terms of the Takeover Regulations as the independent board of CSG, being Mathukana Mokoka, Renganayagee (Rojie) Kisten and Nona Ndiliseka Sonjani, all of whom are independent as contemplated in regulation 108(8) of the Takeover Regulations;  |
| <b>Independent Expert” or “Mazars”</b>        | Mazars Corporate Finance Proprietary Limited (registration number 2003/029561/07), a private company incorporated in accordance with the laws of South Africa;   |
| <b>“Independent Expert’s Report”</b>          | the Independent Expert’s fair and reasonable opinion as regards the Offer, in terms of Section 114(3) of the Companies Act (read with regulation 90 of the Takeover Regulations) and paragraph 1.15(d) and schedule 5.8 of the JSE Listings Requirements, which is set out in Annexure 1 to this Circular;   |
| <b>“Irrevocable Undertakings”</b>             | the irrevocable undertakings referred to in section 8 of Part A of this Circular and set out in Annexure 4;  |
| <b>“JSE”</b>                                  | JSE Limited (registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed to operate an exchange under the Financial Markets Act;   |
| <b>“JSE Listings Requirements”</b>            | the listings requirements of the JSE as amended;   |
| <b>“Last Practicable Date”</b>                | Thursday, 11 November 2021, being the last practicable date prior to the finalisation of this Circular;  |
| <b>“Meeting Scrutineers”</b>                  | The Meeting Specialist Proprietary Limited (registration number 2017/287419/07), a private company incorporated in accordance with the laws of South Africa;   |
| <b>“MOI”</b>                                  | the existing memorandum of incorporation of CSG;   |
| <b>“Offer”</b>                                | the general offer to Offeree Shareholders made by the Offeror, as contemplated by section 117(1)(c)(v) (read together with section 121(1)) of the Companies Act and paragraph 1.15(d) of the JSE Listings Requirements, to acquire all or part of their shareholding in CSG, on the terms set out in this Circular;  |
| <b>“Offer Consideration”</b>                  | 35 cents per CSG Share;  |
| <b>“Offer Participants”</b>                   | the CSG Shareholders who validly and lawfully accept the Offer by the Closing Date and who are thus entitled, subject to the Offer being implemented, to receive the Offer Consideration;  |
| <b>“Offer Period”</b>                         | the period from 09:00 am on the Opening Date to 12:00 pm on the Closing Date;  |
| <b>“Offer Record Date”</b>                    | the record for participation in the Offer, being the Closing Date;   |
| <b>“Offeree Shareholders”</b>                 | the CSG Shareholders to which the Offer is made;   |
| <b>“Offer Shares”</b>                         | all of the Shares, other than the Excluded Shares, being 392 316 416 Shares;   |
| <b>“Offeror”</b>                              | ARC Fund;  |
| <b>“Opening Date”</b>                         | the opening date of the Offer, being 09:00 am on Thursday, 18 November 2021;   |
| <b>“Ordinary Resolution”</b>                  | a resolution adopted by Eligible Shareholders with the support of more than 50% of the voting rights exercised on the resolution;  |
| <b>“Own-Name Dematerialised Shareholders”</b> | Dematerialised Shareholders who/which have elected “own-name” registration;  |

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| <b>“Payment Date”</b>           | in relation to an Offer Participant, a period of six Business Days after the later of the Offer being declared unconditional in all respects as contemplated by regulation 102(12)(a) of the Takeover Regulations and acceptance of the Offer by such Offer Participant, with the last Payment Date being the first Business Day after the Closing Date;  |
| <b>“R” or “Rand”</b>            | South African Rand;   |
| <b>“Register”</b>               | the securities register of the Company (including the relevant Sub-Registers and the register of disclosures of the Company);   |
| <b>“Remaining Shareholders”</b> | in the event that the Offer and Delisting is implemented, those Shareholders who do not accept the Offer or who do not accept the Offer in respect of all of the Offer Shares held by them and continue to hold Shares following the implementation of the Offer;   |
| <b>“Resolutions”</b>            | the Delisting Resolution and other resolutions in relation thereto to be proposed at the General Meeting as set out in the notice of General Meeting;   |
| <b>“SARB”</b>                   | the South African Reserve Bank;   |
| <b>“South Africa”</b>           | the Republic 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, which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE;   |
| <b>“Sub-Register”</b>           | in respect of each Dematerialised Shareholder, a sub-register maintained by a CSDP and forming part of the Register;  |
| <b>“Subsidiary”</b>             | a subsidiary as defined in the Companies Act;   |
| <b>“Takeover Regulations”</b>   | Chapter 5 of the Companies Regulations;   |
| <b>“Tender” or “Tendered”</b>   | the tender by Shareholders of all or part of the Offer Shares held by them, for disposal in terms of the Offer;   |
| <b>“Transaction”</b>            | the Offer and the Delisting;  |
| <b>“Transaction Sponsor”</b>    | Deloitte & Touche Sponsor Services Proprietary Limited (registration number 1996/000034/07), a private company incorporated in accordance with the laws of South Africa;  |
| <b>“Transfer Secretaries”</b>   | JSE Investor Services Proprietary Limited (registration number 2000/007239/07), a private company incorporated in accordance with the laws of South Africa;   |
| <b>“Treasury Shares”</b>        | 2 463 260 Shares held by CSG which constitute treasury shares in terms of section 48(2)(b)(ii) of the Companies Act;  |
| <b>“TRP”</b>                    | the Takeover Regulation Panel, established pursuant to section 196 of the Companies Act;  |
| <b>“UBI”</b>                    | Ubuntu-Botho Investments Proprietary Limited (registration number 2004/002569/07), a private company incorporated in accordance with the laws of South Africa, the shareholder of the General Partner.<br><br>UBI is a Broad-Based Black Economic Empowerment vehicle that is majority owned and controlled by Sizanani-Thusanang-Helpmekaar Investments Proprietary Limited (an investment vehicle whose ultimate beneficial owner is Dr Patrice Motsepe and family), with the remaining shareholders representing several foundations, trusts and investment vehicles established for the benefit of black communities and beneficiaries; |
| <b>“Voting Record Date”</b>     | the date on, and the time at which a Shareholder must be recorded in the Register in order to vote at the General Meeting, being the close of business on Friday, 10 December 2021 or such other date or time as the JSE may direct; and  |
| <b>“VWAP”</b>                   | volume weighted average price of a Share.   |



## CSG HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number 2006/011359/06)  
Share Code CSG  
ISIN ZAE000184438  
("CSG" or "the Company")

### Directors of CSG

Bulelani Thandabantu Ngcuka\* (*Chairperson*)  
Jacobus Gerrit Nieuwoudt (*Chief executive officer*)  
William Edward Scott (*Chief financial officer*)  
Mathukana Mokoka\*\* (*Lead independent Director*)  
Renganayagee Kisten\*\*  
Nona Ndiliseka Sonjani\*\*

\* *Non-executive*

# *Members of the Independent Board appointed for purposes of evaluating the Offer*

## ARC FUND

an *en commandite* partnership, represented  
by the General Partner

### Directors of UBI

Dr Patrice Motsepe  
Mike Arnold  
Boipelo Lekubo  
Alex Maditsi  
Tsundzukani Mhlangu  
Johan van der Merwe  
Johan van Zyl

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## COMBINED CIRCULAR TO SHAREHOLDERS

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### 1. INTRODUCTION

- 1.1 In the Firm Intention Announcement released on SENS on Monday, 8 November 2021, Shareholders were advised that the General Partner on behalf of the Offeror, which through its wholly-owned portfolio investment company, Gemcap, is a 24.8% indirect shareholder in the Company (including Treasury Shares) had, on Thursday, 4 November 2021, delivered to the Board the Firm Intention Offer Letter to acquire all of the Offer Shares from Offeree Shareholders for the Offer Consideration, being 35 cents per Share.
- 1.2 Shareholders were further advised that one of the conditions to the Offer is that the Board propose the Delisting Resolution, which, if approved by the Shareholders at the General Meeting, will satisfy the JSE Listings Requirements and support the application to the JSE for the Delisting, which will take place immediately following implementation of the Offer.
- 1.3 The Delisting and Offer will be implemented on the basis that Offeree Shareholders are afforded an opportunity to either monetise their investment in CSG at a fair price or to continue to hold their Shares in an unlisted environment. All Offeree Shareholders will be entitled to remain invested in CSG post the Delisting.
- 1.4 The purpose of this Circular is, *inter alia*, to:
  - 1.4.1 provide Offeree Shareholders with information regarding the Transaction and the manner in which it will be implemented; and
  - 1.4.2 provide the Independent Expert's Report, the recommendation of the Independent Board and the Board, and to give notice convening the General Meeting in order to consider and, if deemed fit, to pass the Resolutions necessary to approve and implement the Transaction, as the case may be. A notice convening the General Meeting is attached to, and forms part of, this Circular.

### 2. BACKGROUND INFORMATION ABOUT THE OFFEROR AND CSG

#### 2.1 Information about the Offeror

- 2.1.1 ARC Fund invests in a broad range of sectors and through a variety of unlisted and listed entities and generally seeks to gain exposure to growth and early-maturity stage businesses in which management teams are appropriately incentivised. Where the ARC Fund holds the majority or significant minority interests in portfolio companies, where appropriate, it seeks to provide broad strategic guidance through representation and participation on the board of directors of such companies.

- 2.1.2 The ARC Fund, as a Broad-Based Black-controlled investment vehicle, provides solid empowerment credentials, access to capital, relationships, synergies and strategic support (i.e. governance, human capital) to investee companies.
- 2.1.3 The ARC Fund has two distinct investment focus areas: In terms of its financial services approach, it leverages the ARC Fund team's extensive experience in financial services to evaluate and pursue investment opportunities. Investments are made considering the stand-alone and synergistic potential across all the businesses in the financial services portfolio.
- 2.1.4 In terms of its diversified investments approach, the General Partner evaluates investment opportunities in conjunction with its partners who are sector experts (e.g. telecoms, property, business process outsourcing). Investments are made with stand-alone and synergistic potential in mind within the sub-category (e.g. property or agriculture). The businesses in the diversified investments portfolio offer significant client pool value for the financial services businesses.

## **2.2 Information about CSG and continuation of the business of CSG after the implementation of the Offer**

- 2.2.1 The CSG Group is a multi-disciplinary outsourced services group, offering a wide range of services within facilities management (technical, food, cleaning and security) and professional people solutions (recruitment, skills development and Broad-Based Black Economic Empowerment consulting). With a collective of more than 30 years' experience, we have developed a professional work ethos that initiates, plans and delivers on specialised services.
- 2.2.2 The outsourced services are structured into two core divisions - facilities management and people. The CSG facilities management division offers comprehensive and broad-ranging facilities management solutions, comprised of technical, food, cleaning and security services. In parallel, our people division provides specialised recruitment services, skills development and training, as well as extensive Broad-Based Black Economic Empowerment consulting.
- 2.2.3 The CSG Group strives to embrace technology, in order to expand organically and acquisitively, into a well-recognised leading brand in all chosen specialist outsource sectors. CSG select segments with high barriers to entry while offering a full range of quality services domestically and across Southern Africa, providing excellence and value to customers and stakeholders.

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## PART A: OFFER TO OFFEREE SHAREHOLDERS

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### 1. RATIONALE FOR THE OFFER

- 1.1** Following the recent restructuring and realignment of CSG together with the changes in the executive structures, the Offeror believes the timing is opportune to facilitate a turnaround strategy for CSG together with management and other strategic shareholders. From the Offeror's perspective, one of the key building blocks to a successful turnaround for CSG is to transform CSG to a black owned and controlled entity, specifically as it operates in the contract services sector where empowerment credentials are key to growth – including, amongst other services, the provision of catering, staffing, cleaning, security and mining services to a wide range of clients. The Offeror believes it can achieve this through the Offer as the Offeror is a Broad-Based Black Economic Empowerment investor with a significant network of businesses. In light of this, the Offeror believes that it is ideally positioned as a partner to help drive growth and value creation for CSG.
- 1.2** The Offeror, as a major indirect Shareholder, no longer sees the advantage of CSG remaining listed on the JSE. One of the main reasons is the very low trading volumes of CSG's Shares as a significant block of Shares are tightly held by a few Shareholders and management. These low trading volumes and the small market capitalisation of the Company, result in a lack of analyst interest. In the Offeror's and the Board's view, it is unlikely that this position will change over the short- to medium-term and this is a key driver for the Offeror to require that the Offer be made conditional on the implementation of the Delisting. Both the Offeror and the Board believe that the Delisting will unlock much needed management time currently being spent adhering to the JSE Listing Requirements and other compliance obligations as well as result in significant cost savings for CSG. Furthermore, the Offeror believes that it will, following the Delisting, be able to enhance the value that it can add to CSG together with certain other key Shareholders that have provided Irrevocable Undertakings not to accept the Offer.

### 2. THE OFFER

#### 2.1 The Offer and Offer Consideration

- 2.1.1 The Offeror hereby makes the Offer, subject to the fulfilment of the conditions precedent set out in paragraph 2.4 below, to acquire from Offeree Shareholders all the Offer Shares in respect of which it receives valid acceptances prior to the Closing Date.
- 2.1.2 The Offer will be made for a cash consideration of 35 cents per Share payable against delivery of registered and beneficial ownership of the relevant Offer Shares into the name of the Offeror.
- 2.1.3 The Offer Consideration of 35 cents per Share represents:
- 2.1.3.1 a premium of 75% to the closing price of 20 cents per Share; and
  - 2.1.3.2 a premium of 40% to the 30-day VWAP of 25 cents per Share,
- as at Friday, 8 October 2021, being the last Business Day prior to release of the Cautionary Announcement.

#### 2.2 Offer Period

- 2.2.1 The Offer is irrevocable and will be open for acceptance from 9:00 am on the Opening Date, and will, subject to it becoming wholly unconditional, close at 12:00 pm on the Closing Date, in accordance with Takeover Regulations 102(4) and 105(5)(b).
- 2.2.2 Accordingly, the Offer will remain open for acceptance by those Offeree Shareholders that are recorded in the Register at any time during the Offer Period.
- 2.2.3 In accordance with Takeover Regulation 103(1)(b)(i), the Offeror may, in its absolute and sole discretion, extend the Offer Period. Shareholders will be notified of any such extension on SENS and, if required, in the South African press.

#### 2.3 Remaining Shares

Offeree Shareholders who do not accept the Offer will remain Shareholders in the unlisted company, with the tradability of their Shares being limited.

#### 2.4 Conditions precedent

- 2.4.1 The Offer remains conditional upon:
- 2.4.1.1 by no later than 17:00 pm on 14 January 2022, the Delisting Resolution having been adopted by the requisite majority of the Eligible Shareholders at the General Meeting as contemplated in paragraphs 1.15(a) and 1.16 of the JSE Listings Requirements;

2.4.1.2 by no later than 17:00 pm on 31 March 2022, the receipt of all approvals, consents or waivers from those South African regulatory authorities ("**South African Authorities**") as may be necessary for the implementation of the Transaction, including the JSE, the TRP (by means of the issue of a compliance certificate in terms of section 121(b)(i) of the Companies Act) and the appropriate Competition Authorities ("**Regulatory Approvals**") on an unconditional basis or if such Regulatory Approvals are granted subject to any condition or qualification, then the Offeror must, acting reasonably, agree to such conditions or qualifications in order for this condition to be fulfilled; and

2.4.1.3 until and including the earlier of (a) one Business Day after the condition in respect of the Regulatory Approvals (save for the issuance of a compliance certificate by the TRP which, for avoidance of doubt, shall only be issued after all other conditions precedent, including the condition in this paragraph 2.4.1.3, have been fulfilled) set out in paragraph 2.4.1.2 above, has been fulfilled or (b) subject to paragraph 2.4.2 below, 17:00 pm on 28 March 2022, CSG not selling, disposing of, or acquiring, or entering into discussions, negotiations or concluding an agreement to sell, dispose of or acquire, any assets or any portion of its business (in the case of a disposal or sale) or any other business (in the case of an acquisition), except in the ordinary course of business and for the purposes of carrying on its business.

2.4.2 The conditions precedent set out in paragraph 2.4.1 are for the benefit of the Offeror and may be waived by the Offeror in writing, other than the condition precedent in paragraph 2.4.1.2 which is not capable of waiver. The dates stipulated in paragraphs 2.4.1.1 to 2.4.1.3 for the fulfilment or waiver of the conditions precedent may be extended by agreement between the Offeror and CSG, subject to any approval as may be required from the TRP and/or the JSE. The extension of any such dates will be announced on SENS and on CSG's website at <https://www.csgholdings.co.za>.

## **2.5 Ability to proceed with the Offer**

2.5.1 The Offeror has confirmed to the Board that the Offeror has sufficient funds to fully satisfy the cash Offer Consideration.

2.5.2 The Offeror has delivered an irrevocable unconditional confirmation in accordance with regulations 111(4) and 111(5) of the Takeover Regulations from Absa Bank Limited to the TRP that sufficient funds are available to fully satisfy the cost of the Offer Consideration.

## **2.6 Acceptances irrevocable**

2.6.1 All acceptances of the Offer received by the Transfer Secretaries, the Offeror or the relevant CSDP or Broker prior to the Closing Date, will be irrevocable; subject to the rights of Offeree Shareholders to withdraw such acceptance in the limited circumstances contemplated in the Companies Regulations.

2.6.2 Offeree Shareholders should note that they may not trade any CSG Shares in respect of which they have accepted the Offer from the date of acceptance of the Offer.

## **2.7 Transaction receipts**

No receipts will be issued by the Transfer Secretaries or the Offeror for Forms of Acceptance and Transfer unless specifically requested to do so by the Offeree Shareholder in question. Lodging agents who require special transaction receipts are requested to prepare such receipts and to submit them for stamping by the Transfer Secretaries together with the Form of Acceptance and Transfer.

## **2.8 Applicable law**

2.8.1 The Offer is made in compliance with the requirements of the Takeover Regulations and is governed by and subject to the provisions of the laws of South Africa and will be subject to the exclusive jurisdiction of the South African courts.

2.8.2 Each Offer Participant will be deemed by his acceptance to have consented and submitted to the jurisdiction of the courts of South Africa in relation to all matters arising out of or in connection with the Offer and acceptance thereof.

## **2.9 Offer not made where illegal**

2.9.1 The legality of the Offer to persons resident in jurisdictions outside of South Africa may be affected by the laws of the relevant jurisdiction. Such persons should acquaint themselves with any applicable legal requirements which they are obligated to observe. It is the responsibility of any Offeree Shareholder wishing to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith.

- 2.9.2 In particular, the Offer is not being made, directly or indirectly, in or into any jurisdiction where it is illegal for the Offer to be made or accepted (“**Affected Jurisdictions**”) or by the use of mail, or by means or instrumentality of inter-state or foreign commerce of, or any facility of a national securities exchange of any of the Affected Jurisdictions.
- 2.9.3 Persons wishing to accept the Offer should not use the mail of any of the Affected Jurisdictions or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to the Offer.
- 2.9.4 Envelopes containing Forms of Acceptance and Transfer or other documents relating to the Offer should not be post-marked in any of the Affected Jurisdictions or otherwise dispatched from any of the Affected Jurisdictions and all acceptors must provide addresses outside the Affected Jurisdictions for receipt of the Offer Consideration to which they are entitled under the Offer. If received in any jurisdiction where it is illegal for the Offer to be made or accepted, this document should be treated as being received for information purposes only.

## **2.10 Approvals, consents and undertakings received**

- 2.10.1 The Offeror has obtained the necessary authorisations and approvals to the extent applicable, to proceed with the Offer. The Offer constitutes the acquisition of a beneficial interest in the remaining Shares, excluding the Excluded Shares, and is an “affected transaction” as defined in section 117(c)(v) of the Companies Act.
- 2.10.2 The TRP and the JSE have both approved this Circular.

## **2.11 Tax implications for Offeree Shareholders**

The tax treatment for Offeree Shareholders is dependent on the individual circumstances and the jurisdiction applicable to such Offeree Shareholders. It is recommended that, if Offeree Shareholders are uncertain about the tax implications of accepting the Offer and the receipt of the Offer Consideration, they should seek appropriate professional advice in this regard.

## **2.12 Other terms of the Offer**

- 2.12.1 The Offer may be amended, varied or revised in such a manner as the Offeror in its sole discretion may determine, provided that no such amendment, variation or revision shall be made unless:
  - 2.12.1.1 the prior consent of the TRP has been obtained;
  - 2.12.1.2 there is no diminution in the value of the Offer Consideration offered and the Offer is on no less favourable terms; and
  - 2.12.1.3 an announcement on SENS or press release containing the amended, varied or revised Offer is made prior to the finalisation time and date of the Offer or such other date which is approved by the TRP.
- 2.12.2 In addition to the above, no amendment to, or variation of the Offer will be valid unless made in writing and signed by a duly authorised representative of the Offeror. Without prejudice to its other rights, the Offeror reserves the right to condone, in its sole discretion, the non-observance by any Shareholder of any of the terms or conditions of the Offer. If the Offer is amended, varied or revised in a manner which makes it more favourable to the Shareholders, the benefit of such improved Offer will automatically accrue to any Shareholder who has accepted the Offer prior to the amendment, variation or revision being made.
- 2.12.3 The acceptance by or on behalf of such Shareholders of the Offer in its original or previous form shall be deemed to be an acceptance of any improved Offer pursuant to any such amendment, variation or revision and shall constitute an irrevocable authority and power of attorney in *rem suam* to any Director or duly authorised representative of the Offeror:
  - 2.12.3.1 to accept such amended, varied or revised Offer on behalf of such Shareholder; and
  - 2.12.3.2 to execute on behalf of and in the name of such Shareholder all such further documents (if any) as may be required to give effect to such acceptance.
- 2.12.4 Until such time as the Transaction is implemented, CSG has undertaken that it shall not sell, dispose of, or acquire, or enter into discussions, negotiations or conclude an agreement to sell, dispose of or acquire, any assets or any portion of its business (in the case of a disposal or sale) or any other business (in the case of an acquisition), except in the ordinary course of business and for the purposes of carrying on its business.

### **3. PROCEDURE FOR ACCEPTANCE OF THE OFFER**

#### **3.1 Certificated Shareholders**

- 3.1.1 The provisions of this paragraph 3.1 do not apply to Dematerialised Shareholders who elect to accept the Offer.
- 3.1.2 Certificated Shareholders who wish to accept the Offer are required to complete the attached Form of Acceptance and Transfer and return it to the Transfer Secretaries together with their Documents of Title in respect of their Offer Shares, at their own risk, to be received by no later than 12:00 pm on the Closing Date. If a Form of Acceptance and Transfer is not received by 12:00 pm on the Closing Date, such Certificated Shareholder will be deemed to have declined the Offer. No late acceptances will be considered if received by the Transfer Secretaries after 12:00 pm on the Closing Date.
- 3.1.3 If the Documents of Title relating to the Offer Shares held by a Certificated Shareholder have been lost or destroyed, Offeree Shareholders should nevertheless return a duly completed Form of Acceptance and Transfer together with a duly completed indemnity form obtainable from the Transfer Secretaries. Only indemnity forms obtained from the Transfer Secretaries (available on request) will be regarded as suitable. The Offeror shall be entitled to, in their absolute discretion and by way of written agreement in the instance in which satisfactory evidence has been provided that the Documents of Title have been lost or destroyed, to waive the requirement that the Certificated Shareholder provides an indemnity.
- 3.1.4 No receipt will be issued by the Transfer Secretaries or the Offeror for Forms of Acceptance and Transfer or Documents of Title unless specifically requested to do so by the Offeree Shareholder in question. Lodging agents who require special transaction receipts are requested to prepare such receipts and to submit them for stamping by the Transfer Secretaries together with the Form of Acceptance and Transfer.

#### **3.2 Dematerialised Shareholders**

- 3.2.1 Dematerialised Shareholders who wish to accept the Offer are required to notify their CSDPs or Brokers of their acceptance in the manner and by the deadline stipulated in the Custody Agreement concluded between the holders of Dematerialised Shares and their CSDPs or Brokers, as the case may be. If no instruction is given to their CSDPs or Brokers, or if there is any doubt or dispute in respect of their acceptance, such Dematerialised Shareholders will be deemed to not have accepted the Offer. Dematerialised Shareholders must not complete the attached Form of Acceptance and Transfer. The CSDP or Broker of a Dematerialised Shareholder who wishes to accept the Offer must notify the Transfer Secretaries of such acceptance of the Offer.
- 3.2.2 The Offeror reserves the right, in its sole and absolute discretion, to:
  - 3.2.2.1 in respect of Certificated Shares, treat as invalid Forms of Acceptance and Transfer not accompanied by valid Documents of Title;
  - 3.2.2.2 treat as invalid Forms of Acceptance and Transfer not properly completed;
  - 3.2.2.3 require proof of the authority of the person signing the Form of Acceptance and Transfer where such proof has not been lodged with or recorded by the Transfer Secretaries; and
  - 3.2.2.4 without prejudice to any of its rights, the Offeror reserves the right to condone, in its sole discretion, the non-performance by any Offeree Shareholder of any of the terms of the Offer.

#### **3.3 Settlement of the Offer Consideration**

- 3.3.1 Certificated Shareholders who accept the Offer will have the Offer Consideration transferred to them by way of EFT into the bank account nominated by them in the Form of Acceptance and Transfer by no later than the Payment Date, being within six Business Days after the later of the Offer being declared wholly unconditional and the date on which such Offeree Shareholders deliver Forms of Acceptance and Transfer and Documents of Title to the Transfer Secretaries with the last Payment Date being the first Business Day after the Closing Date.
- 3.3.2 Dematerialised Shareholders who accept the Offer will have their accounts at their CSDP or Broker updated with the Offer Consideration by no later than the Payment Date, being within six Business Days after the later of the Offer being declared wholly unconditional and the date on which the CSDPs or Brokers of such Offeree Shareholders notify the Transfer Secretaries of their acceptance of the Offer with the last Payment Date being the first Business Day after the Closing Date.
- 3.3.3 If the Offer Consideration is not paid to Shareholders entitled thereto because the relevant Documents of Title and Forms of Acceptance and Transfer have not been surrendered, or if the Offer Consideration is returned undelivered to the Transfer Secretaries, the Offer Consideration will be held by the Offeror or the Transfer Secretaries, on behalf of and for the benefit of such Certificated Shareholders, until claimed by the relevant Offeree Shareholder and no interest will accrue thereon. This paragraph does not apply to Dematerialised Shares held by Offeree Shareholders.

- 3.3.4 The settlement of the Offer Consideration to which any Offeree Shareholder becomes entitled in terms of the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counter-claim or any other analogous right to which the Offeror may be entitled.
- 3.3.5 The settlement of the Offer Consideration for both Dematerialised Shareholders and Certificated Shareholders will be made subject to the Exchange Control Regulations.

#### **4. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS**

The settlement of the Offer Consideration for both Certificated Shareholders and Dematerialised Shareholders will be made subject to the Exchange Control Regulations. The following is a summary of the applicable Exchange Control Regulations. Foreign Shareholders that are to receive the Offer Consideration, must satisfy themselves as to the full observance of the laws of the relevant jurisdiction concerning the receipt of the Offer Consideration. This includes obtaining any required governmental or other consents, observing any other required formalities and paying any transfer or other taxes due in that jurisdiction. If any Foreign Shareholder is in any doubt, he/she should consult his/her professional advisors without delay.

##### **4.1 Residents of the Common Monetary Area:**

In the case of:

- 4.1.1 Certificated 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 Offer Consideration will be transferred to such Certificated Shareholders, in accordance with paragraph 3.1 above; or
- 4.1.2 Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose accounts with their CSDP or Broker have not been restrictively designated in terms of the Exchange Control Regulations, the Offer Consideration will be credited directly to the accounts nominated for the relevant Dematerialised Shareholders by their duly appointed CSDP or Broker in terms of the provisions of the Custody Agreement with their CSDP or Broker.

##### **4.2 Emigrants from the Common Monetary Area**

In the case of Offeree Shareholders who are emigrants from the Common Monetary Area and whose Shares form part of their blocked assets, the Offer Consideration will:

- 4.2.1 in the case of Certificated Shareholders whose Documents of Title are restrictively endorsed in terms of the Exchange Control Regulations, be forwarded to the Authorised Dealer controlling the Offeree Shareholder's blocked assets in terms of the Exchange Control Regulations, against delivery of the relevant Documents of Title. The Form of Acceptance and Transfer attached to this Circular makes provision for the details of the Authorised Dealer concerned to be given; or
- 4.2.2 in the case of Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose accounts with their CSDP or Broker have not been restrictively designated in terms of the Exchange Control Regulations, be paid to their CSDP or Broker which shall arrange for same to be credited directly to the blocked Rand bank account of the Shareholder concerned with their Authorised Dealer.

##### **4.3 All other non-residents of the Common Monetary Area**

The Offer Consideration accruing to Foreign Shareholders whose registered addresses are outside the Common Monetary Area and who are not emigrants from the Common Monetary Area will, in the case of:

- 4.3.1 Certificated Shareholders whose Documents of Title have been restrictively endorsed in terms of the Exchange Control Regulations, be deposited with their Authorised Dealer nominated by such Certificated Shareholder; or
- 4.3.2 Dematerialised Shareholders, be paid to their duly appointed CSDP or Broker and credited to such Foreign Shareholders in terms of the provisions of their Custody Agreement.

##### **4.4 Information not provided**

If the information regarding Authorised Dealers is not given or the instructions are not given as required in terms of paragraphs 4.2 and 4.3, the Offer Consideration will be held in trust for an indefinite period by the Offeror or the Transfer Secretaries on behalf of the Offeror for the Foreign Shareholders concerned, pending receipt of the necessary information or instructions.

## 5. INTERESTS OF THE OFFEROR AND THE GENERAL PARTNER IN CSG AND THE OFFEROR

### 5.1 Interest of the Offeror in CSG

The Offeror has disclosed the following shareholding in CSG held indirectly by the Offeror through its portfolio company Gemcap:

| Shareholder         | Direct Beneficial  | Indirect Beneficial | Total number of Shares | % of issued Shares* |
|---------------------|--------------------|---------------------|------------------------|---------------------|
| Gemcap <sup>#</sup> | 130 208 820        | –                   | 130 208 820            | 24.80               |
| <b>Total</b>        | <b>130 208 820</b> | <b>–</b>            | <b>130 208 820</b>     | <b>24.80</b>        |

\* As a percentage of the issued share capital of CSG, including Treasury Shares.

<sup>#</sup> It is intended that the Shares held by Gemcap will in due course be transferred to the Offeror and may therefore be held by the Offeror directly at the time of implementation of the Transaction.

There has been no trade by the Offeror, persons related to the Offeror and/or persons acting in concert with the Offeror in CSG Shares in the period commencing six months before the date of the Firm Intention Announcement, being Monday, 8 November 2021, and ending on the Last Practicable Date.

### 5.2 Interests of the General Partner in the Offeror and CSG

5.2.1 As at the Last Practicable Date, the directors of the General Partner are:

Dr Patrice Motsepe, Mike Arnold, Boipelo Lekubo, Alex Maditsi, Tsundzukani Mhlangu, Johan van der Merwe and Johan van Zyl.

As the Offeror is not a company but rather an *en commandite* partnership, it does not have any directors and acts through the General Partner. The interests of the directors of the General Partner in the General Partner's shares as at the Last Practicable Date were as follows:

| Director            | Direct Beneficial | Indirect Beneficial | Total number of Shares | % of issued share capital of the General Partner |
|---------------------|-------------------|---------------------|------------------------|--|
| Johan van der Merwe | –                 | 164 231             | 164 231                | 1.97   |
| Johan van Zyl       | –                 | 164 231             | 164 231                | 1.97   |
| Dr Patrice Motsepe  | –                 | 5 500 000           | 5 500 000              | 66.04  |
| <b>Total</b>        | <b>–</b>          | <b>5 828 462</b>    | <b>5 828 462</b>       | <b>69.98</b>                                     |

The interests of the directors of the General Partner in CSG Shares as at the Last Practicable Date were as follows:

| Director            | Direct Beneficial | Indirect Beneficial | Total number of Shares | % of issued share capital of CSG |
|---------------------|-------------------|---------------------|------------------------|----------------------------------|
| Johan van der Merwe | –                 | 8 858 648           | 8 858 648              | 1.70                             |
| Johan van Zyl       | –                 | 8 781 357           | 8 781 357              | 1.69                             |
| Dr Patrice Motsepe  | –                 | 44 584 823          | 44 584 823             | 8.57                             |
| <b>Total</b>        | <b>–</b>          | <b>62 224 827</b>   | <b>62 224 827</b>      | <b>11.96</b>                     |

5.2.2 None of the directors of the General Partner have any direct interest in CSG Shares. The Indirect beneficial interest held by the directors of the General Partner in CSG in the table above all relate the shareholding indirectly held through Gemcap. As such, the Shares that are indirectly held by the directors of the General Partner are included in the Excluded Shares.

5.2.3 There have been no trades by the directors of the General Partner in CSG Shares in the period commencing six months before the date of the Firm Intention Announcement, being Monday, 8 November 2021 and ending on the Last Practicable Date.

### 5.3 General Partner's interests in the Offer

Save as set out in paragraph 5.2 above, the General Partner or the directors of the General Partner will not benefit directly or indirectly, in any manner as a consequence of the implementation of the Offer.

### 5.4 General Partner's interests in other transactions

The General Partner or the directors of the General Partner have not had any material beneficial interests, whether direct or indirect, in transactions that were effected by the Offeror during the current or immediately preceding financial year or during an earlier financial year which remains in any respect outstanding or unperformed.

## 6. ARRANGEMENTS IN RELATION TO THE OFFER

- 6.1 Other than the Firm Intention Offer Letter, no agreement exists between the Offeror and CSG which could be considered material to a decision regarding the Offer to be taken by Offeree Shareholders. Details of Irrevocable Undertakings by CSG Shareholders are set out in paragraph 8 of Part A of this Circular.
- 6.2 Save as stated above, there are no other arrangements, agreements or understandings which have any connection with or dependence on the Offer that exist between CSG and the Offeror, the General Partner, directors of the General Partner, or any persons who were directors of the General Partner within the 12 months preceding the Last Practicable Date.

## 7. RELATED AND CONCERT PARTIES

- 7.1 The Offeror, the General Partner and Gemcap are related parties. Refer to Annexure 6 for further details on the Offeror's corporate structure.
- 7.2 Save as disclosed in paragraph 8 below, no agreements exist between the Offeror and any of the parties mentioned in paragraphs (i) to (iii) of regulation 106(4)(e) of the Takeover Regulations.

## 8. IRREVOCABLE UNDERTAKINGS

- 8.1 As at the Last Practicable Date, Irrevocable Undertakings to vote in favour of the Delisting Resolution from Offeree Shareholders collectively holding 241 339 760 Shares representing 61.52% of the Shares in issue (excluding the Excluded Shares), have been received.
- 8.2 In addition, Irrevocable Undertakings relating to at least 169 839 760 Shares (representing at least 43.29% of Shares in issue, excluding the Excluded Shares) have been received from Offeree Shareholders (representing management and former management of the CSG Group) not to accept the Offer and to retain their Shares in the Company following the implementation of the Transaction.
- 8.3 The details of the Irrevocable Undertakings referred to in paragraphs 8.1 and 8.2 above are set out in Annexure 4 of this Circular.
- 8.4 There have been no dealings in Shares by the Offeree Shareholders who provided the Irrevocable Undertakings, set out in Annexure 4, for the period commencing six months before the date of the Firm Intention Announcement, and ending on the Last Practicable Date.
- 8.5 None of the Offeree Shareholders set out in Annexure 4 have any interests in shares in the Offeror.

## 9. CONSENTS

The Advisors referred to in the "Corporate Information and Advisors" section of this Circular have consented in writing to act in the capacities stated and to their names appearing in this Circular and have not withdrawn their consents prior to the publication of this Circular.

## 10. EXPENSES

The expenses (excluding value-added tax levied in terms of the Value-Added Tax Act, 89 of 1991, as amended) relating to the Transaction which have been incurred or that are expected to be incurred are presented in the table below.

| Nature of expense                            | Recipient  | R'000        |
|--|--|--------------|
| Corporate Advisor fees                       | Deloitte Capital Proprietary Limited                   | 3 400        |
| Transaction Sponsor fees                     | Deloitte & Touche Sponsor Services Proprietary Limited | 600          |
| Legal Advisor to CSG fees                    | CMS RM Partners Inc                                    | 870          |
| Legal Advisor to the Offeror                 | Webber Wentzel   | 900          |
| Independent Expert fees                      | Mazars Corporate Finance Proprietary Limited           | 330          |
| JSE documentation inspection fees            | JSE Limited  | 19           |
| TRP documentation inspection fees            | Takeover Regulation Panel                              | 86           |
| Printing, publication and distribution costs | Red Jelly Proprietary Limited, trading as Purple Frog  | 100          |
| Meeting Scrutineers                          | The Meeting Specialist Proprietary Limited             | 34           |
| Sundry and contingency costs                 |  | 361          |
| <b>Total</b>                                 |  | <b>6 700</b> |

The Offeror shall bear the costs incurred in relation to its advisors, and 50% of the printing, publication and distribution, JSE and TRP, Meeting Scrutineers and Transfer Secretary costs. CSG will bear costs relating to its Corporate Advisors, Transaction Sponsor, Independent Expert and 50% of the printing, publication and distribution, JSE and TRP, Meeting Scrutineers and Transfer Secretary costs.

## **11. OFFEROR RESPONSIBILITY STATEMENT**

The Offeror:

- 11.1** confirms that Part A of this Circular contains all information required by the Takeover Regulations in respect of the Offer and the JSE Listings Requirements in respect of the Delisting;
- 11.2** accepts full responsibility for the accuracy of the information given in Part A of this Circular in respect of the Offeror and the Offer;
- 11.3** has considered all statement of fact and opinion in this Circular and accepts full responsibility for the information contained in Part A of this Circular in respect of the Offeror and the Offer;
- 11.4** certifies that, to the best of its knowledge and belief, the information contained in Part A of this Circular in respect of the Offeror and the Offer is true and correct;
- 11.5** certifies that, to the best of its knowledge and belief, there are no omissions of material facts or considerations which would make any statement of fact or opinion contained in this document false or misleading in respect of the Offeror and the Offer; and
- 11.6** has made all reasonable enquiries in this regard.

## **12. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents or copies thereof will be available for inspection from 09:00 am to 16:30 pm every Business Day at the registered offices of CSG from the date of issue of this Circular to the Closing Date. The documents will also be electronically available by making an email request to the Company Secretary at mark@hnlaw.co.za.

- 12.1** a signed copy of this Circular;
- 12.2** the Firm Intention Offer Letter;
- 12.3** copies of the Irrevocable Undertakings referred to in paragraph 8 of Part A of this Circular;
- 12.4** the letter issued by the TRP approving this Circular in terms of regulation 117 of the Takeover Regulations; and
- 12.5** the signed letters of consent referred to in paragraph 9 of this Circular.

### **For and on behalf of the Offeror**

This Circular was signed in Stellenbosch on behalf of the Offeror by the duly authorised representative of the General Partner on or about Thursday, 11 November 2021.

**Johan van der Merwe**

*Director*

Thursday, 11 November 2021



**CSG HOLDINGS LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2006/011359/06)  
Share Code CSG  
ISIN ZAE000184438  
("CSG" or "the Company")

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## **PART B: CSG RESPONSE CIRCULAR**

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### **1. INTRODUCTION AND PROSPECTS OF CSG**

- 1.1** This Circular contains the response by the Independent Board to the Offer proposed by the Offeror, as described in Part A of this Circular.
- 1.2** In recent years CSG has encountered challenging trading conditions due to the impact of the Covid-19 pandemic and related lockdowns, decline in performance due to margin pressure and underperforming businesses and loss of significant contracts.
- 1.3** CSG is robustly charting a way out of the current depressed circumstances by aggressively implementing its strategy and also constantly interrogating its existing business models to improve its service delivery to clients, attract great talent and improve returns to Shareholders.
- 1.4** The services in CSG's basket are all essential support services, especially in a post-pandemic world. CSG now has a simplified structure with capable leadership driving its business values of agility, inclusivity, integrity, innovation, leadership and excellence. CSG is continuously creating a group ethos which allows all employees to feel welcome and valued, provides knowledge and opportunities for development and ultimately contributes to the success of the CSG Group.
- 1.5** To emphasise the importance of internal support, experience and cross-selling opportunities, CSG's robust sales pipelines are continuously consolidated at group level. CSG's Broad-Based Black Economic Empowerment credentials remain a critical element in maintaining existing and securing new business for the CSG Group. The CSG brand is steadily becoming a well-recognised name and becoming a competitive facility management player in the South African market, offering its basket of facilities management services to more and larger clients. More opportunities are materialising through which CSG is able to offer a one-stop service to clients.
- 1.6** The nature of CSG's business is not likely to change significantly pursuant to the Delisting. The Board will be considered in the light of the governance requirements for an unlisted but public company in accordance with the Companies Act requirements following the Delisting.
- 1.7** The unlisted environment may not meet certain Shareholders' investment objectives and the Shareholders are given the opportunity to dispose of their Shares in CSG in terms of the Offer.

### **2. RATIONALE FOR THE DELISTING AND THE OFFER**

- 2.1** Further to the reasons set out in Part A paragraph 1 above, the Board has concluded that the Transaction:
  - 2.1.1** provides a strategic opportunity to CSG to enhance its Broad-Based Black Economic Empowerment credentials with the main objective of becoming a 51% black owned and controlled entity with a significant shareholder of reference to unlock future growth for the Company;
  - 2.1.2** affords Offeree Shareholders a unique opportunity to exit from holding Shares, which are tightly held with relatively poor liquidity and analyst coverage;
  - 2.1.3** enhances management's ability to focus on achieving its key strategic objectives in challenging trading conditions through the alleviation of obligations pursuant to being listed on the JSE; and
  - 2.1.4** removes the financial costs involved with maintaining the Company's listing on the JSE.

### **3. THE DELISTING**

- 3.1** The JSE has granted approval for the Delisting of Shares from the Main Board of the JSE in terms of sections 1.14 and 1.15 of the JSE Listings Requirements, resulting in the termination of the Company's listing on the JSE, with effect from the commencement of trade on the second Business Day after the Closing Date, subject to the Delisting being approved by more than 50% of the votes of all Eligible Shareholders present or represented by proxy at the General Meeting as required in terms of paragraph 1.16 of the JSE Listings Requirements.
- 3.2** Irrevocable Undertakings to vote in favour of the Delisting Resolution have been secured representing 61.67% of the Shares in issue, excluding the Excluded Shares, as set out in Annexure 4.

### **4. THE GENERAL MEETING**

The General Meeting will be held entirely via electronic facility/communication in terms of section 63(2)(a) of the Companies Act given the impact of Covid-19 on in-person meetings, at 10:00 am on Monday, 20 December 2021 (or any other adjourned, postponed or rescheduled date and time in accordance with, amongst others, the provisions of section 64 of the Companies Act and the MOI, as read with the JSE Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions required to authorise and effect the implementation of the Transaction. The notice of General Meeting is attached to, and forms part of, this Circular.

### **5. COMPOSITION OF THE INDEPENDENT BOARD**

The Independent Board comprises Mathukana Mokoka, Renganayagee (Rojie) Kisten and Nona Ndiliseka Sonjani.

### **6. APPOINTMENT OF INDEPENDENT EXPERT**

The Independent Board has appointed Mazars as its Independent Expert to provide the Independent Board with its opinion as to whether the terms of the Offer are fair and reasonable to Shareholders, in accordance with the requirements of the Takeover Regulations as well as the JSE Listings Requirements.

### **7. OPINION OF THE INDEPENDENT EXPERT**

Mazars, acting as Independent Expert, has considered the terms of the Offer and is of the opinion that, as at the date of the issue of its opinion, the Offer is fair and reasonable to CSG Shareholders. The Independent Expert's Report is set out in Annexure 1 of this Circular.

### **8. VIEWS OF THE INDEPENDENT BOARD AND BOARD AND RECOMMENDATIONS**

#### **8.1 Independent Board**

- 8.1.1** As contemplated in regulation 110(3) of the Takeover Regulations, in order for an Independent Board to express an opinion on an offer and on the offer consideration, it must either perform a valuation of the offeree regulated company's securities that are the subject of an offer, or place reliance upon a valuation of the offeree regulated company's securities that are the subject of an offer, as performed by an independent expert after performing the requisite amount of work that satisfies the Independent Board that it is justified in placing reliance upon that valuation.
- 8.1.2** In terms of regulation 110(6) of the Takeover Regulations, the Independent Board must consider factors that are difficult to quantify, or are unquantifiable, and must disclose such factors and take them into account in forming its opinion in respect of fairness. The Independent Board must also form a view of a range of fair value of the offeree regulated company securities, based upon an accepted valuation approach, as contemplated in regulation 110(7) of the Takeover Regulations.
- 8.1.3** For the purposes of this Circular, in determining whether the Offer Consideration may generally be considered to be "fair" and "reasonable" the meanings ascribed to the words "fair" and "reasonable" in the Takeover Regulations are applied. In this regard it is noted that:
- 8.1.3.1** in accordance with regulation 110(8) of the Takeover Regulations, an offer with a consideration per offeree regulated company security within a fair-value range is generally considered to be fair; and
- 8.1.3.2** an offer with an offer consideration per offeree regulated company security above the offeree regulated company's traded security price at the time the offer consideration per security was announced, or at some more appropriate identifiable time, is generally considered to be reasonable in terms of regulation 110(9) of the Takeover Regulations.

- 8.1.4 In terms of paragraph 1.15 of the JSE Listings Requirements, a delisting must be accompanied by an offer to all shareholders, which offer must be fair.
- 8.1.5 The Independent Board, after due consideration of the report of the Independent Expert, has determined that it will place reliance on the valuation performed by the Independent Expert for the purposes of reaching its own opinion regarding the Offer and the Offer Consideration as contemplated in regulation 110(3)(b) of the Takeover Regulations.
- 8.1.6 The Independent Board has considered the following factors which are difficult to quantify or are unquantifiable (as contemplated in regulation 110(6) of the Takeover Regulations) in forming its opinion:
- 8.1.6.1 the factors identified in the Independent Expert's Report;
- 8.1.6.2 the significant costs and expenses associated with maintaining a listing;
- 8.1.6.3 the significant costs to enhance and maintain CSG's full Broad-Based Black Economic Empowerment credentials; and
- 8.1.6.4 poor market ratings achieved by small capitalisation investment holding companies.
- 8.1.7 The Independent Expert determined a fair value range of between 31 cents and 37 cents per Share, with a midpoint value of 34 cents per Share.
- 8.1.8 The Independent Board has formed a view of the range of the fair value of the Shares, which accords with the valuation range contained in the Independent Expert's Report, in considering its opinion and recommendation.
- 8.1.9 **The view of the Independent Board is that the Offer is fair.** This is a function of the Offer Consideration falling within the fair value range determined in respect of the Shares.
- 8.1.10 **The Independent Board has concluded that the Offer Consideration is reasonable** after taking into account the factors noted above in paragraphs 8.1.5 to 8.1.7 and it was further noted that the Offer Consideration per Share is above the VWAP for the Shares for 30 days prior to the date of the Cautionary Announcement.
- 8.1.11 Accordingly, the Independent Board unanimously recommends that Offeree Shareholders vote in favour of the Delisting Resolution and other resolutions in relation thereto to be proposed at the General Meeting and that they accept the Offer. Those Independent Board members who hold Shares intend to vote in favour of the Delisting Resolution and other resolutions in relation thereto to be proposed at the General Meeting. In addition, refer to paragraph 10.2 below regarding the Directors' decision to accept the Offer.

## 8.2 Board

The Board, taking into account the recommendation of the Independent Board, unanimously recommends that Offeree Shareholders vote in favour of the Delisting Resolution and other resolutions in relation thereto to be proposed at the General Meeting and that they accept the Offer. Those Board members who hold Shares intend to vote in favour of the Delisting Resolution and other resolutions in relation thereto to be proposed at the General Meeting. In addition, refer to paragraph 10.2 below regarding the Directors' decision to accept the Offer. Furthermore, it is noted that none of the Directors of the Board are representatives of the Offeror.

## 9. MAJOR AND CONTROLLING SHAREHOLDERS

- 9.1 Set out below are the names of Shareholders (other than Directors) that are directly or indirectly, beneficially interested in 5% or more of the issued Shares as at the Last Practicable Date:

| Shareholder                          | Number of Shares directly held | % of issued Shares* |
|--------------------------------------|--------------------------------|---------------------|
| Gemcap <sup>#</sup>                  | 130 208 820                    | 24.80               |
| PDT Investments Proprietary Limited  | 73 291 923                     | 13.96               |
| GTT Investments Proprietary Limited  | 72 379 528                     | 13.79               |
| Barkomax Proprietary Limited         | 48 520 842                     | 9.24                |
| Vuwa Scaffolding Proprietary Limited | 46 500 000                     | 8.86                |
| <b>Total</b>                         | <b>370 901 113</b>             | <b>70.65</b>        |

\* Inclusive of Treasury Shares.

<sup>#</sup> It is intended that the Shares held by Gemcap will in due course be transferred to the Offeror and may therefore be held by the Offeror directly at the time of implementation of the Transaction.

- 9.2 As at the Last Practicable Date CSG does not have a controlling Shareholder.

## 10. INTERESTS OF CSG AND ITS DIRECTORS IN THE OFFEROR AND CSG

### 10.1 Interests of CSG in the Offeror

- 10.1.1 As at the Last Practicable Date, CSG held no interest in the Offeror or the General Partner.
- 10.1.2 There has been no trade by CSG in any interest in the Offeror or the General Partner in the period commencing six months before the date of the Firm Intention Announcement, being Monday, 8 November 2021 and ending on the Last Practicable Date.

### 10.2 Interests of the Directors in CSG and the Offeror

- 10.2.1 The interests of the Directors in CSG Shares as at the Last Practicable Date are as follows:

| Director                    | Direct Beneficial '000 | Indirect Beneficial '000 | Total '000    | % Holding   | Indication of acceptance of the Offer |
|-----------------------------|------------------------|--------------------------|---------------|-------------|---------------------------------------|
| Bulelani Thandabantu Ngcuka |                        | 8 190                    | 8 190         | 1.56        | Accepting                             |
| Jacobus Gerrit Nieuwoudt    | 1 000                  | 21 431                   | 22 431        | 4.27        | Not accepting*                        |
| William Edward Scott        | 1 000                  | –                        | 1 000         | 0.19        | Not accepting                         |
| Renganayagee Kisten         | 114                    | –                        | 114           | 0.02        | Not accepting                         |
| <b>Total</b>                | <b>2 114</b>           | <b>29 621</b>            | <b>31 735</b> | <b>6.04</b> |                                       |

\* Refer to Paragraph 8.2 of Part A for details regarding the Irrevocable Undertakings.

- 10.2.2 Directors' holdings in FSP Shares as at the Last Practicable Date:

| Director                 | Allocation       |
|--------------------------|------------------|
| Jacobus Gerrit Nieuwoudt | 1 000 000        |
| William Edward Scott     | 1 000 000        |
| <b>Total</b>             | <b>2 000 000</b> |

- 10.2.3 There have been no changes in the interests of Directors in CSG Shares or FSP Shares between Thursday, 30 September 2021 (the last financial period) and the Last Practicable Date.
- 10.2.4 As at the Last Practicable Date, the Directors held no interest in any shares of the General Partner and had no interest in the Offeror.
- 10.2.5 There has been no trade by the Directors in the shares of the General Partner in the period commencing six months before the date of the Firm Intention Announcement, being Monday, 8 November 2021 and ending on the Last Practicable Date.

### 10.3 CSG's Directors' service contracts and remuneration

- 10.3.1 There will be no change in the remuneration of Directors as a consequence of the Offer. It is anticipated that the Board will be reconstituted upon implementation, and as a consequence, of the Transaction.
- 10.3.2 No payment or other benefit will be made or given by CSG to any Director for compensation for loss of office or as consideration for, or in connection with, his/her retirement from office as a consequence of the Transaction.
- 10.3.3 No service contracts have been entered into or amended within six months before the Firm Intention Announcement date.

### 10.4 Directors' interests in the Offer

Save as set out in paragraphs 10.2 and 20, no Directors will benefit directly or indirectly, in any manner as a consequence of the implementation of the Transaction.

### 10.5 Directors' interests in other transactions

The Directors have not had any material beneficial interests, whether direct or indirect, in transactions that were effected by CSG during the current or immediately preceding financial year or during an earlier financial year which remains in any respect outstanding or unperformed.

## 11. HISTORICAL FINANCIAL INFORMATION

The summarised audited consolidated financial statements of CSG for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 are set out in Annexure 2 and the interim results for the six months ended 30 September 2021 are set out in Annexure 3 of this Circular. The historical financial information of CSG is the responsibility of the Directors. The full audited consolidated financial statements of CSG for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 and the unaudited interim results for the six months ended 30 September 2021 can be accessed at CSG's website at <https://www.csgholdings.co.za/investor-documents/>.

## 12. TRADING INFORMATION

The trading history of the Shares on the JSE is set out in Annexure 5.

## 13. CONSENTS

The advisors referred to in the "Corporate Information and Advisors" section of this Circular have consented in writing to act in the capacities stated and to their names appearing in this Circular and have not withdrawn their consents prior to the publication of this Circular.

## 14. COSTS OF THE OFFER

The expenses in respect of the Transaction are set out in paragraph 10 of Part A to this Circular.

## 15. INDEPENDENT BOARD AND BOARD RESPONSIBILITY STATEMENTS

The Independent Board and Board:

- 15.1 confirms that Part B of this Circular contains all information required by the Takeover Regulations in respect of the Offer and the JSE Listings Requirements in respect of the Delisting;
- 15.2 accepts, individually and collectively, full responsibility for the accuracy of the information given in Part B of this Circular;
- 15.3 has considered all statements of fact and opinion in this Circular and accepts full responsibility for the information contained in Part B of this Circular;
- 15.4 certifies that, to the best of its knowledge and belief, the information contained in Part B of this Circular is true and correct;
- 15.5 certifies that, to the best of its knowledge and belief, there are no omissions of material facts or considerations which would make any statement of fact or opinion contained in this document false or misleading; and
- 15.6 has made all reasonable enquiries in this regard.

## 16. DOCUMENTS AVAILABLE FOR INSPECTION

In addition to the documents noted in paragraph 12 of Part A to this Circular, the following documents or copies thereof will be available for inspection from 09:00 am to 16:30 pm every Business Day at the registered offices of CSG, from the date of issue of this Circular to the Closing Date, with the financial statements of CSG referred to in paragraph 16.3 also being available on the CSG website at <https://www.csgholdings.co.za/investor-documents/>. The documents will also be electronically available by making an email request to the Company Secretary at [mark@hnlaw.co.za](mailto:mark@hnlaw.co.za):

- 16.1 the MOI and the memorandum of incorporation of CSG's major Subsidiaries;
- 16.2 the signed Independent Expert's Report regarding the Offer, as set out in Annexure 1;
- 16.3 the audited consolidated financial statements of CSG for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, and unaudited interims for the six months ended 30 September 2021;
- 16.4 the agreements relating to the FSP;
- 16.5 the material contract relating to the disposal of 7 Arrows Security Proprietary Limited as announced on SENS on 29 June 2020; and
- 16.6 the signed letters of consent referred to in paragraph 13 of Part B to this circular.

## 17. CONFLICTS OF INTEREST

As at the Last Practicable Date, the Independent Board can confirm that it is not aware of any conflicts of interest in respect of the Transaction. The Board has considered whether there is any conflict of interest and the directors have disclosed their direct and indirect shareholding held in the Company. In respect of the shareholding disclosed, Bulelani Thandabantu Ngcuka and Jacobus Gerrit Nieuwoudt confirm that their respective disclosed shareholdings constitute a personal financial interest as defined in the Companies Act. Accordingly, such personal financial interest may constitute a conflict of interest, each in their capacity as a Board member, and therefore in accordance with section 75(5)(e) of the Companies Act, Bulelani Thandabantu Ngcuka and Jacobus Gerrit Nieuwoudt have disclosed such and recused themselves from consideration and voting in any Board resolution relating to the Transaction.

## 18. LITIGATION STATEMENT

For the period from 31 March 2021 up to the Last Practicable Date, the Board and the Independent Board is not aware of any legal or arbitration proceedings (including any such proceedings which are pending or threatened) that have or may have had, a material effect on the CSG's financial position as reported as at 31 March 2021.

## 19. MATERIAL CHANGES

The impact of the Covid-19 pandemic has been detailed in the 2021 annual financial statements.

Save as disclosed in this Circular, there have been no material changes to the financial or trading position CSG since the publication of its interim results for the six months ended 30 September 2021.

## 20. CSG FORFEITABLE SHARE PLAN

CSG has implemented the FSP in terms of which eligible participants ("**FSP Participants**") are entitled to share awards ("**Share Awards**") in terms of the FSP. Pursuant to the Offer, the rules of the FSP provide that Shares Awards awarded to FSP Participants in the event of a change of control shall accelerate and vest the Shares in the Participants upon the Offer becoming unconditional. In the event that the Offer does not result in a change of control, the remuneration committee of CSG can resolve that the Share Awards be accelerated and the Shares vested in the FSP Participants upon the Offer becoming unconditional. Such resolution would require that the auditors of CSG confirm to the Directors of CSG and the JSE that the resolution of the remuneration committee is not prejudicial to the Participants. At the Last Practicable Date, there are 3 700 000 FSP Shares. The FSP Participants who at the Voting Record Date held Share Awards are entitled to vote on the Delisting Resolution. In addition, to the extent that the Share Awards are accelerated and vested prior to the Closing Date, the Offer Participants of the FSP who at the Offer Record Date held Share Awards will be regarded as Offeree Shareholders that are entitled to accept the Offer in terms of this Circular.

This Circular was signed in Pretoria on behalf of all the Directors in terms of a written resolution signed by each of the Directors on or about Thursday, 11 November 2021.

**For and on behalf of the Independent Board**

**Mathukana Mokoka**

**For and on behalf of the Board**

**William Edward Scott**

Thursday, 11 November 2021

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## INDEPENDENT EXPERT'S REPORT ON THE OFFER

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11 November 2021

The Independent Board of Directors of CSG Holdings Limited  
Brooklyn Office Park, Block D  
1109 Jan Shoba Street  
Brooklyn  
Pretoria  
South Africa

The Board,

**INDEPENDENT OPINION TO THE INDEPENDENT BOARD OF DIRECTORS OF CSG HOLDINGS LIMITED (“INDEPENDENT BOARD”) IN TERMS OF SECTION 117(1)(C)(IV) OF THE COMPANIES ACT 71 OF 2008 (“COMPANIES ACT”), REGULATION 90(1) OF THE REGULATIONS TO THE COMPANIES ACT (“TAKEOVER REGULATIONS”) AND SCHEDULE 5.8 OF THE JSE LIMITED’S (“JSE”) LISTINGS REQUIREMENTS IN RESPECT OF THE GENERAL OFFER FROM UBI GENERAL PARTNER PROPRIETARY LIMITED (“UBI”), IN ITS CAPACITY AS GENERAL PARTNER OF THE ARC FUND (“OFFEROR”) TO CSG SHAREHOLDERS TO ACQUIRE THE REMAINING SHAREHOLDING IN CSG COLLECTIVELY REFERRED TO AS THE (“OFFER”) AND THE SUBSEQUENT DELISTING OF CSG FROM THE JSE (“DELISTING”)**

### INTRODUCTION

The Independent Board of CSG has appointed Mazars Corporate Finance Proprietary Limited (“**Mazars**”) as the independent expert in accordance with section 117(1)(c)(vi), section 123 of the Companies Act, Regulation 90 of the Takeover Regulations, and Section 1.15 (d) of the JSE Listing Requirements to advise the Independent Board, whether, in our opinion, the Offer described below is fair and reasonable to the ordinary shareholders of CSG.

An Offer to the Offeree Shareholders (CSG Shareholders to which the offer is made) made by the Offeror, as contemplated by section 117(1)(c)(v) (read together with section 121(1)) of the Companies Act and paragraph 1.15(d) of the JSE Listings Requirements (“**Listings Requirements**”), to acquire all or part of their shareholding in CSG at an offer price of 35 cents per ordinary share.

Full details of the acquisition of the Offer Shares and the subsequent delisting of CSG are contained in the circular to shareholders (“**Circular**”), to be posted to Shareholders on or about Thursday, 18 November 2021, which will include a copy of this opinion.

The Offer, if successful, will result in the removal of CSG’s securities from the JSE. Section 1.15(d) of the Listings Requirements requires the Independent Board to obtain a fairness opinion from an independent expert, prepared in accordance with Schedule 5 of the Listings Requirements.

### EXPLANATION OF THE TERM “FAIR” AND “REASONABLE”

The term “fairness” is defined in Schedule 5 of the Listings Requirements as being primarily based on quantitative issues. Therefore, the consideration payable to CSG Shareholders would be considered fair if the consideration received by CSG Shareholders is equal or greater than the fair value of the ordinary shares.

The term “reasonable” is described in Regulation 110 of the Takeover Regulations as an offer with an offer consideration per offeree regulated company security above the offeree regulated company’s traded security price at the time the offer consideration(s) per security was announced, or at some other more appropriate identifiable time, is generally considered to be reasonable.

## SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information obtained from CSG's management and from various public, financial and industry sources. Our conclusion is dependent on such information being accurate in all material respects. For the purpose of compiling this report and the opinion contained herein, we have considered all information relevant to the securities affected by the Offer.

The principal sources of information used in formulating our opinion regarding the acquisition of the Offer shares are as follows:

- Information and assumptions made available by the management of CSG including forecast information;
- Audited annual financial statements of CSG for the period ended 31 March 2019, 31 March 2020 and 31 March 2021;
- Unaudited consolidated management accounts for the six-month period ending 30 September 2021;
- Publicly available information relating to CSG and other comparable companies in the sector that we deemed to be relevant;
- A briefing document provided by the Corporate Advisor regarding the Transaction which contains details on managements forecasts, supporting historic information and some details around the assumptions;
- The firm intention announcement on the Offer and the subsequent delisting of CSG shares from the JSE; and
- The terms and conditions of the Transaction (as detailed in the Circular).

Where practical, we have corroborated the reasonability of the information provided to us for the purpose of our opinion, including publicly available information, whether in writing or obtained in discussions with management and the Independent Board.

## ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- That reliance can be placed on information and assumptions made available by CSG's management.
- That reliance can be placed on audited annual financial statements of CSG for the period ended 31 March 2019, 31 March 2020 and 31 March 2021;
- That reliance can be placed on the unaudited consolidated management accounts of CSG for the six months ended 30 September 2021;
- That reliance can be placed on the forecasted information provided by CSG's management;
- That reliance can be placed on the presentations prepared by management;
- That reliance can be placed on trading and market data obtained from external data providers; and
- The terms and conditions of the Transaction (as detailed in the Circular).

## EFFECT OF THE TRANSACTION

Having analysed the effects of the Offer and the subsequent Delisting, we have concluded that the acquisition of the Offer Shares from Offeree Shareholders will not have a material adverse effect on the rights and interests of the Offeree Shareholders.

The direct and indirect beneficial interests of the directors (and their associates) in the ordinary share capital of CSG as at the last practicable date being Thursday, 11 November 2021 were as follows:

| <b>Name</b>  | <b>Direct</b> | <b>Indirect</b> | <b>Total</b>  | <b>%</b>    |
|--------------|---------------|-----------------|---------------|-------------|
| JG Nieuwoudt | 1 000         | 21 431          | 22,431        | 4.27        |
| WE Scott     | 1 000         |                 | 1,000         | 0.19        |
| BT Ngcuka    |               | 8 190           | 8,190         | 1.56        |
| R Kisten     | 114           |                 | 114           | 0.02        |
| <b>Total</b> | <b>2 114</b>  | <b>29 621</b>   | <b>31 735</b> | <b>6.04</b> |

## LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

Mazars Corporate Finance is accredited to perform fair and reasonable opinions and JSE-related work. Mazars Corporate Finance has a substantial internal resource base with extensive experience in providing independent expert opinions.

We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purposes of this opinion, whether in writing or obtained through discussion with the management of CSG. We express no opinion on this information.

There were no limiting conditions, or any restrictions of scope imposed by either the Offeror or CSG whilst this opinion was being prepared.

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

This opinion is provided to the Independent Board solely to assist the Independent Board in forming and expressing an opinion for the benefit of the Shareholders of CSG in connection with and for the purposes of their consideration in respect of the Offer.

There is no relationship between Mazars, and any other parties involved in the Transaction. Mazars has no shares in the ARC Fund or CSG or any other party involved in the Transaction. Mazars' fee in respect of this opinion is R330,000 excluding VAT and is not payable in CSG shares and is not contingent or related to the outcome of the Offer.

Each Shareholder's individual decision may be influenced by such Shareholder's particular circumstances and accordingly each Shareholder should consult an independent advisor if in any doubt as to the merits or otherwise of the Offer.

Our procedures and enquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

## PROCEDURES

In order to assess the fairness of the terms and conditions relating to the Offer, we have performed, amongst others, the following procedures:

- Reviewed the audited annual financial statements of CSG for the period ended 31 March 2019, 31 March 2020 and 31 March 2021;
- Reviewed the forecasts prepared by management for 31 March 2022 to 31 March 2025;
- Reviewed the unaudited consolidated management accounts of CSG for the six months ended 30 September 2021;
- Considered information made available by and from discussions held with the management of CSG;
- Reviewed the firm intention announcement;
- Reviewed general economic, market and related conditions in which CSG operates in;
- Reviewed the methodologies available for performing valuations of businesses operating in this industry;
- Performed an indicative valuation of CSG;
- Considered discounts for marketability and minority interests; and
- Conducted appropriate sensitivity analyses given a reasonable range of key assumptions on the valuations below.

In arriving at our opinion, we have considered, in addition to the procedures performed above, the following key qualitative considerations in assessing the reasonableness of the Transaction:

- Considered the rationale for the Transaction, from the perspective of CSG;
- Considered the ability to eliminate listing costs and general costs;
- Considered the prospects of CSG and whether the Transaction will be beneficial to both CSG and its Shareholders;
- Assessed the reasonableness of the Offer Consideration against the 30-day volume weighted average price ("VWAP") as at the date of the valuation;
- Considered the Offer Consideration to the closing share price of CSG as at the date of the valuation;
- The general state of the economy and the impact this will have on current and future industry and company specific performance; and
- Considered the potential impact on CSG's Broad-Based Black Economic Empowerment credentials and the ability to retain and enter into new contracts.

## VALUATION

We have performed a valuation of CSG to determine whether the acquisition of the Offer Shares represents fair value to the CSG Shareholders. We confirm that we have performed a valuation of CSG utilising the Discounted Cash Flow (“**DCF**”) methodology as the primary valuation basis.

Additionally, the market multiple approach was used as a secondary method of valuation as a reasonability check.

Based on discussions with management, as well as research of the industry in which CSG operates, the following key value drivers were assessed for the valuation methodologies:

Key value drivers are as follows:

### Internal

- Specific risk factors;
- Fair market value of assets, taking into account the realisable value of these;
- Fair market value of liabilities and claims based on the outstanding amounts payable;
- The achievability of the forecasts provided;
- EBITDA margins to be achieved through the forecast period;
- The discount rate, being the weighted average cost of capital (“**WACC**”) applicable to CSG;
- Forecast working capital assumptions;
- Forecast capital expenditure requirements; and
- Forecast free cash flows.

### External

- The market in which CSG, subsidiaries and associates operate; and
- The Stability of the economy and other macroeconomic factors. This included an analysis of publicly available information in respect of macroeconomic outlook.

The following sensitivity analyses were performed on the key value driver(s) of CSG:

- An analysis and review of the forecast profitability. This included a sensitivity analysis performed on the forecast EBITDA margins by increasing and decreasing the EBITDA margins by 0.25% respectively and thereafter assessed the impact thereof on the valuations, which resulted in a change in the midpoint value to 37 cents and 30 cents respectively. The sensitivities indicated that CSG is margin sensitive, with small movements impacting EBITDA; and
- A sensitivity of the weighted average cost of capital (WACC) and perpetuity growth rate was also performed.

## VALUATION RESULTS

The outcome of the valuation of CSG resulted in an indicative valuation range between 31 cents and 37 cents per CSG Share with a midpoint value 34 cents per CSG Share. The Offer consideration of 35 cents therefore falls within this valuation range.

## OPINION

Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated at the date of this letter. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.

The Offer is fair to the Shareholders of CSG in terms of the Listings Requirements, Companies Act and Takeover Regulations.

We have considered the qualitative factors of the Transaction and we have considered the Offer Consideration against the trading price and VWAP as at Friday, 8 October 2021 on JSE immediately prior to the Cautionary Announcement. The Offer Consideration exceeds both the spot trading price and the 30-day VWAP. The Offer, and subsequent Delisting of CSG, is reasonable in terms of the Companies Act and Takeover Regulations, after considering all of the above-mentioned qualitative aspects.

We have considered the terms and conditions of the Transaction, and subject to the foregoing, we are of the opinion that the Offer is fair and reasonable to the CSG Shareholders.

## CONSENT

We hereby consent to the inclusion of this opinion and references hereto, in the form and context in which it appears in any required regulatory announcement or document.

Yours faithfully

**Anoop Ninan**  
*Managing Director*

Mazars Corporate Finance (Pty) Ltd  
54 Glenhove Road  
Melrose Estate, 2196

Thursday, 11 November 2021

## EXTRACT OF THE CONSOLIDATED AUDITED HISTORICAL FINANCIAL INFORMATION OF CSG FOR THE YEARS ENDED 31 MARCH 2021, 31 MARCH 2020 AND 31 MARCH 2019

The summarised consolidated annual financial statements of CSG for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 are set out below. The historical financial information is the responsibility of the Directors of CSG. The full set of audited annual financial statements for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, including the management commentary thereon, are available on the Company's website, <https://www.csgholdings.co.za>, and are also open for inspection at the registered office of the Company.

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

| R'000  | Audited<br>31 March 2021 | Audited<br>31 March 2020 | Audited<br>31 March 2019 |
|--|--------------------------|--------------------------|--------------------------|
| <b>ASSETS</b>  |                          |                          |                          |
| <b>Non-current assets</b>                            | <b>381 858</b>           | <b>414 134</b>           | <b>396 030</b>           |
| Property, plant and equipment                        | 68 427                   | 85 261                   | 80 442                   |
| Right-of-use assets                                  | 11 854                   | 21 050                   | –                        |
| Goodwill   | 215 216                  | 215 216                  | 244 601                  |
| Investment in associate                              | 579                      | –                        | –                        |
| Investment in joint ventures                         | 8 651                    | –                        | –                        |
| Intangible assets                                    | 17 831                   | 19 086                   | 18 957                   |
| Deferred taxation                                    | 26 540                   | 38 539                   | 11 615                   |
| Trade and other receivables                          | 5 097                    | –                        | 3 007                    |
| Loans to subsidiaries and associates                 | –                        | –                        | 916                      |
| Loan's receivables                                   | 27 663                   | 34 982                   | 36 492                   |
| <b>Current assets</b>                                | <b>346 742</b>           | <b>338 153</b>           | <b>473 584</b>           |
| Inventories  | 8 925                    | 11 341                   | 11 921                   |
| Trade and other receivables                          | 239 135                  | 257 861                  | 366 922                  |
| Current portion of loans receivable                  | 9 368                    | 14 590                   | 26 830                   |
| Current income tax receivables                       | 2 788                    | 8 327                    | 10 728                   |
| Cash and cash equivalents                            | 86 526                   | 46 034                   | 57 183                   |
| Assets in disposal group classified as held for sale | 950                      | –                        | 310                      |
| <b>Total assets</b>                                  | <b>729 550</b>           | <b>752 287</b>           | <b>869 924</b>           |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH** (continued)

| R'000   | Audited<br>31 March 2021 | Audited<br>31 March 2020 | Audited<br>31 March 2019 |
|---|--------------------------|--------------------------|--------------------------|
| <b>EQUITY</b>                                   | <b>429 392</b>           | <b>384 521</b>           | <b>466 655</b>           |
| Stated capital                                  | 319 956                  | 318 883                  | 318 883                  |
| Treasury shares                                 | (3 108)                  | (1 236)                  | (1 216)                  |
| Foreign currency translation reserve            | (10 802)                 | (5 671)                  | (9 726)                  |
| Retained earnings/(accumulated losses)          | 113 541                  | 64 916                   | 145 700                  |
| Equity attributable to owners of the parent     | 419 587                  | 376 892                  | 453 641                  |
| Non-controlling interest                        | 9 805                    | 7 629                    | 13 014                   |
| <b>Total equity</b>                             | <b>429 392</b>           | <b>384 521</b>           | <b>466 655</b>           |
| <b>LIABILITIES</b>                              |                          |                          |                          |
| <b>Non-current liabilities</b>                  | <b>103 305</b>           | <b>129 646</b>           | <b>137 189</b>           |
| Deferred tax liabilities                        | 5 426                    | 5 232                    | 3 723                    |
| Interest-bearing liabilities                    | 90 650                   | 112 329                  | 133 466                  |
| Lease liabilities                               | 7 229                    | 12 085                   | –                        |
| <b>Current liabilities</b>                      | <b>196 853</b>           | <b>238 120</b>           | <b>266 080</b>           |
| Trade and other payables                        | 155 577                  | 171 690                  | 161 589                  |
| Current portion of interest-bearing liabilities | 28 755                   | 33 322                   | 34 744                   |
| Current portion of lease liabilities            | 6 678                    | 10 841                   | –                        |
| Loans from subsidiaries and associates          | –                        | 9 862                    | –                        |
| Current portion of borrowings                   | 4 948                    | 10 617                   | 26 668                   |
| Bank overdraft and invoice discounting          | 182                      | 355                      | 39 910                   |
| Current income tax payables                     | 713                      | 1 433                    | 3 169                    |
| <b>Total liabilities</b>                        | <b>300 158</b>           | <b>367 766</b>           | <b>403 269</b>           |
| <b>Total equity and liabilities</b>             | <b>729 550</b>           | <b>752 287</b>           | <b>869 924</b>           |

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH**

| R'000   | Audited<br>31 March 2021 | Audited<br>31 March 2020 | Audited<br>31 March 2019 |
|---|--------------------------|--------------------------|--------------------------|
| Revenue   | 1 301 935                | 1 751 275                | 1 995 023                |
| Cost of sales   | (1 021 477)              | (1 427 114)              | (1 615 191)              |
| <b>Gross profit</b>   | <b>280 458</b>           | <b>324 161</b>           | <b>379 832</b>           |
| Operating expenses  | (232 537)                | (278 042)                | (291 109)                |
| Movement in credit allowances   | (13 982)                 | (19 415)                 | –                        |
| <b>Operating profit</b>   | <b>33 939</b>            | <b>26 704</b>            | <b>88 723</b>            |
| Loss on sale of property, plant and equipment                           | (1 096)                  | (818)                    | 1 070                    |
| (Impairment)/reversal of impairment of non-financial assets             | (530)                    | (34 773)                 | (121 342)                |
| (Impairment)/reversal of impairment of financial assets                 | (4 226)                  | –                        | –                        |
| Share of profits/(losses) in associates                                 | 10 441                   | (10 778)                 | 916                      |
| Share of profits in joint ventures                                      | 781                      | –                        | –                        |
| Contingent consideration relating to business combination               | –                        | –                        | (1 304)                  |
| Net financing cost  | (8 180)                  | (13 369)                 | (11 455)                 |
| Investment income   | 5 481                    | 9 077                    | 8 580                    |
| Finance costs   | (13 661)                 | (22 446)                 | (20 035)                 |
| <b>Profit/(loss) before income tax</b>                                  | <b>31 129</b>            | <b>(33 033)</b>          | <b>(43 392)</b>          |
| Income tax expense  | (1 877)                  | 1 231                    | 7 083                    |
| <b>Profit/(loss) from continuing operations</b>                         | <b>29 252</b>            | <b>(31 802)</b>          | <b>(36 307)</b>          |
| Discontinued operations   | 22 454                   | (47 438)                 | (107 566)                |
| <b>Profit/(loss) for the year</b>                                       | <b>51 706</b>            | <b>(79 241)</b>          | <b>(143 873)</b>         |
| <b>Other comprehensive income/(loss)</b>                                |                          |                          |                          |
| Subsequently reclassified to profit or loss                             |                          |                          |                          |
| – Foreign currency translation reserve                                  | (5 131)                  | 4 055                    | 2 806                    |
| <b>Total comprehensive profit/(loss)</b>                                | <b>46 575</b>            | <b>(75 186)</b>          | <b>(141 068)</b>         |
| <b>Profit/loss for the year attributable to:</b>                        |                          |                          |                          |
| Owners of the parent  | 48 625                   | (80 784)                 | (147 990)                |
| Non-controlling interest  | 3 081                    | 1 543                    | 4 117                    |
|   | <b>51 706</b>            | <b>(79 241)</b>          | <b>(143 873)</b>         |
| <b>Total comprehensive profit/(loss) attributable to:</b>               |                          |                          |                          |
| Owners of the parent  | 43 494                   | (76 729)                 | (145 185)                |
| Non-controlling interest  | 3 081                    | 1 543                    | 4 117                    |
|   | <b>46 575</b>            | <b>(75 186)</b>          | <b>(141 068)</b>         |
| Weighted average shares in issue ('000)                                 | 520 357                  | 520 357                  | 517 297                  |
| Diluted weighted average shares in issue ('000)                         | 520 357                  | 520 357                  | 517 297                  |
| <b>Profit/(loss) per share attributable to the owners of the parent</b> |                          |                          |                          |
| Basic and diluted profit/loss per share (cents)                         | 9,34                     | (15,52)                  | (28,61)                  |
| <b>Dividends per share (cents)</b>                                      | –                        | –                        | –                        |
| <b>Profit/(loss) for the year from continuing operations</b>            |                          |                          |                          |
| Basic and diluted profit/loss per share (cents)                         | 5,03                     | (6,41)                   | (7,81)                   |
| <b>Profit/(loss) for the year from discontinued operations</b>          |                          |                          |                          |
| Basic and diluted profit/(loss) per share (cents)                       | 4,31                     | (9,11)                   | (20,80)                  |

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH

| Audited<br>R'000   | Stated<br>capital | Treasury<br>shares | Foreign<br>currency<br>translation<br>reserve | Accumu-<br>lated<br>profit | Total           | Non-<br>controlling<br>interest | Total<br>Equity |
|--|-------------------|--------------------|---|----------------------------|-----------------|---------------------------------|-----------------|
| <b>Balance as at<br/>31 March 2019</b>   | <b>318 883</b>    | <b>(1 216)</b>     | <b>(9 726)</b>                                | <b>145 700</b>             | <b>453 641</b>  | <b>13 014</b>                   | <b>466 655</b>  |
| Loss for the year  | –                 | –                  | –   | (80 784)                   | (80 784)        | 1 543                           | (79 241)        |
| Other Comprehensive<br>income  | –                 | –                  | 4 055   | –                          | 4 055           | –                               | 4 055           |
| <b>Total comprehensive<br/>income for the year</b>   | <b>–</b>          | <b>–</b>           | <b>4 055</b>                                  | <b>(80 784)</b>            | <b>(76 729)</b> | <b>1 543</b>                    | <b>(75 186)</b> |
| Dividends paid   | –                 | –                  | –   | –                          | –               | (6 928)                         | (6 928)         |
| Treasury shares<br>purchased   | –                 | (20)               | –   | –                          | (20)            | –                               | (20)            |
| <b>Total contribution<br/>by and distributions<br/>to owners of<br/>the company<br/>recognised in equity</b> | <b>–</b>          | <b>(20)</b>        | <b>–</b>                                      | <b>–</b>                   | <b>(20)</b>     | <b>(6 928)</b>                  | <b>(6 948)</b>  |
| <b>Balance as at<br/>31 March 2020</b>   | <b>318 883</b>    | <b>(1 236)</b>     | <b>(5 671)</b>                                | <b>64 916</b>              | <b>376 892</b>  | <b>7 629</b>                    | <b>384 521</b>  |
| Profit for the year  | –                 | –                  | –   | 48 625                     | 48 625          | 3 081                           | 51 706          |
| Other Comprehensive<br>loss  | –                 | –                  | (5 131)                                       | –                          | (5 131)         | –                               | (5 131)         |
| <b>Total comprehensive<br/>income for the year</b>   | <b>–</b>          | <b>–</b>           | <b>(5 131)</b>                                | <b>48 625</b>              | <b>43 494</b>   | <b>3 081</b>                    | <b>46 575</b>   |
| Dividends paid   | –                 | –                  | –   | –                          | –               | (905)                           | (905)           |
| Shares issued as part<br>of CSG forfeitable<br>share plan  | 1 073             | (1 073)            | –   | –                          | –               | –                               | –               |
| Treasury shares<br>purchased   | –                 | (799)              | –   | –                          | (799)           | –                               | (799)           |
| <b>Total contribution<br/>by and distributions<br/>to owners of<br/>the company<br/>recognised in equity</b> | <b>1 073</b>      | <b>(1 872)</b>     | <b>–</b>                                      | <b>–</b>                   | <b>(799)</b>    | <b>(905)</b>                    | <b>(1 704)</b>  |
| <b>Balance as at<br/>31 March 2021<br/>(Reviewed)</b>  | <b>319 956</b>    | <b>(3 108)</b>     | <b>(10 802)</b>                               | <b>113 541</b>             | <b>419 587</b>  | <b>9 805</b>                    | <b>429 392</b>  |

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH

| R'000   | Audited<br>31 March 2021 | Audited<br>31 March 2020 | Audited<br>31 March 2019 |
|---|--------------------------|--------------------------|--------------------------|
| <b>Cash flow from operating activities</b>          | <b>122 224</b>           | <b>128 427</b>           | <b>47 773</b>            |
| Cash generated by operations                        | 112 040                  | 164 606                  | 94 431                   |
| Interest received                                   | 2 317                    | 4 319                    | 2 787                    |
| Finance cost  | –                        | –                        | (3 712)                  |
| Income tax paid                                     | 1 760                    | (9 472)                  | (26 037)                 |
| Cash flow from discontinued operations              | 6 107                    | (31 026)                 | (19 696)                 |
| <b>Cash flow from investing activities</b>          | <b>(10 256)</b>          | <b>(8 448)</b>           | <b>(19 023)</b>          |
| Businesses acquired                                 | –                        | (8 903)                  | (898)                    |
| Loans repayment                                     | 1 510                    | 29 531                   | 11 321                   |
| Loans advanced                                      | (147)                    | (9 445)                  | (22 152)                 |
| Additions of property, plant and equipment          | (15 835)                 | (23 220)                 | (16 965)                 |
| Proceeds from non-current assets held for sale      | –                        | 310                      | –                        |
| Proceeds on disposal of property, plant & equipment | 2 787                    | 3 279                    | 12 560                   |
| Additions to intangible assets                      | –                        | –                        | (284)                    |
| Cash flows from discontinued operations             | 1 429                    | –                        | (2 605)                  |
| <b>Cash flow from financing activities</b>          | <b>(71 303)</b>          | <b>(91 573)</b>          | <b>(52 625)</b>          |
| Dividends paid                                      | (905)                    | (6 928)                  | (32 560)                 |
| Net purchase of treasury shares                     | (799)                    | (20)                     | (392)                    |
| Issue of ordinary shares                            | –                        | –                        | 1 102                    |
| Proceeds from borrowings                            | –                        | 428                      | 10 429                   |
| Repayment of loans and liabilities                  | (46 666)                 | (57 993)                 | (27 498)                 |
| Finance cost  | (13 661)                 | (22 446)                 | (16 323)                 |
| Cash flow from discontinued operations              | (9 272)                  | (4 614)                  | 12 617                   |
| <b>Net increase in cash and cash equivalents</b>    | <b>40 665</b>            | <b>28 406</b>            | <b>(23 875)</b>          |
| Cash and cash equivalents at beginning of year      | 45 679                   | 17 273                   | 41 148                   |
| <b>Cash and cash equivalents at end of year</b>     | <b>86 344</b>            | <b>45 679</b>            | <b>17 273</b>            |

## EXTRACT OF THE CONSOLIDATED HISTORICAL FINANCIAL INFORMATION OF CSG FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

The unaudited condensed consolidated interim results of CSG for the six months to 30 September 2021 are set out below, and they are the responsibility of the Directors of CSG. These results, including the management commentary thereon, are available on the Company's website, <https://www.csgholdings.co.za>, and are also open for inspection at the registered office of the Company.

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| R'000   | Unaudited<br>31 March 2021 | Restated<br>Unaudited<br>31 March 2020 |
|---|----------------------------|--|
| <b>ASSETS</b>                                   |                            |  |
| <b>Non-current asset</b>                        | <b>391 052</b>             | <b>403 594</b>                         |
| Property, plant and equipment                   | 64 867                     | 75 939                                 |
| Right-of-use asset                              | 21 179                     | 16 080                                 |
| Intangible assets                               | 17 348                     | 18 482                                 |
| Goodwill  | 215 216                    | 215 216                                |
| Investment in associates                        | 579                        | –                                      |
| Investment in joint venture                     | 10 230                     | –                                      |
| Trade and other receivables                     | 5 097                      | –                                      |
| Deferred taxation                               | 28 248                     | 44 025                                 |
| Loans and other receivable                      | 28 288                     | 33 829                                 |
| <b>Current assets</b>                           | <b>374 671</b>             | <b>316 938</b>                         |
| Inventories                                     | 10 788                     | 8 440                                  |
| Current income tax receivable                   | 2 686                      | 5 902                                  |
| Current portion of loans receivable             | 10 383                     | 14 863                                 |
| Trade and other receivables                     | 319 184                    | 199 577                                |
| Cash and cash equivalents                       | 31 630                     | 88 155                                 |
| <b>TOTAL ASSETS</b>                             | <b>765 723</b>             | <b>720 532</b>                         |
| <b>EQUITY AND LIABILITIES</b>                   |                            |  |
| <b>Capital and Reserves</b>                     | <b>453 260</b>             | <b>392 814</b>                         |
| Stated capital                                  | 319 956                    | 318 883                                |
| Treasury shares                                 | (3 108)                    | (1 236)                                |
| Retained earnings                               | 133 742                    | 73 017                                 |
| Foreign currency translation reserve            | (9 120)                    | (5 943)                                |
| Non-controlling interest                        | 11 790                     | 8 093                                  |
| <b>Non-current liabilities</b>                  | <b>90 387</b>              | <b>112 996</b>                         |
| Interest-bearing liabilities                    | 70 344                     | 101 466                                |
| Lease liabilities                               | 14 697                     | 7 499                                  |
| Deferred taxation                               | 5 346                      | 4 031                                  |
| <b>Current liabilities</b>                      | <b>222 076</b>             | <b>214 027</b>                         |
| Current portion of interest-bearing liabilities | 27 580                     | 29 494                                 |
| Current portion of lease liabilities            | 8 399                      | 9 689                                  |
| Current portion of loans from associates        | –                          | 10 092                                 |
| Current portion of borrowings                   | 5 981                      | 10 190                                 |
| Bank overdrafts and invoice discounting         | –                          | –                                      |
| Trade and other payables                        | 176 975                    | 152 380                                |
| Current income tax payable                      | 3 142                      | 2 877                                  |
| <b>TOTAL EQUITY AND LIABILITIES</b>             | <b>765 723</b>             | <b>720 532</b>                         |
| Shares in issue ('000)                          | 524 988                    | 521 288                                |
| Net asset value per share (cents)               | 84.09                      | 73.80                                  |
| Net tangible asset value per share (cents)      | 40.84                      | 30.03                                  |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| R'000  | Unaudited<br>31 March 2021 | Unaudited<br>31 March 2020 |
|--|----------------------------|----------------------------|
| Revenue  | 848 348                    | 563 151                    |
| Cost of sales  | (689 213)                  | (429 344)                  |
| <b>Gross profit</b>  | <b>159 135</b>             | <b>133 807</b>             |
| Net operating expenses   | (130 411)                  | (118 921)                  |
| Movement in credit loss allowance                                  | 2 071                      | –                          |
| <b>Operating profit</b>  | <b>30 795</b>              | <b>14 885</b>              |
| Profit/(loss) on sale of property, plant and equipment             | 1 171                      | 160                        |
| Share of associate (losses)/profits                                | –                          | (230)                      |
| Share of joint venture profits                                     | 772                        | –                          |
| Investment income  | 1 879                      | 3 676                      |
| Finance costs  | (4 830)                    | (8 059)                    |
| <b>Profit before taxation</b>                                      | <b>29 788</b>              | <b>10 433</b>              |
| Taxation   | (4 868)                    | 2 494                      |
| <b>Profit from continuing operations</b>                           | <b>24 920</b>              | <b>12 927</b>              |
| Discontinued operations  | (2 734)                    | (4 361)                    |
| <b>Profit for the year</b>   | <b>22 186</b>              | <b>8 565</b>               |
| Other comprehensive income/(loss)                                  | 1 682                      | (272)                      |
| <b>Total comprehensive profit/(loss)</b>                           | <b>23 868</b>              | <b>8 293</b>               |
| <b>Profit for the year attributable to:</b>                        |                            |                            |
| Owners of the parent   | 20 201                     | 8 101                      |
| Non-controlling interest   | 1 985                      | 464                        |
|  | <b>22 186</b>              | <b>8 565</b>               |
| <b>Total comprehensive profit/(loss) attributable to:</b>          |                            |                            |
| Owners of the parent   | 21 883                     | 7 829                      |
| Non-controlling interest   | 1 985                      | 464                        |
|  | <b>23 868</b>              | <b>8 293</b>               |
| Weighted average shares in issue ('000)                            | 518 825                    | 520 369                    |
| Diluted weighted average shares in issue ('000)                    | 518 825                    | 520 369                    |
| <b>Earnings per share attributable to the owners of the parent</b> |                            |                            |
| Basic and diluted earnings per share (cents)                       | 3.89                       | 1.55                       |
| <b>Dividends per share (cents)</b>                                 | –                          | –                          |
| <b>Earnings per share from continuing operations</b>               |                            |                            |
| Basic and diluted earnings per share (cents)                       | 4.42                       | 2.39                       |
| <b>(Loss)/earnings per share from discontinued operations</b>      |                            |                            |
| Basic and diluted (loss)/earnings per share (cents)                | (0.53)                     | (0.84)                     |
| <b>Headline earnings reconciliation</b>                            |                            |                            |
| Attributable earnings  | 20 201                     | 8 101                      |
| Loss on sale of property, plant and equipment                      | 130                        | 21                         |
| Tax effect of the above items                                      | (36)                       | (6)                        |
| <b>Headline earnings</b>   | <b>20 295</b>              | <b>8 116</b>               |
| <b>Headline earnings per share</b>                                 |                            |                            |
| Basic and diluted headline earnings per share (cents)              | 3.91                       | 1.56                       |
| <b>Headline earnings reconciliation from continuing operations</b> |                            |                            |
| Attributable earnings/(loss) from continuing operations            | 22 935                     | 12 463                     |
| (Profit)/loss on sale of property, plant and equipment             | (1 171)                    | 160                        |
| Tax effect of the above items                                      | 328                        | (45)                       |
| <b>Headline earnings</b>   | <b>220 932</b>             | <b>12 578</b>              |
| <b>Headline earnings per share from continuing operations</b>      |                            |                            |
| Basic and diluted headline earnings per share (cents)              | 4.26                       | 2.42                       |
| <b>Headline loss per share from discontinued operations</b>        |                            |                            |
| Basic and diluted headline loss per share (cents)                  | (0.35)                     | (0.86)                     |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| R'000                                   | Total equity holder for the parent | Non-controlling interest | Total equity   |
|---|------------------------------------|--------------------------|----------------|
| <b>Equity as at 1 April 2020</b>        | <b>376 892</b>                     | <b>7 629</b>             | <b>384 521</b> |
| Total comprehensive profit for the year | 7 829                              | 464                      | 8 293          |
| <b>Equity as at 30 September 2020</b>   | <b>384 721</b>                     | <b>8 093</b>             | <b>392 814</b> |
| Total comprehensive profit for the year | 35 665                             | 2 617                    | 38 282         |
| Dividends paid                          | –                                  | (905)                    | (905)          |
| Treasury shares purchased               | (799)                              | –                        | (799)          |
| <b>Equity as at 31 Mar 2021</b>         | <b>419 587</b>                     | <b>9 805</b>             | <b>429 392</b> |
| Total comprehensive income for the year | 21 884                             | 1 985                    | 23 868         |
| <b>Equity as at 30 September 2021</b>   | <b>441 471</b>                     | <b>11 790</b>            | <b>453 260</b> |

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| R'000  | Unaudited<br>31 March 2021 | Restated<br>Unaudited<br>31 March 2020 |
|--|----------------------------|--|
| <b>Cash flow from operations</b>                 | <b>(9 662)</b>             | <b>78 655</b>                          |
| Cash generated by operations                     | (5 471)                    | 81 699                                 |
| Interest received                                | 564                        | 1 806                                  |
| Taxation paid                                    | (4 126)                    | (332)                                  |
| Cash flow from discontinued operations           | (629)                      | (4 518)                                |
| <b>Cash flow from investing activities</b>       | <b>(15 048)</b>            | <b>(7 078)</b>                         |
| Net investment in property, plant and equipment  | (13 422)                   | (6 642)                                |
| <b>Loan repayments from loans receivable</b>     | <b>368</b>                 | <b>262</b>                             |
| <b>Loans advanced to loans receivable</b>        | <b>(692)</b>               | <b>(697)</b>                           |
| <b>Cash flow from discontinued operations</b>    | <b>(1 302)</b>             | <b>–</b>                               |
| <b>Cash flow from financing activities</b>       | <b>(30 004)</b>            | <b>(29 101)</b>                        |
| Dividend paid                                    | –                          | –                                      |
| Net purchases of treasury shares                 | –                          | –                                      |
| Proceeds from borrowings                         | 1 033                      | –                                      |
| Repayment of interest bearing liabilities        | (20 843)                   | (19 024)                               |
| Repayment of lease liabilities                   | (4 725)                    | –                                      |
| Finance cost                                     | (4 830)                    | (8 059)                                |
| Cash flow from discontinued operations           | (639)                      | (2 019)                                |
| <b>Net increase in cash and cash equivalents</b> | <b>(54 714)</b>            | <b>42 476</b>                          |
| Cash and cash equivalents at beginning of year   | 86 344                     | 45 679                                 |
| <b>Cash and cash equivalents at end of year</b>  | <b>31 630</b>              | <b>88 155</b>                          |
| <b>Cash resources</b>                            | <b>31 630</b>              | <b>88 155</b>                          |
| <b>Cash and cash equivalents</b>                 | <b>31 630</b>              | <b>88 155</b>                          |
| <b>Bank overdraft and invoice discounting</b>    | <b>–</b>                   | <b>–</b>                               |

## DETAILS OF IRREVOCABLE UNDERTAKINGS RECEIVED FROM OFFEREE SHAREHOLDERS

As at the Last Practicable Date, the following Offeree Shareholders collectively holding 241 339 760 Shares representing 61.52% of the Shares in issue (excluding the Excluded Shares), provided Irrevocable Undertakings to vote in favour of the Delisting Resolution in respect of their Shares held.

| Shareholder                     | Number of Shares   | % of issued Shares (excluding the Excluded Shares) |
|---------------------------------|--------------------|--|
| PDT Investments (Pty) Ltd       | 73 291 923         | 18.68  |
| GTT Investments (Pty) Ltd       | 72 379 528         | 18.45  |
| Vuwa Scaffolding (Pty) Ltd      | 46 500 000         | 11.85  |
| NRT Investments (Pty) Ltd       | 21 431 039         | 5.46   |
| Daniel E Engelbrecht            | 9 761 535          | 2.49   |
| Gary Davis                      | 6 892 272          | 1.76   |
| Pieter Jacob Van Der Westhuizen | 5 800 613          | 1.48   |
| Cilliers de Kock                | 5 282 850          | 1.35   |
| <b>Total</b>                    | <b>241 339 760</b> | <b>61.52</b>                                       |

In addition, Irrevocable Undertakings relating to 169 839 760 Shares (representing 43.29% of Shares, excluding Excluded Shares) have been received from Shareholders (representing management and former management of the CSG Group) to retain their Shares in the Company post the Transaction.

| Shareholder                     | Number of Shares        | % of issued Shares (excluding the Excluded Shares) |
|---------------------------------|-------------------------|--|
| PDT Investments (Pty) Ltd       | 48 291 923 <sup>1</sup> | 12.31  |
| GTT Investments (Pty) Ltd       | 72 379 528              | 18.45  |
| NRT Investments (Pty) Ltd       | 21 431 039              | 5.46   |
| Daniel E Engelbrecht            | 9 761 535               | 2.49   |
| Gary Davis                      | 6 892 272               | 1.76   |
| Pieter Jacob Van Der Westhuizen | 5 800 613               | 1.48   |
| Cilliers de Kock                | 5 282 850               | 1.35   |
| <b>Total</b>                    | <b>169 839 760</b>      | <b>43.29</b>                                       |

<sup>1</sup> PDT Investments (Pty) Ltd has elected to partially accept the Offer for up to 25 000 000 Shares held by it.

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**TRADING INFORMATION OF CSG**


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Set out below is a table showing the highest, lowest and closing prices and aggregate volumes traded in the Shares on the JSE for each day over the 30 trading days preceding the Last Practicable Date:

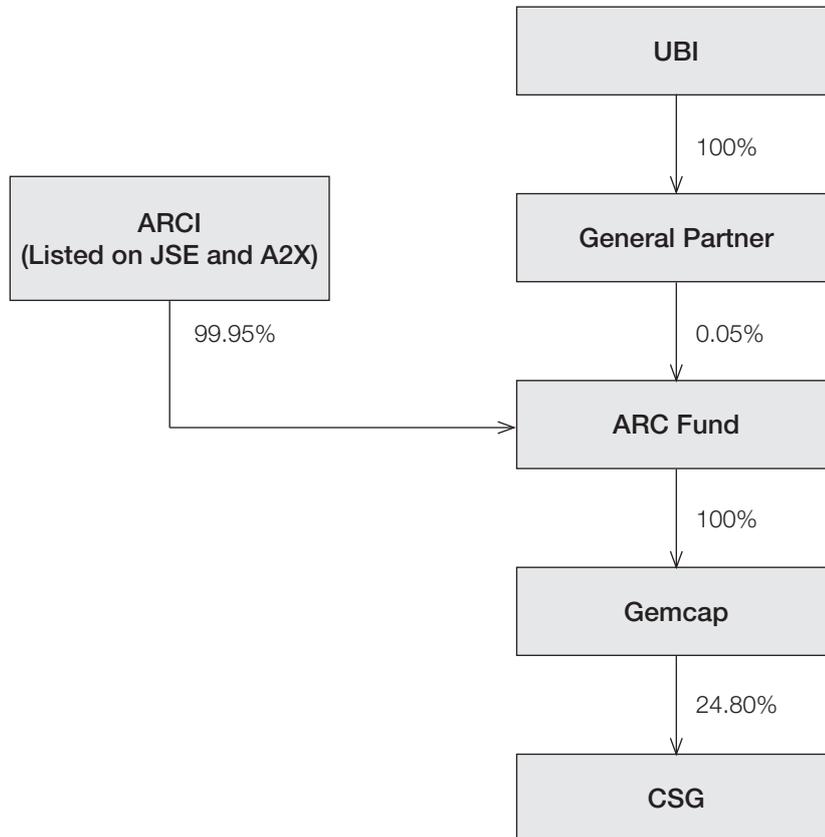
| Daily       | High<br>(cents) | Low<br>(cents) | Close<br>(cents) | Volume<br>(shares) | Value<br>(R) |
|-------------|-----------------|----------------|------------------|--------------------|--------------|
| 1 October   | 27              | 23             | 27               | 21 330             | 4 959        |
| 4 October   | 26              | 24             | 24               | 1 060 308          | 254 608      |
| 5 October   | 25              | 22             | 22               | 262 278            | 59 789       |
| 6 October   | 25              | 21             | 24               | 75 382             | 17 946       |
| 7 October   | 25              | 24             | 24               | 160 829            | 39 133       |
| 8 October   | 20              | 20             | 20               | 35 400             | 7 080        |
| 11 October  | 32              | 29             | 31               | 939 281            | 280 277      |
| 12 October  | 32              | 29             | 32               | 902 217            | 274 211      |
| 13 October  | 31              | 30             | 30               | 246 062            | 73 830       |
| 14 October  | 31              | 31             | 31               | 1 450              | 449          |
| 15 October  | 31              | 30             | 31               | 659 999            | 199 599      |
| 18 October  | 31              | 31             | 31               | 6 000              | 1 860        |
| 19 October  | 32              | 30             | 32               | 92 339             | 27 824       |
| 20 October  | 32              | 32             | 32               | 5 000              | 1 600        |
| 21 October  | 31              | 31             | 31               | 357 169            | 110 722      |
| 22 October  | 33              | 32             | 32               | 1 003 160          | 325 423      |
| 25 October  | 32              | 32             | 32               | 603 200            | 193 024      |
| 26 October  | 33              | 31             | 33               | 30 244             | 9 654        |
| 27 October  | 31              | 31             | 31               | 6 500              | 2 015        |
| 28 October  | –               | –              | 31               | –                  | –            |
| 29 October  | –               | –              | 31               | –                  | –            |
| 2 November  | 38              | 32             | 35               | 3 431 593          | 1 133 990    |
| 3 November  | 35              | 33             | 35               | 100 350            | 33 242       |
| 4 November  | 34              | 33             | 34               | 59 250             | 19 601       |
| 5 November  | 34              | 34             | 34               | 50 600             | 17 204       |
| 8 November  | –               | –              | 34               | –                  | –            |
| 9 November  | 33              | 32             | 33               | 47 384             | 15 634       |
| 10 November | 34              | 32             | 34               | 938 785            | 308 330      |

Set out below is a table showing the highest, lowest and closing prices and aggregated monthly volumes traded in the Shares on the JSE for the previous 12 months:

| <b>Monthly</b> | <b>High<br/>(cents)</b> | <b>Low<br/>(cents)</b> | <b>Close<br/>(cents)</b> | <b>Volume<br/>(shares)</b> | <b>Value<br/>(R)</b> |
|----------------|-------------------------|------------------------|--------------------------|----------------------------|----------------------|
| <b>2020</b>    |                         |                        |                          |                            |                      |
| September      | 16                      | 11                     | 13                       | 951 311                    | 132 944              |
| October        | 14                      | 11                     | 11                       | 1 814 241                  | 241 031              |
| November       | 20                      | 11                     | 18                       | 71 006 653                 | 14 582 967           |
| December       | 30                      | 13                     | 30                       | 6 884 015                  | 1 338 961            |
| <b>2021</b>    |                         |                        |                          |                            |                      |
| January        | 39                      | 28                     | 33                       | 6 787 177                  | 2 045 969            |
| February       | 33                      | 28                     | 29                       | 3 425 901                  | 995 576              |
| March          | 32                      | 24                     | 32                       | 19 036 783                 | 5 484 992            |
| April          | 36                      | 29                     | 33                       | 1 538 846                  | 492 681              |
| May            | 35                      | 28                     | 28                       | 10 189 526                 | 3 061 274            |
| June           | 35                      | 24                     | 32                       | 2 494 894                  | 777 975              |
| July           | 31                      | 24                     | 27                       | 1 134 939                  | 321 550              |
| August         | 29                      | 25                     | 27                       | 749 180                    | 211 136              |
| September      | 29                      | 20                     | 27                       | 1 019 784                  | 270 378              |
| October        | 33                      | 20                     | 31                       | 6 468 148                  | 1 884 009            |

Source: JSE Limited

## OFFEROR CORPORATE STRUCTURE





**CSG HOLDINGS LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2006/011359/06)  
Share Code CSG  
ISIN ZAE000184438  
("CSG" or "the Company")

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## NOTICE OF GENERAL MEETING OF SHAREHOLDERS

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Where appropriate and applicable, unless the converse appears from the context, terms defined in the Circular to which this notice of General Meeting is attached bear the same meanings in this notice of General Meeting. This notice of General Meeting must be read together with the contents of the Circular.

Notice is hereby given that a General Meeting will be held entirely via electronic facility/communication in terms of section 63(2)(a) of the Companies Act given the impact of Covid-19 on in-person meetings, at 10:00 am on Monday, 20 December 2021 (or any other adjourned, postponed or rescheduled date and time in accordance with, amongst others, the provisions of section 64 of the Companies Act and the MOI, as read with the JSE Listings Requirements).

The purpose of the General Meeting is to consider and, if deemed fit, pass, with or without modification, the Resolutions required to authorise and effect the implementation of the Transaction.

In terms of section 62(3)(e) of the Companies Act:

- a Shareholder who is entitled to attend and vote at the General Meeting is entitled to appoint a proxy, or two or more proxies, to attend and participate in and vote at the General Meeting in the place of the Shareholder; and
- a proxy need not be a Shareholder of the Company.

Kindly note that in terms of section 63(1) of the Companies Act, meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a meeting. All Shareholders recorded in the Register of the Company on the Voting Record Date, being Friday, 10 December 2021, will be required to provide identification satisfactory to the Meeting Scrutineers. Forms of identification include valid identity documents or smart cards, drivers' licenses and passports.

### RECORD DATE

The Board has determined that, in accordance with the requirements of section 62(3)(a), read with section 59 of the Companies Act, the record date for the purposes of determining which Shareholders of the Company are entitled to participate in and vote at the General Meeting is Friday, 10 December 2021. Accordingly, the last day to trade the Shares in order to be recorded in the Register to vote at the General Meeting will be Tuesday, 7 December 2021.

### ORDINARY RESOLUTION 1 – AUTHORITY TO APPLY FOR THE COMPANY'S DELISTING ON THE JSE

**"IT IS RESOLVED THAT,** the Directors be and are hereby authorised to apply for the Delisting of all Shares from the Main Board of the JSE in accordance with paragraphs 1.14 and 1.15 of the JSE Listings Requirements, which will result in the termination of the Company's listing on the Main Board of the JSE, with effect from the commencement of business on or about Tuesday, 12 April 2022 or a date determined by the JSE."

In order for Ordinary Resolution 1 to be adopted, the resolution requires, in terms of section 62(3)(c) of the Companies Act and paragraphs 1.14(d) and 1.15 of the JSE Listings Requirements, the support of more than 50% of the voting rights exercised on the resolution by Shareholders (excluding the votes of the Excluded Shares), present or by proxy at the General Meeting."

## **ORDINARY RESOLUTION 2: AUTHORITY TO SIGN DOCUMENTATION**

**“IT IS RESOLVED THAT**, any Director and/or the Company Secretary be and is hereby authorised to sign all such documentation and do all such things as may be required to give effect to Ordinary Resolutions.”

In order for Ordinary Resolution 2 to be adopted, the resolution requires the support of more than 50% of the voting rights exercised on the resolution by CSG Shareholders, present or by proxy at the General Meeting.

## **QUORUM**

A quorum for the purposes of considering the Resolutions proposed at the General Meeting shall consist of at least three Eligible Shareholders present or represented by proxy (and if the Shareholder is a body corporate, it must be represented) and entitled to vote at the General Meeting. In addition:

- a quorum shall comprise at least 25% of the voting rights that are entitled to be exercised by Eligible Shareholders in respect of at least one matter to be decided at the General Meeting; and
- a matter to be decided at the General Meeting may not begin to be considered unless sufficient persons are present to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised in respect of the matter at the time the matter is called on the agenda.

## **SHAREHOLDERS**

### **General instructions**

Shareholders are encouraged to attend, speak and vote at the General Meeting.

### **Electronic participation**

The General Meeting will only be accessible via electronic facility/communication in terms of section 63(2)(a) of the Companies Act, and as permitted in terms of the JSE Listings Requirements and the Company's MOI.

Shareholders who wish to participate in and/or vote at the General Meeting are required to contact the Meeting Scrutineers at proxy@tmsmeetings.co.za as soon as possible, but in any event, for administrative purposes only, by no later than 10:00 am on Wednesday, 15 December 2021. However, this will not in any way affect the rights of Shareholders to register for the General Meeting after this date, provided, however, that only those Shareholders who are fully verified (as required in terms of section 63(1) of the Companies Act) and subsequently registered at the commencement of the General Meeting will be allowed to participate in and/or vote by electronic means. Shareholders are strongly encouraged to submit votes by proxy before the General Meeting. If Shareholders wish to attend the General Meeting, they should instruct their CSDP or Broker to issue them with the necessary letter of representation to attend the General Meeting, in the manner stipulated in their 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. Due to the exigencies of the necessary verification exercise that must be completed to ensure that all attendees are lawful participants, it may not be possible to promptly verify a Dematerialised Shareholder without "own-name" registration once the General Meeting has commenced. Shareholders are therefore strongly recommended to ensure the timeous receipt by the Meeting Scrutineers of the aforementioned letter of representation.

The Meeting Scrutineers will assist Shareholders with the requirements for electronic participation in, and/or voting at, the General Meeting. The Meeting Scrutineers are further obliged to validate (in correspondence with CSG and, in particular, the Transfer Secretaries and your CSDP) each such Shareholder's entitlement to participate in and/or vote at the General Meeting, before providing it with the necessary means to access the General Meeting and/or the associated voting forms.

Shareholders who wish to participate in the General Meeting, including proxy holders, will be required to submit the duly completed Electronic Participation Form, found on page 61 of this Circular, together with the relevant documents to proxy@tmsmeetings.co.za or the Company Secretary at mark@hnlaw.co.za by no later than 10:00 am on Wednesday, 15 December 2021, as provided for on the Electronic Participation Form. Shareholders are strongly encouraged to complete their verification well ahead of time.

Once your shareholding, identity and authority (if the Shareholder is not an individual) have been verified by the Meeting Scrutineers, you will be provided with details on how to join the General Meeting web stream. Shareholders will be required to send their duly completed voting forms to the Meeting Scrutineers via email before the commencement of the General Meeting.

Shareholders may participate in the General Meeting using the online platform and the unique link which will be provided to each participant who has completed the Electronic Participation Form and submitted it to the Meeting Scrutineers together with the relevant supporting documentation and will be able to vote between the commencement of the meeting (10:00 am on Monday, 20 December 2021) and the closure of voting as announced by the Chairperson during the General Meeting.

Shareholders will be liable for their own network charges and expenses in relation to electronic participation in the General Meeting. Any such charges will not be for the account of CSG, the Meeting Scrutineers or the Transfer Secretaries. None of CSG or the Meeting Scrutineers 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 may prevent any such Shareholder from participating in the General Meeting.

Notwithstanding the above, Shareholders are reminded that they are still able to vote normally through proxy submission, despite deciding to participate either electronically or not at all in the General Meeting. Shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting.

Please forward all relevant information to the below mentioned:

The Meeting Specialist Proprietary Limited  
JSE Building  
One Exchange Square  
2 Gwen Lane  
Sandown  
2196  
(PO Box 62043, Marshalltown, 2107) or  
via email to: proxy@tmsmeetings.co.za.

### **Proxies and authority for representatives to act**

A Form of Proxy is attached for the convenience of any Shareholder holding Certificated Shares, who cannot attend the General Meeting but wishes to be represented thereat.

The attached Form of Proxy is only to be completed by those Shareholders who are:

- holding shares in Certificated form; or
- recorded on the Company's Sub-Register in Dematerialised electronic form with "own-name" registration.

All other beneficial owners who have Dematerialised their shares through a CSDP or Broker and wish to attend the General Meeting, must instruct their CSDP or Broker to provide them with the necessary letter of representation, or they must provide the CSDP or Broker with their voting instructions in terms of the relevant Custody Agreement. These Shareholders must not use a Form of Proxy. Due to the exigencies of the necessary verification exercise that must be completed to ensure that all attendees are lawful participants, it may not be possible to promptly verify a Dematerialised Shareholder without "own-name" registration once the General Meeting has commenced. Shareholders are therefore strongly recommended to ensure the timeous receipt by the Meeting Scrutineers of the aforementioned letter of representation.

In order to ensure an orderly arrangement of affairs at the General Meeting, Forms of Proxy should be deposited at the Meeting Scrutineers, JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196 (PO Box 62043, Marshalltown, 2107) or via email to proxy@tmsmeetings.co.za, to be received by no later than 10:00 am on Wednesday, 15 December 2021, failing which Forms of Proxy may be emailed to the Meeting Scrutineers (who will provide same to the Chairperson of the General Meeting) at any time prior to the commencement of the General Meeting, provided that such Form of Proxy and the identification must be verified and registered before the commencement of the General Meeting. Any Shareholder who completes and lodges a Form of Proxy will nevertheless be entitled to attend, speak and vote at the General Meeting should the Shareholder decide to do so.

A proxy shall be deemed to have the right to demand or join in demanding a poll.

A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death or incapacity of the Shareholder concerned or revocation of the proxy or of the authority under which the proxy was executed or the transfer of Shares in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Company at the office of its Meeting Scrutineers more than, and that the transfer has been given effect to by the Company less than, 30 minutes before the commencement of the General Meeting.

A company that is a Shareholder, wishing to attend and participate at the General Meeting should ensure that a resolution authorising a representative to so attend and participate at the General Meeting on its behalf is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the Company's Meeting Scrutineers prior to the General Meeting.

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

## GENERAL NOTES

1. A Shareholder entitled to attend and vote at the General Meeting may appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a Shareholder of the Company.
2. In order to ensure an orderly arrangement of affairs at the General Meeting, all Forms of Proxy or other instruments of authority should be deposited with the Meeting Scrutineers, so as to be received by no later than 10:00 am on Wednesday, 15 December 2021, failing which Forms of Proxy may be emailed to the Meeting Scrutineers (who will provide same to the Chairperson of the General Meeting) at any time prior to the commencement of the General Meeting, provided that such Form of Proxy and the identification must be verified and registered before the commencement of the General Meeting.
3. A Shareholder which is a company or other body corporate may, by resolution of its directors or other governing body, authorise any person to act as its representative at the General Meeting.
4. Shareholders who have not Dematerialised their shares and Own-Name Dematerialised Shareholders who are unable to attend the General Meeting and wish to be represented thereat, should complete the attached Form of Proxy in accordance with the instructions therein and return it to the Meeting Scrutineers, so as to be received by no later than 10:00 am on Wednesday, 15 December 2021, failing which Forms of Proxy may be emailed to the Meeting Scrutineers (who will provide same to the Chairperson of the General Meeting) at any time prior to the commencement of the General Meeting, provided that such Form of Proxy and the identification must be verified and registered before the commencement of the General Meeting.
5. Shareholders who have Dematerialised their Shares with a CSDP or Broker, other than with "own-name" registration, should advise their CSDP or Broker with their voting instruction in terms of the agreement entered into between them and their CSDP or Broker. Shareholders who have Dematerialised their shares and wish to attend the General Meeting must contact their CSDP or Broker who will furnish them with the necessary authority to attend the General Meeting.
6. Shareholders who have Dematerialised their Shares, other than with "own-name" registration, must not return the Form of Proxy to the Meeting Scrutineers. Their instructions must be sent to their CSDP or Broker for action.
7. On a poll a Shareholder who is present or represented by a proxy shall be entitled to one vote for each Share of which he/she is the registered holder or representative.
8. A resolution put to the vote at the General Meeting shall be decided by way of a poll.

By order of the Board

### **Mark Nico Hattingh**

*Company Secretary*

18 November 2021

### **Registered office**

6 Topaz Avenue  
Lyttelton Manor Ext 3  
Centurion  
0157  
(Postal address as above)

### **Transfer Secretaries**

JSE Investor Services Proprietary Limited  
(Registration number 2000/007239/07)  
13th Floor  
19 Ameshoff Street  
Braamfontein  
Johannesburg  
2001  
(PO Box 4844, Johannesburg, 2000)  
By email: meetingservices@jseinvestorservices.co.za

### **Meeting Scrutineers**

The Meeting Specialist Proprietary Limited  
(Registration number 2017/287419/07)  
JSE Building, One Exchange Square  
2 Gwen Lane  
Sandown  
2196  
(PO Box 62043, Marshalltown, 2107)  
By email proxy@tmsmeetings.co.za



AGILE/DIVERSE/PROFESSIONAL

**CSG HOLDINGS LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 2006/011359/06)

Share Code CSG

ISIN ZAE000184438

("CSG" or "the Company")

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## FORM OF PROXY IN RESPECT OF THE GENERAL MEETING

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*The definitions and interpretation commencing on page 12 of the Circular to which this Form of Proxy is attached, apply, mutatis mutandis, to this Form of Proxy, unless a word or term is otherwise defined herein.*

**This Form of Proxy is irrevocable and cannot be withdrawn once given.**

This Form of Proxy is for use by Certificated Shareholders and Own-Name Dematerialised Shareholders only, registered as such at the close of business on Friday, 10 December 2021, being the record date for Shareholders to be recorded in the Register in order to be eligible to attend, participate and vote at the General Meeting to be held at 10:00 am on Monday, 20 December 2021, entirely via electronic facility/communication in terms of section 63(2)(a) of the Companies Act or any adjourned, postponed or rescheduled General Meeting. The Form of Proxy may be emailed to the Meeting Scrutineers (who will provide same to the Chairperson of the General Meeting) at any time prior to the commencement of the General Meeting, provided that such Form of Proxy and the identification must be verified and registered before the commencement of the General Meeting or adjourned, postponed or rescheduled General Meeting (as the case may be).

Dematerialised Shareholders holding Shares, other than with "own-name" registration, who wish to attend the General Meeting must inform their CSDP or Broker of their intention to attend the General Meeting and request their CSDP or Broker to issue them with the relevant letter of representation to attend the General Meeting or by proxy and vote. Due to the exigencies of the necessary verification exercise that must be completed to ensure that all attendees are lawful participants, it may not be possible to promptly verify a Dematerialised Shareholder without "own-name" registration once the General Meeting has commenced. Shareholders are therefore strongly recommended to ensure the timeous receipt by the Meeting Scrutineers of the aforementioned letter of representation. If they do not wish to attend the General Meeting or by proxy, they must provide their CSDP or Broker with their voting instructions in terms of the relevant Custody Agreement.

**Such Shareholders must not use this Form of Proxy in respect of the General Meeting.**

Companies and other corporate bodies who are Shareholders having Shares registered in their own names may, instead of completing this Form of Proxy in respect of the General Meeting, appoint a duly authorised representative to represent them and exercise all of their rights at the General Meeting by giving written notice of the appointment of that representative.

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

**Please read the notes on the reverse hereof carefully, which, amongst other things, set out the rights of Shareholders in terms of section 58 of the Companies Act with regard to the appointment of proxies**

I/We (full name/s in block letters)

of (address)

Telephone number work ( )

Telephone number home ( )

Cellphone number

Email address

being the holder/custodian of:

Shares of the Company, hereby appoint (see notes 1 and 4)

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

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

3. the Chairperson of the General Meeting,

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

|  | Number of Shares |         |         |
|--|------------------|---------|---------|
|  | For              | Against | Abstain |
| <b>Ordinary Resolution 1</b><br>Authority and approval for the Delisting in terms of paragraphs 1.14 and 1.15 of the JSE Listings Requirements |                  |         |         |
| <b>Ordinary Resolution 2</b><br>Authority to sign documentation  |                  |         |         |

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of Shares than you own in the Company, insert the number of Shares held in respect of which you desire to vote. If no directions are given, the proxy holder will be entitled to vote or to abstain from voting, as that proxy holder deems fit

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

Signature \_\_\_\_\_

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

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

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

**Please read the notes on the reverse side hereof.**

**NOTES:**

1. The Form of Proxy must only be completed by Shareholders who hold Shares in certificated form or who are recorded on the Sub-Register in electronic form in "own name".
2. All other beneficial owners who have Dematerialised their Shares through a CSDP or Broker and wish to attend the General Meeting must provide the CSDP or Broker with their voting instructions in terms of the relevant Custody Agreement.
3. A Shareholder entitled to attend and vote at the General Meeting may insert the name of a proxy or the names of two alternate proxies (none of whom need be a Shareholder of the Company) of the Shareholder's choice in the space provided, with or without deleting "the Chairperson of the General Meeting". The person whose name stands first on this Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those proxy(ies) whose names follow. Should this space be left blank, the proxy will be exercised by the Chairperson of the meeting.
4. A Shareholder is entitled to one vote in respect of each Share held, on a poll vote. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that Shareholder in the appropriate space provided. If an "X" has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the Shares held by the Shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting as he/she deems fit in respect of all the Shareholder's votes exercisable thereat. A Shareholder or the proxy is not obliged to use all the votes exercisable by the Shareholders or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the Shareholder or the proxy.
5. A vote given in terms of an instrument of proxy shall be valid in relation to the General Meeting notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the Shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall have been received by the Meeting Scrutineers not less than 48 hours before the commencement of the General Meeting.
6. If a Shareholder does not indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the General Meeting be proposed, such proxy shall be entitled to vote as he/she thinks fit.
7. The Chairperson of the General Meeting may reject or accept any Form of Proxy which is completed and/or received other than in compliance with these notes.
8. A Shareholder's authorisation to the proxy including the Chairperson of the General Meeting, to vote on such Shareholder's behalf, shall be deemed to include the authority to vote on procedural matters at the General Meeting.

9. The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof.
10. Documentary evidence establishing the authority of a person signing the Form of Proxy in a representative capacity must be attached to this Form of Proxy, unless previously recorded by the Meeting Scrutineers or waived by the Chairperson of the General Meeting.
11. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the Meeting Scrutineers.
12. Where there are joint holders of Shares:
  - 12.1 any one holder may sign the Form of Proxy or;
  - 12.2 the vote(s) of the senior Shareholders (for that purpose seniority will be determined by the order in which the names of Shareholders appear in the Company's Register) who tenders a vote (whether electronically or by proxy) will be accepted to the exclusion of the vote(s) of the other joint Shareholder(s).
13. For administrative purposes only, Forms of Proxy should be lodged with or mailed to the Meeting Scrutineers:
 

The Meeting Specialist Proprietary Limited  
 JSE Building  
 One Exchange Square  
 2 Gwen Lane, Sandown  
 2196  
 (PO Box 62043, Marshalltown, 2107) or via email to proxy@tmsmeetings.co.za,

to be received by no later than 10:00 am on Wednesday, 15 December 2021 (or 48 hours before any adjournment of the General Meeting which date, if necessary, will be notified on SENS).
14. A deletion of any printed matter and the completion of any blank space need not be signed or initialed. Any alteration or correction must be signed and not merely initialed.
15. Summary of the rights of a Shareholder to be represented by proxy, as set out in section 58 of the Companies Act:
  - 15.1 A proxy appointment must be in writing, dated and signed by the Shareholder appointing a proxy, and, subject to the rights of a Shareholder to revoke such appointment (as set out below), remains valid only until the end of the relevant Shareholders' meeting.
  - 15.2 A proxy may delegate the proxy's authority to act on behalf of a Shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
  - 15.3 The appointment of a proxy is suspended at any time and to the extent that the Shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a Shareholder.
  - 15.4 The appointment of a proxy is revocable by the Shareholder in question 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 to 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 Shareholder as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.
  - 15.5 If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's MOI to be delivered by the Company to the Shareholder, must be delivered by the Company to (a) the Shareholder, or (b) the proxy or proxies, if the Shareholder has (i) directed the Company to do so in writing; and (ii) paid any reasonable fee charged by the Company for doing so. Attention is also drawn to the "Notes to proxy".
  - 15.6 The completion of a Form of Proxy does not preclude any Shareholder from attending the General Meeting.





AGILE/DIVERSE/PROFESSIONAL

**CSG HOLDINGS LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 2006/011359/06)

Share Code CSG

ISIN ZAE000184438

("CSG" or "the Company")

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## FORM OF ACCEPTANCE, SURRENDER AND TRANSFER (FOR USE BY CERTIFICATED SHAREHOLDERS ONLY)

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The definitions and interpretations commencing on page 12 of the Circular to which this Form of Acceptance and Transfer is attached to and forms part of, have, where necessary, been used herein.

**Instructions:**

1. A separate Form of Acceptance and Transfer is required for each Certificated Shareholder.
2. Subject to paragraph 2.6.1 of Part A to the Circular, all acceptances of the Offer received by the Transfer Secretaries, the Offeror or the relevant CSDP or Broker prior to the Closing Date will be irrevocable.
3. Documents of Title surrendered by the Certificated Shareholders in advance of the fulfilment of the conditions precedent set out in the Circular will be held in trust by CSG or the Transfer Secretaries, at the Shareholder's risk, pending the fulfilment of the conditions precedent. If the conditions precedent are not fulfilled by the 65th Business Day after the Opening Date, the Offeror reserves the right to extend this date to a date approved by the TRP and the Offeror. If the conditions precedent remains unfulfilled following the said extended date, the Transfer Secretaries will return the Documents of Title by registered post, to the Certificated Shareholders in question and at their own risk within three Business Days following the date upon which an announcement is made on SENS and in the press that the conditions precedent have not been fulfilled.
4. The completed form and the Documents of Title in respect of the Offer Shares must be returned to the Transfer Secretaries so as to be received by no later than 12:00 pm on the Closing Date.
5. Once this form is received by the Transfer Secretaries, your acceptance of the Offer will be final, and you may not withdraw your acceptance unless expressly permitted by the Companies Regulations.
6. If you do not validly accept the Offer by 12:00 pm on the Closing Date, you will be deemed to have declined the Offer. Late acceptance may be accepted or rejected at CSG's absolute and sole discretion.

**Certificated Shareholders who surrender their Documents of Title before the Closing Date will not be able to trade their Shares after surrender.**

1. **Part A** must be completed by all Shareholders who return this form relating to the surrender of Documents of Title.
2. **Part B** must be completed by those Shareholders who accept the Offer.
3. **Part C** must be completed by those Shareholders who elect to receive the Offer Consideration electronically transferred into their bank accounts.
4. **Part D** must be completed by Shareholders who are emigrants from or non-residents of the Common Monetary Area.

Please also read the notes on the reverse side hereof.

To: CSG Holdings Limited  
Care of: JSE Investor Services Proprietary Limited  
13th Floor  
19 Ameshoff Street  
Braamfontein  
Johannesburg  
2001  
(PO Box 4844, Johannesburg, 2000)

Dear Sirs,

**PART A – SURRENDER OF DOCUMENTS OF TITLE**

**All Shareholders who return this form must please complete Part A.**

I/We, the undersigned, hereby surrender and attach the following Documents of Title in respect of my/our Shares.

Signature of Shareholder \_\_\_\_\_

Assisted by (if applicable): Name Capacity Signature \_\_\_\_\_

Date \_\_\_\_\_

Please complete the section below in BLOCK LETTERS:

Name of corporate body \_\_\_\_\_

First names (in full), if applicable \_\_\_\_\_

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

Postal address (preferably PO Box address) \_\_\_\_\_

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

Telephone number (office hours) \_\_\_\_\_

Cell phone number \_\_\_\_\_

**Share certificate/s and/or Documents of Title surrendered:**

| Name of registered holder<br>(separate form for each holder) | Certificate number(s)<br>(in numerical order) | Number of Shares covered<br>by each certificate | Total |
|--|---|---|-------|
|  |   |   |       |
|  |   |   |       |
|  |   |   |       |
|  |   |   |       |
| <b>Total</b>   |   |   |       |

My/Our signature/s on this form constitutes my/our execution of this instruction.

**PART B – ACCEPTANCE OF THE OFFER**

**Shareholders who accept the Offer must please complete Part B.**

I/We hereby accept the Offer in respect of \_\_\_\_\_ Shares held by me/us.

(Failure to state the number of Shares shall be deemed to indicate acceptance of the Offer in respect of all Shares indicated by the Documents of Title surrendered by that Shareholder or his/her representative.)

**PART C – TO BE COMPLETED BY SHAREHOLDERS WHO WISH TO HAVE THE OFFER CONSIDERATION TRANSFERRED INTO THEIR BANK ACCOUNTS**

**Name of bank account holder:**

Account number

Name of bank

Branch

Branch code

Type of bank account (cheque, savings, transmission, etc.)

**Notes:**

1. The Offer Consideration will only be electronically transferred if Part C is properly completed and this form is returned to the Transfer Secretaries together with the Documents of Title on or before the Closing Date.
2. Once the Offer has been accepted before 12:00 pm on a Friday, 8 April 2022 during the Offer Period, payment of the Offer Consideration will be made as set out in paragraph 3 of Part A to the Circular.
3. In terms of Financial Intelligence Centre Act, 38 of 2001, as amended ("**FICA**") requirements, the Transfer Secretaries will not record any bank mandate without certified true copies of the Shareholder's identity document and bank statement.

**PART D**

**1. To be completed by all emigrants from and non-residents of the Common Monetary Area.**

|                                       |  |
|---------------------------------------|--|
| <b>Name of Authorised Dealer/Bank</b> | <b>Stamp and address of agent lodging this form (if any)</b> |
| <b>Address</b>                        |  |
| <b>Account Number</b>                 |  |
|                                       |  |

**2. To be completed only by all other non-resident Certificated Shareholders who wish to provide a substitute address**

The Offer Consideration will be posted to the registered address of the non-resident concerned, unless written instructions to the contrary are received and an address provided below:

Substitution address

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**3. If no nomination is made in terms of 1 above, the Offer Consideration will be held in trust by CSG or the Transfer Secretaries.**

**Notes:**

1. Emigrants from the Common Monetary Area must complete Part D.
2. All other non-residents of the Common Monetary Area must complete Part D if they wish the Offer Consideration to be sent to an Authorised Dealer in South Africa.
3. If Part D is not properly completed, the Offer Consideration (in the case of emigrants or non-residents), will be held in trust by CSG or the Transfer Secretaries pending receipt of the necessary nomination or instruction.
4. The Offer Consideration will not be sent to Shareholders unless and until Documents of Title in respect of the relevant Shares have been surrendered to the Transfer Secretaries.
5. If a Shareholder produces evidence to the satisfaction of the Offeror that Documents of Title in respect of his/her Shares have been lost or destroyed the Offeror may waive the surrender of such Documents of Title against delivery of an indemnity in a form and on terms and conditions approved by it, or may in its discretion waive such indemnity.
6. If this form is not signed by the Shareholder, the Shareholder will be deemed to have irrevocably appointed the Company Secretary or CSG to implement that Shareholder's obligations under the Offer on his/her behalf.
7. Persons who have acquired Shares after Friday, 12 November 2021, the record date to determine which Shareholders are eligible to receive the document to which this Form of Acceptance and Transfer is attached, can obtain copies of the document from JSE Investor Services Proprietary Limited whose address is 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000).
8. No receipts will be issued for documents lodged, unless specifically requested. In compliance with the JSE Listings Requirements, 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.
9. Any alteration to this form must be signed in full and not initialled.
10. If this form is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this form for noting (unless it has already been noted by CSG or the Transfer Secretaries).
11. Where the Shareholder is a company or a close corporation, unless it has been registered with CSG 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 the Offeror.
12. Note 11 above does not apply in the event of this form bearing the stamp of a broking member of the JSE.
13. Where there are joint holders of any Shares, only that holder whose name stands first in the Register in respect of such Shares need sign this form.



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## ELECTRONIC PARTICIPATION FORM

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Shareholders or their proxies who wish to participate in the General Meeting to be held on 20 December 2021 at 10:00 am via electronic facility/communication ("**General Meeting Participant**") must notify the Company by delivering this form and supporting documents to the Company Secretary at mark@hnlaw.co.za or to the office of the Meeting Scrutineers, JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196 (PO Box 62043, Marshalltown, 2107) or via email to proxy@tmsmeetings.co.za as soon as possible, but by no later 10:00 am on Wednesday, 15 December 2021. Shareholders are strongly encouraged to complete their verification well ahead of time.

Each General Meeting Participant, who has successfully been verified by the Meeting Scrutineers, will be provided with the details on how to join the General Meeting webcast. Once verified, General Meeting Participants will be provided with a voting form and are strongly encouraged to send their completed forms to the Meeting Scrutineers at least 48 hours (excluding public holidays and weekends) before the General Meeting. Shareholders that prefer to submit their vote during the meeting proceedings may do so using the live voting function provided by the online platform and the unique link which will be provided to each participant who has completed the Electronic Participation Form and submitted it to the Meeting Scrutineers together with the relevant supporting documentation and will be able to vote between the commencement of the meeting (10:00 am on Monday, 20 December 2021) and the closure of voting as announced by the Chairperson during the General Meeting.

Please refer to the notice of General Meeting for important information regarding participation and voting at the General Meeting.

|   |  |
|---|--|
| Name of registered Shareholder  |  |
| ID/Passport number or registration number of registered Shareholder                                       |  |
| Name and contact details of CSDP or Broker (If Shares are held in dematerialised format)                  |  |
| Shareholder Number/ SCA number/Broker account number/ Own name account number or Custodian Account number |  |
| Number of Shares held   |  |
| Full name of General Meeting Participant  |  |
| ID number/Passport number of General Meeting Participant  |  |
| Email address   |  |
| Cellphone number  |  |

**By signing this form I/we agree and consent to the processing of my/our personal information above for the purpose of participation in the General Meeting and acknowledge the following:**

The cost of joining the General Meeting is for the expense of the General Meeting Participant and will be billed separately by the General Meeting Participant's own internet service provider. The General Meeting Participant is not permitted to share the link with a third party.

The Company, its agents and third-party service providers cannot be held accountable, and will not be obliged to make alternative arrangements, in the event of a loss or interruption of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth, power outages or any other circumstances which prevents any Shareholder or proxy holder from participating in the General Meeting voting.

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

Signature \_\_\_\_\_

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

**Important: Please attach the following documents:**

1. Dematerialised Shareholders (except "own name" holders): The letter of representation from your CSDP or Broker and a copy of your identity document/passport/driver's licence.
2. Certificated or "own name" Shareholders (individuals): A copy of your identity document/passport/driver's licence.
3. Certificated or "own name" Shareholders (entities): A copy of the resolution authorising the individual to represent the entity and a copy of the identity document/passport/driver's licence of the representative.
4. Proxy holders: The duly completed and signed proxy form and a copy of your identity document/passport/driver's license.

