



20 January 2022

Attention: Ms. Tracy Botha / Mr. Simon Venables
PricewaterhouseCoopers Corporate Finance (Pty) Ltd
4 Lisbon Lane
Waterfall City
Jukskei View
2090

Email: tracy.botha@pwc.com
& simon.venables@pwc.com

Dear Madam & Sir

APPLICATION FOR EXEMPTION IN TERMS OF SECTION 119(6) OF THE COMPANIES ACT, NO. 71 OF 2008 IN RELATION TO A TRANSACTION INVOLVING MAGISTER INVESTMENT LIMITED AND OTHERS IN RESPECT OF A MANDATORY OFFER IN ACCORDANCE WITH SECTION 123 OF THE ACT

1. We refer to your letter dated 19 January 2022, wherein an application for exemption in terms of section 119(6) of the Companies Act, No. 71 of 2008 (the “**Act**”) is made to exempt all the parties contemplated therein from compliance with the applicable provisions of Chapter 5, Part B and Part C of the Act and the Takeover Regulations (the “**Regulations**”) (collectively the “**Takeover Provisions**”).
2. In this letter, we respond to your application for Magister Investments Limited (“**Magister**”) to be exempted from making a mandatory offer in accordance with section 123 of the Companies Act. After considering the merits of the application as contained in the application and based on the information provided therein, including the results of the shareholders general meeting held on 18 January 2022, where 79.92% of the shareholders present voted in favor of waving their rights to a mandatory offer from Magister. It is worth noting 59% of the ordinary shareholders voted at the general meeting, which is in line with the requirements of Regulation 86(4) which states:

“A transaction is exempt for the obligation to make a mandatory offer following publication by a regulated company of a transaction requiring the issue of securities as consideration for an acquisition, a cash subscription or a rights offer, if the independent holders of more than 50% of the general voting rights of all issued securities of the regulated company have agreed to waive the benefit of such a mandatory offer in accordance with the principles detailed in section 125(3)(b)(11).”

3. The Takeover Regulation Panel (the “**Panel**”) hereby exempts the applicant from compliance with the aforesaid Takeover Provisions relevant thereto.
4. Having considered the above, we are of the view that there is no reasonable potential of the transaction prejudicing the interests of any existing holder of the securities of Magister and that dispensation is reasonable and justifiable in the circumstances having regard to the principles and purposes of the Takeover Provisions.
5. This application is granted only in respect of the Takeover Provisions. Further that the Panel did not in granting the application, consider the commercial advantages or disadvantages of the transaction in accordance with Section 201(3) of the Act.
6. Your attention is also drawn to Regulation 118(5) stating that all rulings of the Panel will be given on the assumption that all information provided is correct and complete. Further, your attention is drawn to Regulation 118(8) stating that:

“Any person issued with a Ruling of the Panel may apply to the Takeover Special Committee for a hearing regarding the ruling within –

(a) 5 business days after receiving that Ruling; or

(b) Such longer period as may be allowed by the Committee on good cause shown.”



Please do not hesitate to contact the Panel should you wish to discuss.

Yours faithfully,


TAKEOVER REGULATION PANEL
Andile Nikani
Executive Director