
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 6 of this Circular apply *mutatis mutandis* throughout this Circular including this cover page.

Shareholders are referred to page 3 of this Circular, which sets out the action required of them with regard to the Rights Offer, full details of which are set out in this Circular. If you are in any doubt as to the action that you should take, please consult your Broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.

If you have disposed of all of your Shares in SepHold, then this Circular, together with the accompanying Form of Instruction, should be forwarded to the purchaser to whom, or the Broker, agent, CSDP or banker through whom you disposed of your Shares.

Letters of Allocation, which are renounceable, will be issued in Dematerialised form. An electronic record for holders of Certificated Shares is being maintained by Computershare Investor Services Proprietary Limited which has made it possible for holders of Certificated Shares to enjoy the same rights and opportunities as holders of Dematerialised Shares in respect of the Letters of Allocation.

Only whole numbers of SepHold Shares will be issued in terms of the Rights Offer and Shareholders will be entitled to rounded numbers of Shares once the Ratio of Entitlement has been applied. Excess applications will be allowed.

Jurisdiction

All transactions arising from the provisions of this Circular and the Form of Instruction shall be governed by and be subject to the laws of South Africa. The Rights Offer may be affected by the laws of the relevant jurisdictions of foreign Shareholders. Such foreign Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions in relation to all aspects of this Circular that may affect them, including the Rights Offer. It is the responsibility of any foreign Shareholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant jurisdiction in connection with the Rights Offer, including obtaining any governmental, exchange control or other consent or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any issue, transfer or other taxes or requisite payments due in such jurisdiction. The Rights Offer is further subject to any other applicable laws and regulations, including the Exchange Control Regulations. Shareholders with registered addresses outside of the Common Monetary Area are referred to paragraph 4 and **Annexure 2** of this Circular setting out certain Exchange Control Regulations and other restrictions which may be relevant to them. Any foreign Shareholder who is in doubt as to his position, including without limitation his tax status, should consult an appropriate independent professional adviser in the relevant jurisdiction without delay. The Company and its Directors accept no responsibility for the failure by any Shareholder to inform itself about, or to observe, any applicable legal requirements in any relevant jurisdiction, nor for any failure by the Company to observe the requirements of any jurisdiction.

The CSDP or Broker will ensure that where such persons are holding Shares in Dematerialised form that the CSDP or Broker adheres to the above restrictions. Please refer to **Annexure 2** for further details in this regard.

Disclaimer

The distribution of this Circular, the Form of Instruction, the Letters of Allocation and/or the Rights to subscribe for the Rights Offer Shares in jurisdictions other than the Republic of South Africa may be restricted or affected by the laws of such jurisdiction, and failure to comply with any of those restrictions may constitute a violation of the laws of any such jurisdiction.

The Letters of Allocation and the Rights Offer Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under any securities laws of any state or other jurisdiction of the United States and must not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state and other securities laws of the United States. There will be no public offer of the Letters of Allocation and the Rights Offer Shares in the United States. Purchasers are hereby notified that any sellers of the Letters of Allocation and Rights Offer Shares may be relying on an exemption from the registration requirements of Section 5 of the U.S. Securities Act. The Letters of Allocation and the Rights Offer Shares will also not be registered under the securities laws of any other jurisdiction where the extension or making of the Rights Offer would, without compliance with additional requirements, be unlawful or in contravention of certain regulations and must not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within such jurisdictions except pursuant to an applicable exemption.

This Circular and any accompanying documentation are not intended to, and do not constitute, or form part of, an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction in which it is unlawful to make such an offer. In those circumstances or otherwise if the distribution of this Circular and any accompanying documentation in any jurisdiction are restricted or prohibited by the laws 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.

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



Sephaku Holdings Limited

(Incorporated in the Republic of South Africa)

(Registration number: 2005/003306/06)

Share code: SEP

ISIN: ZAE000138459

CIRCULAR TO SEPHOLD SHAREHOLDERS

Relating to:

- a partially underwritten renounceable Rights Offer to Shareholders of 46 270 261 Shares, in the ratio of 1 Rights Offer Share for every 4.5 Shares held at the close of business on Friday, 31 January 2020, at the Rights Offer Issue Price of 81 cents per Share;

and enclosing:

- a Form of Instruction in respect of a Letter of Allocation (to be completed by Certificated Shareholders only).

Rights Offer opens at 09:00 on

Monday, 03 February 2020

Rights Offer closes at 12:00 on

Friday, 14 February 2020

Date of issue: 27 January 2020

Corporate Adviser and Transaction Sponsor



This Circular is available in English only. Copies may be obtained during normal business hours from the registered office of the Company and from the offices of Questco, whose addresses are set out in the "Corporate Information and Advisors" section from the date of issue of the Circular until the date the Rights Offer closes (both days inclusive). A copy of this Circular will also be available on the Company's website <http://www.sephakuholdings.com> from the date of issue of the Circular.

CORPORATE INFORMATION AND ADVISORS

Directors

Independent Non-Executive:

B Williams (Chairman)
MM Ngoasheng
MJ Janse van Rensburg
B Bulo

Non-Executive:

PF Fourie
Dr L Mohuba

Executive:

NR Crafford-Lazarus (Chief Executive Officer and
Financial Director)

Company secretary

Acorim Proprietary Limited
(Registration Number 2013/087325/07)
13th Floor, Ilovo Point
68 Melville Road
Illovo, 2196

Sponsor

Questco Corporate Advisory Proprietary Limited
(Registration number: 2011/106751/07)
First Floor, Yellowwood House
Ballywoods Office Park
33 Ballyclare Drive
Bryanston, 2021
Johannesburg, South Africa

Corporate Adviser and Transaction Sponsor

Questco Proprietary Limited
(Registration number 2002/005616/07)
1st Floor, Yellowwood House
Ballywoods Office Park
33 Ballyclare Drive
Bryanston, 2191
Johannesburg, South Africa

Date and place of incorporation

Incorporated in RSA
3 February 2005

Registered office

Southdowns Office Park
1st Floor, Block A
Cnr Karee and John Vorster Streets
Irene, 0062
(PO Box 7651, Centurion, 0046)

Transfer Secretaries

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

Underwriter

Safika Resources Proprietary Limited
(Registration number: 2002/017459/07)
21 Central Street
Houghton, 2197

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FORM OF INSTRUCTION (where applicable)	Enclosed

ACTION REQUIRED BY SHAREHOLDERS

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

1. If you are in any doubt as to what action to take, you should consult your CSDP, Broker, banker, accountant, attorney or other professional adviser immediately.
2. If you have disposed of all your Shares, please forward this Circular and the accompanying Form of Instruction to the purchaser of such Shares or to the CSDP, Broker, banker or other agent through whom the disposal was effected.
3. Shares in companies listed on the JSE can no longer be traded on the JSE unless they have been Dematerialised onto the Strate system. It is therefore suggested that Certificated Shareholders Dematerialise their Documents of Title and replace them with electronic records of ownership. In this regard, Shareholders may contact either a CSDP or Broker, details of which are available from Strate at liaisondesk@strate.co.za or telephone (011) 759 5300 or facsimile (011) 759 5503.
4. Certificated Shareholders wishing to Dematerialise their Shares are advised that the Dematerialisation process can take between 1 (one) and 10 (ten) days, depending on the volumes being processed at the time.
5. All Letters of Allocation will be issued in Dematerialised form.

Qualifying Dematerialised Shareholders

Qualifying Dematerialised Shareholders:

1. will NOT receive a "printed" Form of Instruction, but will have their accounts updated with their Rights Offer Entitlement by their CSDP or Broker;
2. should timeously instruct their CSDP or Broker as to whether they wish to subscribe for all or part of their Rights Offer Entitlement, renounce or sell all or part of their Rights Offer Entitlement, in the manner and time stipulated in the Custody Agreement;
3. who do not issue instructions to their CSDP or Broker, will result in the CSDP or Broker acting in accordance with the Custody Agreement;
4. should note that SepHold assumes no responsibility and will not be held liable for any failure on the part of their CSDP or Broker to notify them of the Rights Offer and to receive instruction in regard thereto; and
5. who do not take up their Rights will continue to own the same number of Shares, but their percentage holding in SepHold will be diluted. Subject to exceptions applicable to those Shareholders domiciled in Excluded Territories, Rights not exercised will be deemed to have been declined and will lapse and the relevant Qualifying Shareholder shall not receive any economic benefit in respect of such lapsed Rights.

Qualifying Certificated Shareholders

Qualifying Certificated Shareholders:

1. will have their Letter of Allocation created in electronic form with the Transfer Secretaries to ensure that Certificated Shareholders have the same rights and opportunities in respect of the Rights Offer as Dematerialised Shareholders;
2. will receive a printed Form of Instruction in relation to the Letter of Allocation, providing for the subscription for all or part of their Rights Offer Entitlement or the sale of all or part of their Rights Offer Entitlement or the remuneration of all or part of their Rights Offer Entitlement and must act in accordance with the instructions thereon; if you are a Certificated Shareholder and do not wish to subscribe for all or some of the Rights Offer Shares comprising your Entitlement under the Rights Offer, as reflected in the Form of Instruction, you may either dispose of or renounce all or part of your Entitlement as follows:
 - a. if you wish to sell all or part of your Entitlement, you must complete Form A in the enclosed Form of Instruction and return it to the Transfer Secretaries to be received by no later than 12:00 on Tuesday, 11 February 2020. The Transfer Secretaries will endeavour to procure the sale of the Entitlements on the JSE on your behalf and to remit the net proceeds thereof in accordance with your instructions. In this regard, neither the Transfer Secretaries nor the Company will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising from the timing of such sales, the price obtained or the failure to dispose of such Entitlements. Please note that the last day to trade Letters of Allocation is on Tuesday, 11 February 2020; and
 - b. if you wish to renounce your Entitlement in favour of any named renounee, you must complete Form B in the enclosed Form of Instruction, and the renounee must complete Form C in the enclosed Form of Instruction and return it to the Transfer Secretaries, to be received by no later than 12:00 on Friday, 14 February 2020, together with a bank-guaranteed cheque or banker's draft or EFT swift reference number (EFT to be made into the Designated Bank Account, details of which are available from the corporate actions department of the Transfer Secretaries) for the appropriate amount;

3. who wish to subscribe for all of their Rights Offer Entitlement, must complete blocks 5 and 6 of the Form of Instruction in accordance with the instructions contained therein, attach their EFT Reference Document reflecting the appropriate amount and lodge same with the Transfer Secretaries in the manner as set out below so as to reach the Transfer Secretaries by no later than 12h00 on Friday, 14 February 2020;

By hand to:

Sephaku Holdings Limited
c/o Computershare Investor Services (Pty) Ltd
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196

By post to:

Sephaku Holdings Limited
c/o Computershare Investor Services (Pty) Ltd
PO Box 61763
Marshalltown, 2107

By email to:

corporate.events@computershare.co.za

(EFT to be made into the Designated Bank Account, details of which are available from the corporate actions department of the Transfer Secretaries (+27 (0) 861 100 634) for the appropriate amount);

4. will receive Share Certificates in respect of the Rights Offer Shares; and
5. who do not take up their Rights will continue to own the same number of Shares, but their percentage holding in SepHold will be diluted.
6. If you are a renounee, you may elect to receive your Rights Offer Shares in Dematerialised form by providing the information requested in respect of your CSDP or Broker in Form D in the enclosed Form of Instruction.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 6 of this Circular apply *mutatis mutandis* throughout this Salient Dates and Times section of the Circular.

	2020
Declaration announcement released on SENS	Tuesday, 21 January
Declaration announcement published in the press	Wednesday, 22 January
Finalisation announcement released on SENS	Thursday, 23 January
Finalisation announcement published in the press	Friday, 24 January
Publication of Circular on the Company's website	Monday, 27 January
Last day to trade in Shares in order to participate in the Rights Offer (cum rights)	Tuesday, 28 January
Shares commence trading ex-rights on the JSE at 09:00 on	Wednesday, 29 January
Listing of Letters of Allocation under JSE Code SEPN and ISIN: ZAE000280434 at 09:00	Wednesday, 29 January
Circular and Form of Instruction emailed/posted to Certificated Shareholders	Thursday, 30 January
Record Date for the Rights Offer	Friday, 31 January
Rights Offer opens at 09:00 on	Monday, 03 February
Dematerialised Shareholders accounts at their CSDP or Broker credited with their entitlement of Letter of Allocation at 09:00 on	Monday, 03 February
Certificated Shareholders' Letters of Allocation credited to an electronic account held at the Transfer Secretaries at 09:00 on	Monday, 03 February
Circular and Form of Instruction emailed/posted to Dematerialised Shareholders	Monday, 03 February
Last day to trade in Letters of Allocation on the JSE	Tuesday, 11 February
Certificated Shareholders wishing to sell all or part of their Entitlement must lodge their Form of Instruction with the Transfer Secretaries by 12:00	Tuesday, 11 February
Listing of, and trading in, the Rights Offer Shares on the JSE commences at 09:00 on	Wednesday, 12 February
Certificated Shareholders wishing to renounce or subscribe for all or part of their Entitlement must lodge their Form of Instruction together with their payment with the Transfer Secretaries by 12:00	Friday, 14 February
Record Date for the Letters of Allocation	Friday, 14 February
Rights Offer closes at 12:00 on	Friday, 14 February
Rights Offer Shares issued and posted to shareholders in certificated form (where applicable) on or about	Monday, 17 February
Dematerialised shareholders' CSDP or Broker accounts updated and credited with Rights Offer Shares on	Monday, 17 February
Results of Rights Offer announced on SENS	Monday, 17 February
Refunds made to Shareholders in respect of unsuccessful excess applications	Wednesday, 19 February
Shares issued in respect of excess applications (if applicable)	Wednesday, 19 February

Notes:

1. Shareholders may not Dematerialise or rematerialise their Shares between Wednesday, 29 January 2020, and Friday, 31 January 2020, both dates inclusive.
2. All references to dates and times are to local dates and times in South Africa.
3. The above dates and times are subject to amendment. Any such amendment will be released on SENS.
4. CSDPs effect payment in respect of Dematerialised Shareholders on a delivery-versus-payment method

DEFINITIONS AND INTERPRETATIONS

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

“Board” or “Directors”	the board of directors of SepHold at the Last Practicable Date whose details are set out in the “ <i>Corporate Information and Advisors</i> ” section;
“Bridge Loan”	the loan amount of R25 000 000 advanced to the Company by the Underwriter under the Bridge Loan and Underwriting Agreement;
“Bridge Loan and Underwriting Agreement”	the agreement entered into between SepHold and the Underwriter, dated 13 December 2019, in terms of which the Underwriter has irrevocably undertaken to underwrite up to a maximum of 30 864 198 Rights Offer Shares, being a maximum of R25 000 000;
“Broker”	any person registered as a “broking member (equities)” in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or public holiday in South Africa;
“Certificated Shareholders”	Shareholders who own Certificated Shares;
“Certificated Shares”	Shares which have not been Dematerialised, title to which is represented by a share certificate or other Document of Title;
“Circular”	this bound document, dated Monday, 27 January 2020, including the annexures hereto and incorporating a Form of Instruction;
“Common Monetary Area”	the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Eswatini;
“CSDP”	a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act, with whom a Shareholder holds a Dematerialised share account;
“Custody Agreement”	the agreement which regulates the relationship between the CSDP or Broker and each beneficial holder of Dematerialised Shares;
“Dematerialise” or “Dematerialised” or “Dematerialisation”	the process by which Certificated Shares are converted into an electronic format as Dematerialised Shares and recorded in SepHold’s uncertificated securities Register;
“Dematerialised Shares”	Shares which have been incorporated into the Strate system and which are no longer evidenced by certificates or other physical Documents of Title;
“Dematerialised Shareholders”	Shareholders who hold Dematerialised Shares;
“Designated Bank Account”	the bank account, the details of which will be provided on request from the corporate actions department of the Transfer Secretaries, contactable during ordinary business hours on +27(0) 861 100 634;
“Documents of Title”	Share certificates, certified transfer deeds, balance receipts or any other documents of title to Certificated Shares acceptable to SepHold;
“EFT”	Electronic Funds Transfer;
“EFT Reference Document”	the proof of EFT into the Designated Bank Account, that must contain the EFT reference number and swift reference number (if applicable);
“Emigrants”	former residents of the Common Monetary Area whose addresses are outside the Common Monetary Area;
“Exchange Control Regulations”	the South African Exchange Control Regulations, 1961, as amended from time to time, issued in terms of section 9 of the Currency and Exchanges Act, No. 9 of 1933, as amended;
“Financial Markets Act”	the South African Financial Markets Act, No. 19 of 2012, as amended;
“Form of Instruction”	a form of instruction enclosed herewith in respect of the Letter of Allocation which reflects the Entitlement of Certificated Shareholders in terms of the Rights Offer on which Certificated Shareholders must indicate to the Transfer Secretaries whether they wish to take up, sell or renounce their Entitlements;
“Group”	SepHold and its subsidiaries and associates, from time to time;
“JIBAR”	the Johannesburg Interbank Average Rate;
“JSE”	JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated under the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“JSE Listings Requirements”	the Listings Requirements of the JSE in force as at the Last Practicable Date;
“Last Practicable Date”	Tuesday, 14 January 2020 being the last practicable date prior to the finalisation of this Circular;
“Letter of Allocation”	the renounceable (nil paid) letters of allocation issued by SepHold in electronic form to Qualifying Shareholders conferring the right to subscribe for Rights Offer Shares pursuant to the Rights Offer;
“Net Debt”	long term debt less cash and cash equivalents;

“Non-resident”	a person whose registered address is outside the Common Monetary Area;
“Qualifying Certificated Shareholders”	Qualifying Shareholders, holding Certificated Shares;
“Qualifying Dematerialised Shareholders”	Qualifying Shareholders, holding Dematerialised Shares;
“Qualifying Shareholders”	the Shareholders entitled to participate in the Rights Offer, being those Shareholders recorded in the Register on the Record Date;
“Rand” or “ZAR”	South African Rand, the official currency of South Africa;
“Ratio of Entitlement”	the number of Rights Offer Shares to which Shareholders are entitled to subscribe for in terms of the Rights Offer, being 1 Rights Offer Share for every 4.5 Shares held on the Record Date for the Rights Offer as more fully detailed in Annexure 1 ;
“Record Date”	the record date for the Rights Offer Entitlement, being close of business on Friday, 31 January 2020, which is the last day for Shareholders to be recorded in the Register in order to be entitled to participate in the Rights Offer and qualify as Qualifying Shareholders;
“Record Date for the Letters of Allocation”	the last day for persons to be recorded as holders of Letters of Allocation in order to subscribe for the Rights Offer Shares, being Friday, 14 February 2020;
“Register”	the register of Certificated Shareholders maintained by the Transfer Secretaries and the sub-register of Dematerialised Shareholders maintained by the relevant CSDPs;
“Right” or “Entitlement” or “Rights Offer Entitlement”	a Qualifying Shareholder’s entitlement to subscribe for Rights Offer Shares in the Ratio of Entitlement on the Record Date;
“Rights Offer”	the renounceable rights offer by SepHold to its Shareholders in terms of which Shareholders obtain the entitlement to subscribe for the Rights Offer Shares at a Rights Offer Issue Price of 81 cents per Rights Offer Share in the ratio of 1 Rights Offer Share for every 4.5 Shares held on the Record Date for the Rights Offer, in terms of which SepHold will raise R37 478 911;
“Rights Offer Issue Price”	the price per Rights Offer Share, being 81 cents per Rights Offer Share;
“Rights Offer Shares”	46 270 261 SepHold Shares to be issued pursuant to the Rights Offer representing approximately 22% of the issued shares of SepHold as at the Last Practicable Date and which are the subject of the Rights Offer;
“RSA” or “South Africa”	the Republic of South Africa;
“SENS”	the Securities Exchange News Service of the JSE;
“SepHold” or “the Company”	Sephaku Holdings Limited (registration number 2005/003306/06), a public company duly registered and incorporated under the laws of South Africa and which is listed on the main board on the JSE;
“Settlement Date”	the date on which Shareholders’ CSDP accounts are credited with the Rights Offer Shares in accordance with Schedule 2 Form H1 of the JSE Listing Requirements;
“Shares” or “SepHold Shares”	ordinary no par value shares in the share capital of SepHold, which are listed on the JSE;
“Shareholder/s”	holders of SepHold Shares;
“Sponsor”	Questco Corporate Advisory Proprietary Limited (registration number 2011/106751/07), a private company duly registered and incorporated under the laws of South Africa, the particulars of which appear in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“Strate”	the settlement and clearing system used by the JSE, managed by Strate Proprietary Limited (registration number 1998/022242/07), a private company duly registered and incorporated under the laws of South Africa;
“Subscription Amount”	the subscription amount payable by the Underwriter for the Rights Offer Shares not subscribed for by other Shareholders pursuant to the Rights Offer, limited to R25,000,000 (twenty-five million Rand);
“Transaction Sponsor”	Questco Proprietary Limited (registration number 2002/005616/07), a private company duly registered and incorporated under the laws of South Africa, the particulars of which appear in the “ <i>Corporate Information and Advisors</i> ” section of this Circular and appointed as the Transaction Sponsor to the Rights Offer;
“Transfer Secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company duly registered and incorporated under the laws of South Africa, the particulars of which appear in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“Underwriter”	Safika Resources Proprietary Limited (registration number 2002/017459/07, a private company duly registered and incorporated under the laws of South Africa, a Shareholder holding 10% of the issued Shares as at the Last Practicable Date, and further details of which are set out in Annexure 4 ; and
“VWAP”	volume weighted average trading price.

Sephaku Holdings Limited

(Incorporated in the Republic of South Africa)

(Registration number: 2005/003306/06)

Share code: SEP

ISIN: ZAE000138459



CIRCULAR TO SEPHOLD SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THE CIRCULAR

- 1.1 As set out in the announcement released on SENS on Tuesday, 21 January 2020, the Board intends to raise R37 478 911 by way of a partially underwritten renounceable Rights Offer, pursuant to which Shareholders would be offered the right to subscribe for their pro rata portion of 46 270 261 Rights Offer Shares.
- 1.2 In terms of the Bridge Loan and Underwriting Agreement, the Underwriter has agreed to underwrite up to 30 864 198 Rights Offer Shares not taken up by SepHold Shareholders in accordance with their Entitlements, for a maximum aggregate Subscription Amount of R25,000,000.
- 1.3 Shareholders recorded in the Register at the close of trade on Friday, 31 January 2020, will be entitled to subscribe for 1 Rights Offer Share for every 4.5 Shares held, at the Rights Offer Issue Price of 81 cents per Rights Offer Share. Only whole numbers of Shares will be issued and Shareholders will be entitled to a rounded number of Shares once the Ratio of Entitlement has been applied.
- 1.4 The JSE has agreed to the listing of the Rights Offer Shares and the purpose of this Circular and the Form of Instruction is to furnish Shareholders with relevant information relating to the Rights Offer, the action required and the implications thereof, in accordance with the JSE Listings Requirements.
- 1.5 The enclosed Form of Instruction, where applicable, contains details of the Rights to which Qualifying Certificated Shareholders are entitled, as well as the procedures for acceptance of Rights.

2. NATURE OF BUSINESS AND PROSPECTS OF SEPHOLD

- 2.1 SepHold offers investors a portfolio of assets focused on the building and construction materials industry, with its investment portfolio comprising of a wholly-owned subsidiary, Métier Mixed Concrete Proprietary Limited (**Métier**), and an associate in which the Company owns a 36% interest, Dangote Cement South Africa Proprietary Limited (**SepCem**).
- 2.2 Métier manufactures ready-mix concrete products for South Africa's industrial, commercial and residential markets. Métier aims to be a trusted building and construction materials brand and to build a lasting legacy as South Africa's leading mixed concrete manufacturer. Métier currently has 14 plants located in KwaZulu-Natal and Gauteng.
- 2.3 SepCem manufactures and sells high-quality well-known cement of various strengths to a broad range of users. The bagged cement, which constitutes approximately 80% of the sales volumes, is distributed through all major hardware retailers and second-tier distributors. SepCem primarily supplies the Gauteng, Limpopo, Mpumalanga, North West and northern KwaZulu-Natal markets. SepCem plants comprise the Aganang integrated plant and Delmas milling plant. Aganang and Delmas have a combined cement production capacity of 2,8 million tonnes per annum (mtpa). The Aganang operation is constituted of a limestone opencast quarry with a proven life of over 30 years, as well as a clinker and cement manufacturing plant. SepCem extracts limestone from the mine that is in close proximity (1 km) to the plant and then processes it to clinker. The clinker is ground and blended with other elements to produce bagged and bulk cement. SepCem's limestone exploration projects are at various stages of development, such as Groblersdal and Dwaalboom, which provide a pipeline for growth. 64% of SepCem is owned by Dangote Cement Plc, a Nigerian Stock Exchange-listed company with cement operations in Nigeria and nine other African countries.
- 2.4 The Directors believe that the South African cement and mixed concrete manufacturing sector holds promising growth opportunities as it is vital to infrastructure development. Accordingly, SepHold has invested in modern, efficient capacity for this sector. For this reason, and combined with the increase in business activities noted by management and the cash which management will have available from the Rights Offer proceeds to ensure that debt commitments are met and covenants are not breached and to allocate to business opportunities as and when identified, the Board is of the view that the Company's prospects are good, and that the Company is well placed to capitalise on future opportunities, generate growth and create value for shareholders over the long term. Métier and SepCem strive for sustainable returns through the following:
 - 2.4.1 strategically focusing on the building and construction materials sector and its potential earnings and growth opportunities;
 - 2.4.2 state-of-the-art production plants with cost efficiencies that enhance competitiveness;
 - 2.4.3 profitable concrete operations with a renowned concentration of technical skills providing solid earnings and positive net operating cashflows; and
 - 2.4.4 operational management with deep industry skills and experience, and the ability to successfully execute the strategic objectives.

3. PARTICULARS OF THE RIGHTS OFFER

3.1 Background, rationale and use of funds

- 3.1.1 In terms of the Rights Offer, SepHold will raise R37 478 911 from Shareholders by way of a Rights Offer (assuming that the Rights Offer is fully subscribed), at a Rights Offer Issue Price of 81 cents per Rights Offer Share.
- 3.1.2 Given the current market and trading conditions, resulting in, *inter alia*, reduced profitability numbers, the Board has taken a decision to focus on prudent debt management, and decreasing Net Debt levels, through an increase in cash balances. This strategy was communicated to Shareholders in the latest financial results.
- 3.1.3 A decrease in Net Debt levels (through an increase in available cash reserves) are also necessary to ensure the Group's continued compliance with debt covenants imposed by the Group's lenders.
- 3.1.4 Accordingly, the proceeds from the Rights Offer will be used by SepHold to settle the Rights Offer expenses (as set out in paragraph 11 of this Circular), with the remaining balance retained by the Company in an interest bearing cash reserve account. The increase in cash reserves will effectively reduce the Net Debt to acceptable levels, and thereby ensuring continued compliance with certain debt covenants pertaining to the Company's Net Debt levels.
- 3.1.5 In addition, the Board will have the discretion to use up to R20 million of the Rights Offer proceeds to fund the scheduled third-party debt payments owed by Métier, if its internal working capital and cash flows do not allow for the timeous settlement of the scheduled debt repayment. The long-term debt in Métier attracts interest at a rate equal to JIBAR + 400 basis points, per annum.
- 3.1.6 Once the Company's overall debt levels have been reduced to acceptable levels through further scheduled debt repayments, to be funded from ongoing operational cash flows (expected by mid-2020), the funds received from the Rights Offer will be made available for use by the Board, provided that the Board has agreed with the Underwriter that an amount equal to the lesser of R25 million and the underwriting commitment drawn down by the Underwriter will not be released or used without the consent of the Underwriter (which consent will not unreasonably be withheld) in the event that the Board wishes to use such proceeds for a purpose other than the repayment of third party debt.
- 3.1.7 At that point, the Board will consider the best allocation of capital in order to achieve its prospects as set out in paragraph 2.4 above. The Board has not yet identified the future business opportunities to which the Rights Offer proceeds will be allocated.

3.2 Terms of the Rights Offer

- 3.2.1 Qualifying Shareholders and/or their renounees, are offered 46 270 261 Rights Offer Shares, being 1 Rights Offer Share for every 4.5 Shares held, at the Offer Price of 81 cents per Rights Offer Share, on the terms and conditions as set out herein and in the accompanying Form of Instruction. Only whole numbers of shares will be issued, and Qualifying Shareholders will be entitled to rounded number of Shares once the Ratio of Entitlement has been applied.
- 3.2.2 The Rights Offer Issue Price represents a discount of 10.4% to the 30-day VWAP of SepHold Shares on the JSE on the date that the terms of the Rights Offer were agreed by the Company, being the Last Practicable Date.
- 3.2.3 The Record Date for determining which Shareholders constitute Qualifying Shareholders and are entitled to participate in the Rights Offer is Friday, 31 January 2020.
- 3.2.4 Upon their issue, the Rights Offer Shares will rank *pari passu* in all respects with the existing Shares.
- 3.2.5 The Letters of Allocation in respect of the Rights Offer are negotiable and will be listed on the JSE on Wednesday, 29 January 2020, under the JSE code SEPN and ISIN ZAE000280434.
- 3.2.6 The Rights Offer does not constitute an offer in any area of jurisdiction in which it is illegal to make such an offer or where making such an offer would give rise to an obligation to register the offer or this Circular or comply with any regulations and, in such circumstances, this Circular and the accompanying Form of Instruction, where applicable, are distributed for information purposes only.
- 3.2.7 The enclosed Form of Instruction, where applicable, contains details of the Rights to which Qualifying Certificated Shareholders are entitled, as well as the procedure for acceptance of those Rights.
- 3.2.8 Qualifying Dematerialised Shareholders will be advised of the Rights to which they are entitled as well as the procedure for acceptance of all or part of those Rights by their CSDP or Broker in terms of the Custody Agreement.
- 3.2.9 The Rights Offer Issue Price is payable in full, in Rand, by Qualifying Certificated Shareholders and/or their renounees on acceptance of the Rights Offer. CSDPs will make payment, on a delivery versus payment basis, in respect of Qualifying Dematerialised Shareholders who have accepted the Rights Offer. Qualifying Dematerialised Shareholders who have accepted the Rights Offer must ensure that the necessary funds are deposited with the relevant CSDP or Broker, as the case may be.

3.3 Opening and closing dates of the Rights Offer

The Rights Offer will open at 09:00 on Monday, 03 February 2020, and will close at 12:00 on Friday, 14 February 2020.

3.4 Excess applications

- 3.4.1 Excess applications for Rights Offer Shares will be allowed. The right to apply for additional Rights Offer Shares is transferable on renunciation.
- 3.4.2 The Directors will allocate any excess applications in an equitable manner, at their discretion, taking into account the number of Shares held. Non-equitable allocations will only occur where they are used for rounding purposes.

3.5 Entitlement

The table of entitlement illustrating the number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out in **Annexure 1**. The entitlement of each Qualifying Certificated Shareholder is reflected in the appropriate block in the Form of Instruction, which is enclosed with this Circular. Qualifying Dematerialised Shareholders will not receive a printed Form of Instruction. The CSDP or Brokers accounts of Qualifying Dematerialised Shareholders will automatically be credited with their Entitlements in accordance with **Annexure 1**.

3.6 Fractional entitlement

The whole number of Rights to Rights Offer Shares to which Qualifying Shareholders will become entitled will be determined by the Ratio of Entitlement. Only whole numbers of Shares will be issued and Qualifying Shareholders will be entitled to subscribe for rounded numbers of Shares once the Ratio of Entitlement has been applied. Fractional entitlements of 0.5 or greater will be rounded up and less than 0.5 will be rounded down.

3.7 Minimum Subscription

The Rights Offer is not subject to any minimum subscription being obtained.

3.8 Bridge Loan and Underwriting Agreement

- 3.8.1 The Company has entered into the Bridge Loan and Underwriting Agreement with the Underwriter in terms of which, *inter alia*:
- 3.8.1.1 the Underwriter advanced the Bridge Loan to the Company as a bullet loan on 21 January 2020;
 - 3.8.1.2 the Underwriter has agreed to subscribe for up to a maximum of 30 864 198 Rights Offer Shares, for a maximum Subscription Amount of R25 million; and
 - 3.8.1.3 the Bridge Loan shall be automatically set-off against the Subscription Amount owed by the Underwriter to the Company on the Settlement Date, with any remaining balance repayable on demand by the Underwriter.
- 3.8.2 In terms of the Bridge Loan and Underwriting Agreement, an underwriting fee of R1,250,000 (excluding VAT), which is equal to 5% of the total capital committed by the Underwriter, is payable by the Company to the Underwriter. Such fee will be paid within 3 Business Days of the capital being raised in terms of the Rights Offer, irrespective of whether the Subscription Amount is repaid.
- 3.8.3 The Bridge Loan attracts an interest rate of JIBAR plus 4% from the date of advance to the Company to the Settlement Date, compound monthly. Both the Bridge Loan and underwriting fee will attract a default interest rate equal to JIBAR plus 7% if not paid to the Underwriter on the due dates thereof.
- 3.8.4 The independent Directors believe that the fee is market related, having regard to the fees charged by independent underwriters, the current financial position of the company and the Black Economic Empowerment (“BEE”) credentials of the Underwriter, being an entity that has an 85% BEE ownership level. The fee therefore represents not only a commitment of capital, but also ensures that the Company retains and continues to have a significant BEE shareholder. The Board has identified several opportunities which the right level of BEE credentials can unlock for the Company. The underwriting fee paid is therefore exempt from the related party transaction provisions in terms of paragraph 10.6(c)(vii) of the JSE Listings Requirements
- 3.8.5 The independent Directors further confirm that they have satisfied themselves that the Bridge Loan is on normal commercial terms and on an unsecured basis, and therefore exempt from the related party transaction provisions in terms of paragraph 10.6(c)(i) of the JSE Listings Requirements.
- 3.8.6 The Board, after due and careful enquiry are of the opinion that the Underwriter has sufficient resources to meet its financial commitments in terms of the Bridge Loan and Underwriting Agreement.
- 3.8.7 Details of the Underwriter are set out in **Annexure 4**.

3.9 Capital commitments

As at the Last Practicable Date, the following Shareholders, in addition to the Underwriter, have undertaken to follow their Rights in terms of the Rights Offer, in exchange for a commitment fee equal to 3% of their capital committed.

Name of Shareholder	Number of Shares held before the Rights Offer	% Shareholding before the Rights Offer	Number of Rights Offer Shares to be taken up	Quantum of total capital committed.
Allan Gray Proprietary Limited (Note 1)	40 111 770	19.3%	8 913 727	R7 220 119
Kenneth John Capes	5 940 858	2.9%	1 320 191	R1 069 354
Truffle Asset Management	15 190 615	7.3%	3 375 692	R2 734 311
Total	61 243 243	29.5%	13 609 610	R11 023 784

1. *Allan Gray Proprietary Limited is the appointed discretionary investment manager of clients who are beneficial and/or registered holders of SepHold Shares. Allan Gray Proprietary Limited is not the beneficial owner of the shares and has irrevocably undertaken to procure that its clients follow their rights. This commitment is subject to the continuing mandates of its clients in their current form and in the absence of any instructions from its clients to the contrary.*

3.10 Procedures for acceptance

In respect of Qualifying Certificated Shareholders:

- 3.10.1 A Form of Instruction for completion by Qualifying Certificated Shareholders is enclosed with this Circular and the relevant procedure for participation in the Rights Offer is set out below.
- 3.10.2 Qualifying Certificated Shareholders who wish to subscribe for all or part of their Rights Offer Entitlement must indicate the number of Rights Offer Shares for which they wish to subscribe on the accompanying Form of Instruction.
- 3.10.3 Properly completed Forms of Instruction together with the valid EFT Reference Document, in payment of the Rights Offer Shares being taken up, must be lodged so as to reach the Transfer Secretaries **by no later than 12h00 on Friday, 14 February 2020** at the following address:

By hand to:

Sephaku Holdings Limited
c/o Computershare Investor Services (Pty) Ltd
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196

By post to:

Sephaku Holdings Limited
c/o Computershare Investor Services (Pty) Ltd
PO Box 61763
Marshalltown, 2107

By email to:

corporate.events@computershare.co.za

- 3.10.4 Payment in compliance with this paragraph, once the EFT has reflected in the Designated Bank Account, will constitute an irrevocable acceptance of the Rights Offer upon the terms and conditions set out in this Circular and in the Form of Instruction.
- 3.10.5 If in respect of any Form of Instruction, an EFT is not received as set out above, the Shareholder concerned will be deemed to have declined the offer to acquire Rights Offer Shares pursuant to the Rights Offer.
- 3.10.6 If the required documentation and payment have not been received in accordance with the instructions contained in this Circular and the Form of Instruction, then the Rights and the relevant number of unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer Entitlement will lapse.
- 3.10.7 **Qualifying Certificated Shareholders are advised to take into consideration postal delivery times when posting their Forms of Instruction, as no late postal deliveries will be accepted. Shareholders are advised to deliver their completed Forms of Instruction together with their EFT Reference Document by hand or by courier, where possible.**

In respect of Qualifying Dematerialised Shareholders:

- 3.10.8 Qualifying Dematerialised Shareholders will not receive a printed Form of Instruction but should receive notification from their CSDP or Broker regarding the Rights to which they are entitled in terms of the Rights Offer.
- 3.10.9 Qualifying Dematerialised Shareholders who wish to follow all or part of their Rights in respect of the Rights Offer are required to notify their duly appointed CSDP or Broker accordingly in the manner and time stipulated in the Custody Agreement.
- 3.10.10 If the required documentation and payment have not been received in accordance with the instructions contained in this Circular, then the Rights and the relevant number of unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer Entitlement will lapse.
- 3.10.11 **SepHold does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify Qualifying Dematerialised Shareholders of the Rights Offer and/or to obtain instructions from them to subscribe for the Rights Offer Shares and/or instruction from them to renounce their allocated Entitlements and/or to sell their Letters of Allocation.**

3.11 Procedures for sale or renunciation of Rights Offer Entitlement

In respect of Qualifying Certificated Shareholders

- 3.11.1 Qualifying Certificated Shareholders who do not wish to subscribe for all of their Rights Offer Entitlement (as reflected in the Form of Instruction), may either dispose of or renounce all or part of their Rights Offer Entitlement set out below.
- 3.11.2 Qualifying Certificated Shareholders who wish to sell all or part of their Rights Offer Entitlement, must complete Form A of the enclosed Form of Instruction and return it to the Transfer Secretaries to be received by no later than 12h00 on Tuesday, 11 February 2020.
- 3.11.3 The Transfer Secretaries will endeavour to procure the sale of Rights on the JSE on the Shareholder's behalf and remit the net proceeds thereof in accordance with the instructions received, provided that such proceeds are not less than R10. Please note that the closer to this deadline you instruct the Transfer Secretaries to sell your Letters of Allocation, the less opportunity the Transfer Secretaries will have to sell your Letters of Allocation on the exchange at a profit or at all. In this regard, neither the Transfer Secretaries nor SepHold will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising from the timing of such sales, the price obtained, or the failure to dispose of such Entitlements. Please note that the last day to trade Letters of Allocation is on Tuesday, 11 February 2020, and the form of instruction must be received by the Transfer Secretaries by no later than 12:00 on Tuesday, 11 February 2020.
- 3.11.4 Qualifying Certificated Shareholders who wish to renounce their Rights Offer Entitlement in favour of any named Renounee, must complete **Form B** of the enclosed Form of Instruction, and the Renounee must complete **Form C** of the enclosed Form of Instruction and return it to the Transfer Secretaries, to be received by no later than 12h00 on Friday, 14 February 2020, together with an EFT Reference Document reflecting the appropriate amount. Renounees must attach a certified true copy of their Identification Document to the Form of Instruction, where **Forms B and C** are completed.

In respect of Qualifying Dematerialised Shareholders

- 3.11.5 Qualifying Dematerialised Shareholders should timeously instruct their CSDP or Broker as to whether they wish to subscribe for all or part of their Rights Offer Entitlement, or sell all or part of their Rights Offer Entitlement or renounce all or part of their Rights Offer Entitlement, in the manner and time stipulated in the Custody Agreement. If they do not so instruct their CSDP or Broker in the manner as set out in their Custody Agreement, then the Rights and the relevant number of unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer Entitlement will lapse.

3.12 Payment

Payment procedure for Qualifying Certificated Shareholders

- 3.12.1 The amount due on acceptance of the Rights Offer is payable in full in Rand and may be made by EFT into the Designated Bank Account.
- 3.12.2 The EFT Reference Document in respect of the total amount due, together with a properly completed Form of Instruction, should be clearly marked "Sephaku Holdings Limited – Rights Offer" and lodged as set out in paragraph 3.10.3, so as to reach the Transfer Secretaries by no later than 12h00 on Friday, 14 February 2020.
- 3.12.3 Please note that the Transfer Secretaries will effect delivery of Share certificates against payment and should an EFT Reference Document not accompany the Form of Instruction, the application will be treated as invalid.
- 3.12.4 No acknowledgement of receipt will be given for an EFT received in accordance with the Rights Offer.
- 3.12.5 Blocked Rand may be used by Emigrants and Non-residents of the Common Monetary Area for payment in terms of the Rights Offer. In this regard, reference should be made to **Annexure 2** which deals with Exchange Control Regulations.

Payment procedure for Qualifying Dematerialised Shareholders

- 3.12.6 Qualifying Dematerialised Shareholders must timeously instruct their CSDP or Broker as to the action they must take to enable the CSDP or Broker to act on their behalf in terms of the Custody Agreement.

3.13 Lapsing of rights

Qualifying Shareholders not taking up their Rights will continue to own the same number of Shares, but their percentage holding in SepHold will be diluted.

4. EXCHANGE CONTROL REGULATIONS

An outline of the applicable Exchange Control Regulations is available in **Annexure 2**. Relevant Qualifying Shareholders are advised to acquaint themselves with these regulations.

5. TAX CONSEQUENCES

Shareholders are advised to consult their professional advisers regarding the tax implications of the Rights Offer.

6. DOCUMENTS OF TITLE

- 6.1 Share certificates to be issued to Qualifying Certificated Shareholders pursuant to the Rights Offer will be posted to persons entitled thereto by registered post, at the risk of the Shareholders concerned, on or about Monday, 17 February 2020.

- 6.2 Qualifying Certificated Shareholders receiving new Certificated Shares must note that they will not be able to trade such Shares on the JSE until these Shares have been Dematerialised, which could take between 1 (one) and 10 (ten) days, depending on the volumes being processed at the time.
- 6.3 The accounts of Qualifying Dematerialised Shareholders will be updated by their CSDP or Broker in respect of the Rights Offer Shares to be issued to them on Monday, 17 February 2020.
- 6.4 CSDPs will effect payment on a “delivery versus payment basis” in respect of Qualifying Dematerialised Shareholders (or their Renounees).

7. JSE LISTINGS

- 7.1 The Issuer Regulation Division of the JSE has approved the listing of:
- 7.1.1 the Letters of Allocation in respect of all of the 46 270 261 Rights Offer Shares under JSE code SEPN and ISIN: ZAE000280434, with effect from the commencement of trade on Wednesday, 29 January 2020, to close of trade on Tuesday, 11 February 2020, both days inclusive; and
- 7.1.2 46 270 261 Rights Offer Shares with effect from the commencement of trade on Wednesday, 12 February 2020.

8. SHARE CAPITAL

- 8.1 The authorised and issued share capital of the Company before and after the Rights Offer is set out below:

	Stated capital Rand
Authorised	
1 000 000 000 Shares	
Issued	
208 216 175 Shares	648 003 095

- 8.2 The issued share capital of the Company subsequent to the Rights Offer is set out below which assumes that a maximum 46 270 261 Shares are issued at a minimum price of 81 cents per Share:

	Stated capital Rand
Authorised	
1 000 000 000 Shares	
Issued	
254 486 436 Shares	685 482 006

- 8.3 The Company does not have any Shares held as Treasury Shares.

9. DIRECTORS' INFORMATION

There will be no change to the composition of the Board, nor will the remuneration of the Directors be varied, as a result of the Rights Offer.

10. DIRECTORS' INTERESTS IN SECURITIES

As at the Last Practicable Date, the beneficial interests of Directors and their associates (including directors who have resigned in the 12 months preceding the Last Practicable Date), directly and indirectly, in the issued share capital of SepHold, were as follows:

	Direct beneficial interest	Indirect beneficial interest	Associates
Dr L Mohuba	87 202	8 363 767	40 000
NR Crafford-Lazarus	2 362 078	–	–
RR Matijiu*	1 604 909	–	–
K Capes*	5 940 858	–	–
PF Fourie	–	5 203 059	–
	9 995 047	13 566 826	40 000

* Resigned during the financial year ended 31 March 2019.

Notes:

- There have been no changes to the Directors' interests (or those of their associates), between the financial year ended 31 March 2019 and the Last Practicable Date.
- The Directors may participate in the Rights Offer. Such participation may result in a change to the number of Shares held by the Directors on the implementation of the Rights Offer.

11. EXPENSES

11.1 The total estimated costs relating to the Rights Offer (excluding VAT) are detailed in the table below:

Nature of expense	Paid/payable to	Rand
Transaction Sponsor	Questco (Pty) Ltd	410 000
JSE listing fee	JSE	59 573
JSE documentation fee	JSE	56 200
Transfer secretaries	Computershare	56 000
Strate fees	Strate	63 765
Printing, publication and distribution	Greymatter & Finch	47 000
Underwriting fees	Safika Resources (Pty) Ltd	1,250 000
Commitment fees	Refer Shareholders detailed in paragraph 3.9	330 714
Legal advisors in respect of the Bridge Loan and Underwriting Agreement	Webber Wentzel	200 000
Legal advisors in respect to the Rights Offer	Cliffe Dekker Hofmeyr	125 000
Contingency	Various	20 000
Total		2 618 252

11.2 Other than set out above, SepHold has not incurred any preliminary expenses in relation to the Rights Offer during the three years preceding the Last Practicable Date.

11.3 The expenses of the Rights Offer will be written off against stated capital.

12. SHARE TRADING HISTORY

12.1 **Annexure 3** contains the aggregate volume and value of the Company's Shares traded on the JSE, as well as the highest and lowest traded prices for each:

12.1.1 trading day during the 30-day period ended on the Last Practicable Date; and

12.1.2 month over the 12-months preceding the Last Practicable Date.

13. RESPONSIBILITY STATEMENT

The Directors, whose names appear in the "Corporate Information and Advisors" section, collectively and individually accept full responsibility for the accuracy of the information given in this Circular, and certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Circular false or misleading, and that they have made all reasonable inquiries to ascertain such facts, and that this Circular contains all information required by law and the JSE Listings Requirements.

14. CONSENTS

Each of the advisors whose names appear in the "Corporate Information and Advisors" section, has consented and have not, prior to the Last Practicable Date, withdrawn their written consents to the inclusion of their names in the form and context in which they appear in this Circular.

15. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered offices of the Company and Questco at the address set out to in the "Corporate Information and Advisors" section, during normal office hours from the date of issue of this Circular until the date that the Rights Offer closes:

- the Memorandum of Incorporation of SepHold and its major subsidiaries;
- the Bridge Loan and Underwriting Agreement;
- Directors' service agreements;
- the audited consolidated financial statements of SepHold for the three consecutive financial years ended 31 March 2017, 31 March 2018 and 31 March 2019;
- the unaudited results for the six months ended 30 September 2019;
- copies of the written consents referred to in paragraph 14 above; and
- a signed copy of this Circular;

SIGNED ON 27 JANUARY 2020 BY NEIL CRAFFORD-LAZARUS ON BEHALF OF ALL THE DIRECTORS OF SEPHOLD IN TERMS OF A DIRECTORS RESOLUTION SIGNED BY ALL THE DIRECTORS

NEIL CRAFFORD-LAZARUS

TABLE OF ENTITLEMENT

The number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out below. Qualifying Shareholders will be entitled to 1 Rights Offer Share for every 4.5 Shares held at the Record Date for the Rights Offer. Fractional entitlements of 0.5 or greater will be rounded up and less than 0.5 will be rounded down.

Number of Shares held	Number of Rights Offer Shares	Number of Shares held	Number of Rights Offer Shares	Number of Shares held	Number of Rights Offer Shares
1	–	42	9	83	18
2	–	43	10	84	19
3	1	44	10	85	19
4	1	45	10	86	19
5	1	46	10	87	19
6	1	47	10	88	20
7	2	48	11	89	20
8	2	49	11	90	20
9	2	50	11	91	20
10	2	51	11	92	20
11	2	52	12	93	21
12	3	53	12	94	21
13	3	54	12	95	21
14	3	55	12	96	21
15	3	56	12	97	22
16	4	57	13	98	22
17	4	58	13	99	22
18	4	59	13	100	22
19	4	60	13	125	28
20	4	61	14	150	33
21	5	62	14	175	39
22	5	63	14	200	44
23	5	64	14	500	111
24	5	65	14	1 000	222
25	6	66	15	5 000	1 111
26	6	67	15	10 000	2 222
27	6	68	15	20 000	4 444
28	6	69	15	50 000	11 111
29	6	70	16	100 000	22 222
30	7	71	16	200 000	44 444
31	7	72	16	300 000	66 667
32	7	73	16	400 000	88 889
33	7	74	16	500 000	111 111
34	8	75	17	1 000 000	222 222
35	8	76	17	2 000 000	444 444
36	8	77	17	3 000 000	666 667
37	8	78	17	4 000 000	888 889
38	8	79	18	5 000 000	1 111 111
39	9	80	18	10 000 000	2 222 222
40	9	81	18	100 000 000	22 222 222
41	9	82	18	–	–

EXCHANGE CONTROL REGULATIONS

The following summary is intended only as a guide and is, therefore, not comprehensive. If Shareholders are in any doubt as to the appropriate course of action they are advised to consult their professional advisor.

In terms of the Exchange Control Regulations of South Africa, Non-residents of the Common Monetary Area will be allowed to:

- take up Rights allocated to them in terms of the Rights Offer;
- purchase letter of allocation on the JSE;
- subscribe for new ordinary Shares arising from Letters of Allocation purchased on the JSE; and/or
- purchase excess Rights Offer Shares that have been applied for in terms of the offer,

provided payment is received in foreign currency or in Rand from a Non-resident Rand account in the name of the Non-resident and/or Rand from a vostro account held in the books of the authorised dealer.

All applications by Non-residents for the above purposes must be made through an authorised dealer. Shares subsequently re-materialised and issued in certificated form, must be endorsed "Non-resident".

Where a right in terms of the offer falls due to a former resident of the Common Monetary Area, which right is based on shares controlled in terms of the Exchange Control Regulations, only funds in the Emigrant's capital account may be used to take up this right. In addition, such funds may also be used to:

- purchase letter of allocation on the JSE
- subscribe for new ordinary Shares arising from Letters of Allocation purchased on the JSE; and/or
- purchase excess Rights Offer Shares that have been applied for in terms of the offer.

Applications by Emigrants to use funds in their capital account for the above purposes must be made through the authorised dealer controlling their remaining assets. Any shares issued pursuant to the use of funds in the Emigrant capital account will be credited to their share accounts at the CSDP controlling their remaining assets. Any shares issued pursuant to the use of funds in the Emigrant capital account will be credited to their share accounts at the CSDP controlling their remaining portfolios. The sale proceeds of letters of allocation, if applicable, will be returned to the authorised dealer for credit to such Emigrants' capital accounts.

Any Qualifying Shareholder resident outside the Common Monetary Area who receives this Circular and Form of Instruction should obtain advice as to whether any governmental and/or other legal consent is required and/or any other formality must be observed to enable a subscription to be made in terms of such Form of Instruction.

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and this Circular and Form of Instruction should not be forwarded or transmitted by you to any person in any territory other than where it is lawful to make such an offer.

The Rights Offer Shares have not been and will not be registered under the Securities Act of the United States of America. Accordingly, the Rights Offer Shares may not be offered, sold, resold, delivered or transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, United States persons, except pursuant to exemptions from the Securities Act. This Circular and the accompanying documents are not being, and must not be, mailed or otherwise distributed or sent in, into or from the United States. This Circular does not constitute an offer of any securities for sale in the United States or to United States persons. The Rights Offer contained in this Circular does not constitute an offer in the District of Columbia, the United States, the Dominion of Canada, the Commonwealth of Australia, Japan or in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer ("**Non-qualifying Shareholder**"). Non-qualifying Shareholders should consult their professional advisors to determine whether any governmental or other consents are required or other formalities need to be observed to allow them to take up the Rights Offer, or trade their entitlement. Shareholders holding Ordinary Shares on behalf of persons who are Non-Qualifying Shareholders, are responsible for ensuring that taking up the Rights Offer, or trading in their entitlements under that offer, do not breach regulations in the relevant overseas jurisdictions.

To the extent that Non-qualifying Shareholders are not entitled to participate in the Rights Offer as a result of the aforementioned restrictions, such Non-qualifying Shareholders should not take up their Rights Offer Entitlement or trade-in their Rights Offer entitlement and should allow their Rights in terms of the Rights Offer to lapse.

SHARE TRADING HISTORY

The Share trading history of SepHold Shares on the JSE is set out below:

Date	High (cents)	Low (cents)	Value (ZAR)	Volume
14 January 2020*	88	60	10 928	15 184
13 January 2020	88	72	0	0
10 January 2020	88	72	0	0
9 January 2020	88	88	11 440	13 000
8 January 2020	90	72	0	0
7 January 2020	90	90	45 000	50 000
6 January 2020	99	56	0	0
3 January 2020	99	56	0	0
2 January 2020	99	55	0	0
31 December 2019	99	52	0	0
30 December 2019	99	60	0	0
27 December 2019	99	99	4 242	4 285
24 December 2019	99	55	0	0
23 December 2019	99	52	0	0
20 December 2019	99	99	50	51
19 December 2019	99	50	0	0
18 December 2019	100	99	38 568	38 831
17 December 2019	99	90	107 786	108 969
13 December 2019	95	75	215 438	272 158
12 December 2019	72	72	11 845	16 452
11 December 2019	95	89	1 451	1 603
10 December 2019	98	90	6 311	6 514
9 December 2019	99	98	4 945	5 000
6 December 2019	100	99	20 099	20 100
5 December 2019	101	100	30 637	30 629
4 December 2019	100	100	271	271
3 December 2019	120	120	647	539
2 December 2019	122	122	43 920	36 000
29 November 2019	122	100	0	0
28 November 2019	122	122	25 620	21 000

Month ended	High (cents)	Low (cents)	Value (ZAR)	Volume
December 2019	122	72	486 211	541 402
November 2019	130	100	216 463	184 894
October 2019	160	110	673 219	527 090
September 2019	160	120	208 813	153 200
August 2019	178	135	307 610	222 951
July 2019	193	150	1 878 991	1 042 535
June 2019	193	150	1 575 709	905 943
May 2019	197	150	743 696	470 726
April 2019	200	161	95 650	52 600
March 2019	215	155	262 230	133 528
February 2019	225	153	5 229 202	2 642 053
January 2019	190	133	1 108 772	712 887

* Last Practicable Date

INFORMATION RELATING TO THE UNDERWRITER

The Rights Offer has been partially underwritten by the Underwriter. Details pertaining to the Underwriter as required by the JSE Listings Requirements are set out below:

1. **Directors**
SJ Macozoma
MM Ngoasheng
J Pitt
SR Chauke
 2. **Company secretary**
Wainer Associates Inc.
 3. **Date and place of incorporation**
22 July 2002, Pretoria
 4. **Registration number**
2002/017459/07
 5. **Registered office**
21 Central Street
Houghton, 2197
 6. **Bankers**
The Standard Bank of South Africa Limited
 7. **Authorised share capital**
1 000 ordinary shares of R1 each
 8. **Issued share capital**
1 000 ordinary shares of R1 each
-

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations on page 6 of the accompanying Circular apply, *mutatis mutandis*, to the information contained in the Form of Instruction.

This Form of Instruction in respect of a renounceable (nil paid) Letter of Allocation. If you are in any doubt as to what action to take, please consult your CSDP, Broker, banker, attorney, accountant or other professional adviser immediately.

SepHold has issued all Letters of Allocation in Dematerialised form and the electronic record for Certificated Shareholders is being maintained by its Transfer Secretaries. This enables Certificated Shareholders to enjoy the same rights and opportunities with respect to the Form of Instruction as Dematerialised Shareholders.

Each amendment to this Form of Instruction must be signed in full and must not be initialled.



Sephaku Holdings Limited

(Incorporated in the Republic of South Africa)

(Registration number: 2005/003306/06)

Share code: SEP

ISIN: ZAE000138459

FORM OF INSTRUCTION IN RESPECT OF A LETTER OF ALLOCATION – Issued to Certificated Shareholders only

A partially underwritten renounceable rights offer by SepHold of 46 270 261 new Shares to Qualifying Shareholders recorded in the Register at the close of business on Friday, 31 January 2020, at a Rights Offer Issue Price of 81 cents per Rights Offer Share, in the ratio of 1 Rights Offer Share for every 4.5 Shares held on the Record Date.

Salient dates and times relating to the Rights Offer	2020
Declaration announcement released on SENS	Tuesday, 21 January
Declaration announcement published in the press	Wednesday, 22 January
Finalisation announcement released on SENS	Thursday, 23 January
Finalisation announcement published in the press	Friday, 24 January
Publication of Circular on the Company's website	Monday, 27 January
Last day to trade in Shares in order to participate in the Rights Offer (cum rights)	Tuesday, 28 January
Shares commence trading ex-rights on the JSE at 09:00 on	Wednesday, 29 January
Listing of Letters of Allocation under JSE Code SEPN and ISIN: ZAE000280434 but trading therein suspended	Wednesday, 29 January
Circular and Form of Instruction emailed/posted to Certificated Shareholders	Thursday, 30 January
Record Date for the Rights Offer	Friday, 31 January
Rights Offer opens at 09:00 on	Monday, 03 February
Dematerialised Shareholders accounts at their CSDP or Broker credited with their entitlement of Letter of Allocation at 09:00 on	Monday, 03 February
Certificated Shareholders' Letters of Allocation credited to an electronic account held at the Transfer Secretaries at 09:00 on	Monday, 03 February
Circular and Form of Instruction emailed/posted to Dematerialised Shareholders	Monday, 03 February
Last day to trade in Letters of Allocation on the JSE	Tuesday, 11 February
Certificated Shareholders wishing to sell all or part of their Entitlement must lodge their Form of Instruction with the Transfer Secretaries by 12:00	Tuesday, 11 February
Listing of, and trading in, the Rights Offer Shares on the JSE commences at 09:00 on	Wednesday, 12 February
Certificated Shareholders wishing to renounce or subscribe for all or part of their Entitlement must lodge their Form of Instruction together with their payment with the Transfer Secretaries by 12:00	Friday, 14 February
Record Date for the Letters of Allocation	Friday, 14 February
Rights Offer closes at 12:00 on	Friday, 14 February
Rights Offer Shares issued and posted to shareholders in certificated form (where applicable) on or about	Monday, 17 February
Dematerialised shareholders' CSDP or Broker accounts updated and credited with Rights Offer Shares on	Monday, 17 February
Results of Rights Offer announced on SENS	Monday, 17 February
Refunds made to Shareholders in respect of unsuccessful excess applications	Wednesday, 19 February
Shares issued in respect of excess applications (if applicable)	Wednesday, 19 February

Notes:

5. Shareholders may not Dematerialise or rematerialise their Shares between Wednesday, 29 January 2020, and Friday, 31 January 2020, both dates inclusive.
6. All references to dates and times are to local dates and times in South Africa.
7. The above dates and times are subject to amendment. Any such amendment will be released on SENS.
8. CSDPs effect payment in respect of Dematerialised Shareholders on a delivery-versus-payment method.

THIS FORM MUST BE RETURNED IN ITS ENTIRETY TO THE TRANSFER SECRETARIES.

Transfer Secretaries:
 Computershare Investor Services
 Proprietary Limited
 Rosebank Towers, 15 Biermann
 Avenue
 Rosebank, 2196
 (PO Box 61763, Marshalltown, 2107)

Enquiries in connection with this Letter
 of Allocation should be addressed to the
 Transfer Secretaries, quoting this account
 number.

Account number:

--

Name and address of Shareholder
(1)

Number of Shares deemed to be held at close of business on Friday, 31 January 2020	Number of Rights Offer Shares which can be taken up in terms of paragraph 2 below based on the deemed shareholding as at Friday, 31 January 2020	Amount payable at R0.81 per Rights Offer Share (3) x R0.81
(2)	(3)	(4) [(3) x R0.81]

Acceptance of Rights Offer Shares	Number of Rights Offer Shares accepted	Total amount due at R0.81 per Rights Offer Share
Please note that the same or a lesser number of Rights Offer Shares as the number mentioned in Block (3) may be accepted	(5)	R (6) [(5) x R0.81]

Excess application:	Number of excess Rights Offer Shares applied for	Total amount due at R0.81 for all Rights Offer Shares
	(7)	R (8) [(5) + (7) x R0.81]

Applicant's telephone number: (office hours) () and/or cellphone number () and/or (home)

Applicant's email address:

Signature:

Date:

Dear Shareholder,

1. THE RIGHTS OFFER

Shareholders recorded in the Register at the close of trade on Friday, 31 January 2020, are offered Rights Offer Shares at a Rights Offer Issue Price of 81 cents per Rights Offer Share in the ratio of 1 Rights Offer Share for every 4.5 Shares held on the Record Date.

The Rights Offer Issue Price of 81 cents per Rights Offer Share is payable in full on acceptance in ZAR.

2. ALLOCATION

The Rights Offer Shares stated in **Block (3)** have been provisionally allocated for subscription at a Rights Offer Issue Price of 81 cents per Rights Offer Share to the Shareholder whose name is stated in **Block (1)**.

3. ACCEPTANCE AND PAYMENT

- 3.1 If you wish to accept the Rights Offer you must complete **Blocks (5), (6) and (7) and sign in the space provided below Block (8)**.
- 3.2 If you are a Qualifying Shareholder and wish to apply for excess Rights Offer Shares you must complete **Blocks (5), (6) (7) and (8) and sign in the space provided below Block (8)**.
- 3.3 If you are the person(s) in whose name(s) this Form of Instruction was issued and wish to subscribe for **all** the Rights Offer Shares allocated to you, complete the applicable blocks as stated above. In such instance, **Forms B and C** of this Form of Instruction need not be completed.
- 3.4 If you are the person(s) in whose favour this Form of Instruction has been renounced and you wish to subscribe for the Rights Offer Shares, complete the applicable blocks as stated above as well as **Form C** of this Form of Instruction.
- 3.5 If you wish to subscribe for the Rights Offer Shares or apply for excess Rights Offer Shares, a properly completed Form of Instruction, together with the amount due in Rand by way of one of the following methods of payment, must be lodged with the Transfer Secretaries, so as to be received by no later than 12:00 on **Friday, 14 February 2020** by an EFT swift reference number (EFT to be made into the Designated Bank Account, details of which are available from the corporate actions department of the Transfer Secretaries (+27 (0) 8611 00634).
- 3.6 Such payment, when the EFT cleared into the Designated Bank Account, will constitute acceptance of the Rights Offer upon the terms and conditions set out in the accompanying Circular and in this Form of Instruction.
- 3.7 No acknowledgement of receipt will be given for an EFT received in accordance with the Rights Offer.
- 3.8 **If this Form of Instruction and the EFT Reference Document are not received as set out above, then the Rights Offer will be deemed to have been declined and the right to subscribe for the Rights Offer Shares offered to the addressee (or his renounee) will revert to the Company.**
- 3.9 With reference to paragraph 3.4 above regarding EFTs, please note the following:
 - Forms of Instruction and proof of payment (EFT swift reference number) may be emailed to corporate.events@computershare.co.za. Kindly note that this relates only to the subscription for Rights Offer Shares and not for the sale thereof.
 - Forms of Instruction which are not posted must be emailed to corporate.events@computershare.co.za. Computershare Investor Services Proprietary Limited will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any other email address other than that provided above.
 - Forms of Instruction shall be deemed to be received on the date reflected in the Transfer Secretaries' electronic system. Notwithstanding anything to the contrary, it is the responsibility of Shareholders to ensure that their Form of Instruction is received timeously by the Transfer Secretaries.

4. RENUNCIATION OR SALE

4.1 Renunciation

- 4.1.1 If you are a Certificated Shareholder and you do not wish to subscribe for the Rights Offer Shares allocated to you in terms of the Rights Offer, you may renounce your rights by signing **Form B**, and the renounee who wishes to subscribe for the Rights Offer Shares in terms of the Rights Offer must complete **Form C**, lodge this Form of Instruction, and make payment, in terms of paragraph 3 above, for the number of Rights Offer Shares in respect of which the Rights Offer is accepted. The renounee must also complete **Form D** to indicate if the renounee wishes to receive the Rights Offer Shares in Certificated or Dematerialised form.
- 4.1.2 The lodging of this Form of Instruction, with Form B purporting to be signed by the Shareholder whose name appears thereon, will be taken to be conclusive evidence of the right of the holder:
 - 4.1.2.1 to deal with this Form of Instruction; or
 - 4.1.2.2 to have the Rights Offer Shares in question allotted and to receive a certificate for those Right Offer Shares.
- 4.1.3 Therefore, SepHold will not be obliged to investigate whether **Forms B and C** have been properly signed or completed or to investigate any fact surrounding the signing or lodging of either form.

4.2 Sale

- 4.2.1 If you wish to sell **all** or part of your Entitlement, you must complete **Form A** of this Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein so as to reach them by no later than 12h00 on Tuesday, 11 February 2020. Note that the Transfer Secretaries will endeavour to procure the sale of Rights on the JSE on your behalf and to remit the net proceeds thereof in accordance with your instructions. In this regard, neither the Transfer Secretaries, nor any Broker appointed by it nor SepHold will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales, the price obtained or any failure to sell such Entitlements.

5. EXCESS APPLICATIONS

Excess applications for Rights Offer Shares will be allowed without limit.

6. EXCHANGE CONTROL REGULATIONS

In terms of the Exchange Control Regulations of South Africa, Non-residents of the Common Monetary Area will be allowed to:

- take up Rights allocated to them in terms of the Rights Offer;
- purchase letter of allocation on the JSE;
- subscribe for new ordinary Shares arising from Letters of Allocation purchased on the JSE; and/or
- purchase excess Rights Offer Shares that have been applied for in terms of the offer,
- provided payment is received in foreign currency or in Rand from a Non-resident Rand account in the name of the Non-resident and/or Rand from a vostro account held in the books of the authorised dealer.

All applications by Non-residents for the above purposes must be made through an authorised dealer. Shares subsequently re-materialised and issued in certificated form, must be endorsed "Non-resident".

Where a right in terms of the offer falls due to a former resident of the Common Monetary Area, which right is based on shares controlled in terms of the Exchange Control Regulations, only funds in the emigrant's capital account may be used to take up this right. In addition, such funds may also be used to:

- purchase Letter of Allocations on the JSE
- subscribe for new ordinary Shares arising from Letters of Allocation purchased on the JSE; and/or
- purchase excess Rights Offer Shares that have been applied for in terms of the offer.

Applications by emigrants to use funds in their capital account for the above purposes must be made through the authorised dealer controlling their remaining assets. Any shares issued pursuant to the use of funds in the emigrant capital account will be credited to their share accounts at the CSDP controlling their remaining assets. Any shares issued pursuant to the use of funds in the emigrant capital account will be credited to their share accounts at the CSDP controlling their remaining portfolios. The sale proceeds of letters of allocation, if applicable, will be returned to the authorised dealer for credit to such emigrants' capital accounts.

7. LISTINGS ON THE JSE

7.1 The JSE has granted a listing for the:

- 7.1.1 Letters of Allocation in respect of 46 270 261 Rights Offer Shares with effect from the commencement of trade on Wednesday, 29 January 2020, to close of trade on Tuesday, 11 February 2020, both days inclusive; and
- 7.1.2 46 270 261 Rights Offer Shares with effect from the commencement of trade on Wednesday, 12 February 2020.

8. DOCUMENTS OF TITLE

- 8.1 New share certificates to be issued to Certificated Shareholders who have opted to "re-materialise" their Dematerialised Rights Offer Shares to which they are entitled as contemplated in the section titled "Action Required by Shareholders" of the Circular, will be posted to persons entitled thereto, by registered post, at the risk of the Shareholders concerned, on or about Monday, 17 February 2020.

By order of the Board

SEPHAKU HOLDINGS LIMITED

Company secretary

27 January 2020

GENERAL INSTRUCTIONS AND CONDITIONS

- (a) **Married persons:** Married persons wishing to exercise their Rights must comply with the provisions of the Matrimonial Property Act (No. 88 of 1984) and proof of such person's capacity to exercise such Rights may be required by the Transfer Secretary.
- (b) **Powers of attorney:** If this form is signed under a power of attorney, then the original, or a certified copy thereof, must be sent to the transfer secretaries for noting unless it has already been noted by SepHold or the Transfer Secretary.
- (c) **Companies or close corporations:** A company or close corporation wishing to exercise its Rights must send the original or certified copy of the directors' or members' resolution authorising the exercise of such Rights to the transfer secretaries for noting.
- (d) **Deceased estates and trusts:** Rights Offer Shares will not be allotted in the name of an estate or a trust.
- (e) **Joint holders:** Where applicable, all joint holders of Letters of Allocation must sign the Form of Instruction in the appropriate space provided.
- (f) **Receipts and documents:** No receipts will be given for completed Letters of Allocation and remittances. Original documents accompanying applications will be returned by the Transfer Secretary in due course, at the risk of the applicant.
- (g) **Share certificates:** SepHold uses the "certified transfer deeds and other temporary Documents of Title" procedure approved by the JSE and, therefore, will issue only one "block" share certificate for the Rights Offer Shares allotted by it to each acceptor of the offer.

Instructions relating to the Letter of Allocation must be delivered/sent to:

By hand to:

Sephaku Holdings Limited
c/o Computershare Investor Services (Pty) Ltd
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196

By post to:

Sephaku Holdings Limited
c/o Computershare Investor Services (Pty) Ltd
PO Box 61763
Marshalltown, 2107

By email to:

corporate.events@computershare.co.za

FORM A: INSTRUCTION TO SELL

This form is to be signed by the Shareholder if the Rights to the Rights Offer Shares are to be sold.

To the Directors,
Sephaku Holdings Limited

I/We hereby instruct Computershare Investor Services (Pty) Ltd to sell _____ of my Rights Offer Shares and pay the proceeds, if any, of the sale of the rights allocated to me/us in terms of this Form of Instruction (less fees calculated as follows: a dealing administration fee for trades greater than R0.01 up to R40,000.00 equal to R155.84 inclusive of VAT and a further additional fee of 0.35% for trades greater than R40,000.00 plus VAT (+R155.84). A administration fee of R100.00 will be levied in respect of the selling order).

Payment instruction

By electronic funds transfer to the following bank account: **(certified copies of the bank statement and Identification Document must be attached to the Form of Instruction when payment via electronic funds transfer is requested and same has not been submitted to the transfer secretaries to date).**

By electronic funds transfer to the following bank account*:

Name of Bank _____

Account Number _____

Branch Code _____

* *Note that the transfer secretaries will require a South African bank account for Emigrant shareholders. South Africa banks may also charge additional fees to non-resident shareholders who wish to be paid in foreign currency.*

In order to comply with the requirements of the Financial Intelligence Act, 2001 (No. 38 of 2001), Computershare Investor Services Proprietary Limited will be unable to record any change of payment mandated unless the following documentation is received from the relevant Shareholder:

- an original certified copy of your identity document;
- an original certified copy of a document issued by the South African Revenue Services to verify your tax number, if you do not have a tax number, please submit a letter stating this and have the letter signed by a Commissioner of Oaths; and
- a certified true copy of an original bank statement.

Signed _____

Signature(s) of Shareholder selling his/her rights

Date _____

Assisted by me (where applicable) (all joint holders must sign)

FORM B: FORM OF RENUNCIATION

(To be signed by the shareholder named in **Block (1)** hereof if the right to the Rights Offer Shares are renounced.)

To the directors,
Sephaku Holdings Limited

I/We hereby renounce my/our right to subscribe for the Rights Offer Shares allocated to me/us as stated in **Block (3)** hereof in favour of the person(s) completing the Registration Application Form (**Form C**) in relation to such shares.

Signed _____

Signature(s) of person(s) renouncing

Assisted by me (where applicable) (all joint holders must sign)

Date _____

(Note: Renounees must attach a certified true copy of their Identification Document to the Form of Instruction when Form B hereof is completed.)

FORM C: REGISTRATION APPLICATION FORM (to be accompanied by a EFT swift reference number)

This form to be completed in respect of the person(s) (i.e. the renounee(s)) in whose name(s) the Rights Offer Shares must be allotted.

ONCE THIS FORM HAS BEEN COMPLETED, THIS FORM OF INSTRUCTION WILL NO LONGER BE NEGOTIABLE.

To the Directors,
Sephaku Holdings Limited

I/We hereby request you to allot the Rights Offer Shares comprised in this Form of Instruction and as indicated in **Blocks (5) and (6)** hereof in the following name(s) upon the conditions set out in the accompanying Circular and subject to the Constitution of SepHold.

I/We authorise you to place such name(s) in the SepHold Register.

Surname(s) or Name of company _____

Mr/Mrs/Miss _____

First names in full _____

Postal address (preferably a P O Box address) _____

_____ Postal Code _____

E-mail address: _____

Telephone number (office hours) () _____ Mobile number: _____

Date _____

Signed

Signature(s) of renounee(s) _____

Assisted by me (where applicable) (all joint holders must sign) _____

FORM D: POSTAL INSTRUCTIONS (to be completed only if you require a Share certificate)

Certificated Shareholders accepting all the Rights allocated to them in terms of the Rights Offer will receive their Rights Offer Shares in certificated form, which will not be good for delivery until they have been Dematerialised.

Certificated Shareholders should complete the section below.

Kindly post the relevant Share certificate to the following address by registered post:

Name _____

Address _____

In order to comply with the requirements of the Financial Intelligence Act, 2001 (No. 38 of 2001), Computershare Investor Services Proprietary Limited will be unable to record any change of address unless the following documentation is received from the relevant Shareholder:

- an original certified copy of your identity document;
- an original certified copy of a document issued by the South African Revenue Services to verify your tax number, if you do not have a tax number, please submit a letter stating this and have the letter signed by a Commissioner of Oaths; and
- a utility bill not older than 3 months.

(If no specific instructions are given here, the Certificated Shares will be forwarded to the address as shown in **Block (1)** hereof.

A Shareholder wishing to collect his/her/their new share certificate from the Transfer Secretary must tick this block:

