



GROUP

EXTRACT GROUP LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1998/011672/06)
("Extract" or "the Company")

NOTICE OF SPECIAL RESOLUTION REGARDING THE GENERAL APPROVAL TO ISSUE PREFERENCE SHARES IN EXTRACT TO BE PROPOSED TO SHAREHOLDERS IN TERMS OF SECTION 60 OF THE COMPANIES ACT NO. 71 OF 2008, AS AMENDED ("THE COMPANIES ACT")

Dear Extract Shareholder,

1. INTRODUCTION

- 1.1 Shareholders are advised that the board of directors of Extract ("the Board") has resolved to propose that Extract shareholders consider, and if deemed fit, pass, with or without modification, the special and ordinary resolutions attached to this letter (the "Resolutions"), by written consent in terms of section 60 of the Companies Act.
- 1.2 At the annual general meeting held on 23 August 2021, the Board proposed, and the shareholders approved an increase to the authorised share capital of Extract by the creation of 1 000 A and 1 000 B Preference Shares (collectively the "Preference Shares").
- 1.3 The Resolutions contemplated herein, provide for a general authority to be granted to the Company to allot and issue the unissued Preference Shares.
- 1.4 In terms of section 60 of the Companies Act, a resolution that could be voted on at a shareholders meeting may instead be submitted for consideration to the shareholders entitled to exercise voting rights in relation to the resolution and be voted on in writing by shareholders entitled to exercise voting rights in relation to the resolution, within 20 (twenty) business days of the resolution being submitted to them.
- 1.5 Section 60(2) of the Companies Act further provides that a resolution contemplated in section 60(1) of the Companies Act will have been adopted if it is supported by persons entitled to exercise sufficient voting rights for it to have been adopted as an ordinary or special resolution, as the case may be, at a properly constituted shareholders meeting and, if adopted, such resolution will have the same effect as if it had been approved by voting at a meeting.
- 1.6 Section 65(2) of the Companies Act provides that the Board may propose any resolution to be considered by shareholders and may determine whether that resolution will be considered at a meeting, or by vote or written consent in terms of section 60 of the Companies Act. The Board has determined that the Resolutions be considered by the shareholders of the Company by written consent in terms of section 60 of the Companies Act.

2. ACTION REQUIRED BY SHAREHOLDERS

- 2.1 **Shareholders who have dematerialised their shares (other than "own-name" dematerialised shareholders)** in terms of the Financial Markets Act, No. 19 of 2012, should advise their broker as to what action they wish to take. This must be done in terms of the agreement entered into between them and their broker. Shareholders who have dematerialised their shares (other than "own-name" dematerialised shareholders) must not return the form of written consent attached to this letter (the "Written Consent") to the Company Secretary. Their instructions must be sent to their broker for action.
- 2.2 **Certificated shareholders and "own-name" dematerialised shareholders** may indicate, by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided on the Written Consent, how they wish to cast their votes in relation to the relevant Resolutions. Please return a copy of the completed and signed Written Consent to the Company Secretary on/before 9 November 2021:

2.2.1 Physical address: 9th floor, Katherine Towers,
1 Park Lane, Wierda Valley,
Sandton, 2196

2.2.2 E-mail: cosec@msplaw.co.za

- 2.3 The record date for determining which shareholders are entitled to vote on the Resolutions in terms of the Written Consent shall be Monday, 1 November 2021. The salient dates to be considered are as follows:

Record date for determining which shareholders will be entitled to receive this notice Monday, 11 October 2021

Form of Written Consent to be received by the Company Secretary by 12:00 on Tuesday, 9 November 2021

Record date for determining which shareholders are entitled to vote on the Resolutions Monday, 1 November 2021

By order of the Board

Extract Group Limited

Andrew Hannington
Chief Financial Officer

www.extract.co.za



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**RESOLUTIONS SUBMITTED TO SHAREHOLDERS IN TERMS OF SECTION 60 (1)
OF THE COMPANIES ACT NO. 71 OF 2008**

I. SPECIAL RESOLUTION NO. 1: APPROVAL TO ISSUE PREFERENCE SHARES

"Resolved that, the 1 000 A Preference Share and the 1 000 B Preference Shares (collectively the "**Preference Shares**") in the authorised but unissued preference share capital of Extract be and is hereby placed under the control of the Board, who is hereby authorised, as a general authority in terms of the Memorandum of Incorporation, to allot and issue the unissued Preference Shares on the basis that:

- The unissued Preference Shares may be issued on such terms and conditions as the Board in their sole discretion may deem fit, subject to the provisions of the Companies Act and the Memorandum of Incorporation, to the extent applicable, provided that this approval shall be valid only until the next Annual General Meeting of the Company; and
- Such authority includes the authority to allot and issue any Preference Shares in the authorised but unissued preference share capital of Extract to persons falling within the ambit of section 41(1) of the Companies Act, being a director; future director; prescribed officer or future prescribed officer of the Company, or a person related or inter-related to the Company, or related or inter related to a director or prescribed officer of the Company (or a nominee of any of the foregoing persons).

Explanatory note

The Memorandum of Incorporation read together with the Companies Act provides that the Board may resolve to issue authorised shares in the Company, but only to the extent that such issue has been approved by way of special resolution by the shareholders. The purpose of special resolution 1 is to provide such general authority, which shall remain subject to the provisions of, and all limitations contained in the Companies Act, and the Memorandum of Incorporation, to the extent applicable. This general authority once granted, allows the Board from time to time, when deemed appropriate, to issue such Preference Shares as may be required for purposes *inter alia* of capital raising exercises for investments, the funding of listed investments and capital equipment.

At least 75% (seventy five percent) of the voting rights exercised on special resolution 1 must be exercised in favour of such resolution in order for it to be validly adopted.

2. ORDINARY RESOLUTION NO. 1: SIGNATURE OF DOCUMENTS

"Resolved that each director of Extract be and is hereby individually authorised to sign all such documents and do all such things as may be necessary for, or incidental to, the implementation of special resolution 1.

In order for ordinary resolution 1 to be validly adopted, more than 50% (fifty percent) of the voting rights must be exercised in favour of this resolution.

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FOR USE BY CERTIFICATED SHAREHOLDERS AND "OWN NAME" DEMATERIALIZED SHAREHOLDERS ONLY

Dematerialised shareholders holding ordinary shares other than with "own-name" registration must inform their broker of what action they wish to take. This must be done in terms of the relevant custody agreement entered into between them and the broker: **These ordinary shareholders must not use this form of Written Consent.**

I/We (please print full name)

of (address)

Telephone work: ()

Telephone home: ()

Cell: ()

Email address:

Being the holder(s) of _____ shares in the issued ordinary share capital of the Company, do hereby vote as follows:

		Number of ordinary shares		
		For	Against	Abstain
1.	Special resolution number 1: Approval to issue preference shares			
2.	Ordinary resolution number 1: Signature of documents			

Please indicate how you wish your votes to be cast in the appropriate box provided above.

Signed at _____ on _____ 2021.

Signature

Assisted by (if applicable)

Notes

1. A person signing this Written Consent in a representative capacity must attach documentary evidence establishing such authority to this form of Written Consent, unless previously recorded by the Company Secretary.
2. The completed and signed Written Consent and authority (if any) under which it is signed must be either delivered, and/or e-mailed to the Company Secretary, within 20 (twenty) business days of the date of receipt hereof, at any one of the addresses contained on page 1 hereof.
3. A certificated or "own-name" dematerialised shareholder's instructions on the form of Written Consent must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. A certificated or "own-name" dematerialised shareholder is not obliged to use all the votes exercisable by that shareholder, but the total number of votes cast and in respect of which abstention is recorded may not exceed the total number of votes exercisable by the certificated or "own-name" dematerialised shareholder.