

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 7 of this Circular apply mutatis mutandis throughout this Circular including the cover page.

ACTION REQUIRED

Shareholders are referred to page 4 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 CSDP, Broker, banker, legal advisor, accountant or other professional advisor immediately.

If you have disposed of all of your Shares, this Circular and the Form of Instruction should be forwarded to the purchaser to whom, or the CSDP, Broker or agent through whom, you disposed of your Shares.

Letters of Allocation, which are renounceable, can only be traded in Dematerialised form and, accordingly, all Letters of Allocation have been issued in Dematerialised form. The electronic record for holders of Certificated Shares is being maintained by the Transfer Secretaries, 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.

The Form of Instruction enclosed with this Circular is negotiable and may be traded on the JSE.

DISCLAIMER

STADIO DOES NOT ACCEPT RESPONSIBILITY AND WILL NOT BE HELD LIABLE FOR ANY FAILURE ON THE PART OF THE CSDP OR BROKER OF A DEMATERIALISED SHAREHOLDER TO NOTIFY SUCH SHAREHOLDER OF THE DETAILS OF THIS CIRCULAR.

The summary of the Exchange Control Regulations provisions detailed in paragraph 5.12 of this Circular is intended only as a guide and is therefore not a comprehensive statement of the Exchange Control Regulations. Shareholders who are in any doubt as to the appropriate course of action to take, should consult their Broker, CSDP, banker, legal advisor, accountant or other professional advisors.

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/herself as to the full observation of the laws and regulatory requirements of the relevant jurisdiction in connection with the Rights Offer, including the obtaining of 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. Any foreign Shareholder who is in doubt as to his/her position, including, without limitation, his/her tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

STADIO

— HOLDINGS —

STADIO HOLDINGS LIMITED

(Previously Embury Holdings Proprietary Limited)
(incorporated in the Republic of South Africa)

Registration number: 2016/371398/06

JSE share code: SDO

ISIN ZAE000248662

("STADIO")

CIRCULAR TO SHAREHOLDERS

Relating to:

- an underwritten renounceable Rights Offer of 256 000 011 Shares at the Rights Offer Issue Price of 250 cents, in the ratio of 57.19647 Rights Offer Shares for every 100 Shares held at the close of business on Friday, 13 October 2017, in terms of which STADIO will raise approximately R640 million;

and enclosing:

- a Form of Instruction in respect of a Letter of Allocation (to be completed by holders of Certificated Shares only, if applicable).

Rights Offer opens at 09:00 on

Monday, 16 October 2017

Rights Offer closes at 12:00 on

Friday, 27 October 2017

The Directors of STADIO whose names appear in the "Corporate Information" section of this Circular, 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 facts, the omission of, which would make any statement in this Circular false or misleading and that they have made all reasonable enquiries to ascertain such facts and that this Circular contains all information required in law and by the JSE Listings Requirements.

Transaction Advisor and Sponsor



PSG CAPITAL

Underwriter



PSG FINANCIAL SERVICES LIMITED

Independent Sponsor



QUESTCO
CORPORATE ADVISORY

Date of issue: 3 October 2017

This Circular is available in English only. Copies may be obtained during normal business hours from the registered office of STADIO and from the offices of the Transaction Advisor and Sponsor, whose addresses are set out in the "Corporate Information" section of this Circular from Tuesday, 3 October 2017 until Friday, 27 October 2017 (both days inclusive). A copy of this Circular will also be available on STADIO's website (www.stadio.co.za) from Tuesday, 3 October 2017.

IMPORTANT LEGAL NOTES

The definitions and interpretations commencing on page 7 of this Circular apply to this section.

FORWARD-LOOKING STATEMENTS

This Circular contains statements about STADIO and the STADIO Group that are or may be forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

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

All these forward-looking statements are based on estimates and assumptions made by STADIO. Although STADIO believes them to be reasonable, they are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to STADIO or not currently considered material by STADIO.

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

DISCLOSURE OF INTERESTS

As indicated in this Circular, PSG Capital fulfils the functions of Transaction Advisor and Sponsor to STADIO. It is PSG Capital’s opinion that the performance of both of these functions do not represent a conflict of interest for PSG Capital, impair its independence from STADIO or impair its objectivity in its professional dealings with STADIO or in relation to the Rights Offer.

On the Last Practicable Date, PSG Group, which is the holding company of PSG Capital, is the ultimate controlling Shareholder of STADIO.

PSG Capital operates separately and independently from PSG Group and STADIO and accordingly there are no matters which may have an effect on the independence of PSG Capital from STADIO in respect of this Circular. Notwithstanding the aforementioned, Questco Proprietary Limited has been appointed as the Independent Sponsor for purposes of this Circular.

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.

JURISDICTION

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 offering 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 who are Non-Qualifying Shareholders, are responsible for ensuring that taking up the Rights Offer, or trading in their entitlements under the Rights Offer, does not breach any law or regulations in their relevant overseas jurisdiction.

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. To the extent that Non-Qualifying Shareholders are permitted to do so, they may sell their Rights Offer entitlement on or prior to Tuesday, 24 October 2017, the last day to trade their Rights Offer entitlement.

CORPORATE INFORMATION

Directors

CR van der Merwe (Chief executive officer)
S Totaram (Chief financial officer)
D Singh (Chief academic officer)
RH Stumpf*# (Chairperson)
R Kisten**
KS Sithole*#
PN de Waal*
A Mellet (alternate Director to PN de Waal)*

* *non-executive*

independent

Date and place of incorporation

25 August 2016
Republic of South Africa

Company secretary and registered address

STADIO Corporate Services Proprietary Limited
Registration number 2017/219978/07

Unit 13, San Domenico
10 Church Street
Durbanville, 7550
(PO Box 2161, Durbanville, 7551)

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

PSG Financial Services Limited
Registration number 1919/000478/06
1st Floor, Ou Kollege
35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)

Transaction Advisor and Sponsor

PSG Capital Proprietary Limited
Registration number 2006/015817/07
1st Floor, Ou Kollege
35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)

and at

2nd Floor
11 Alice Lane (Bowmans Building)
Sandhurst
Sandton, 2196
(PO Box 650957, Benmore, 2010)

Independent Sponsor

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

Auditor of STADIO

PricewaterhouseCoopers Incorporated
Registration number 1998/012055/21
Capital Place
15 – 21 Neutron Avenue
Technopark
Stellenbosch, 7600
(PO Box 57, Stellenbosch, 7599)

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ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 7 of this Circular apply to this section.

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

If you have disposed of all your Shares, please forward this Circular, together with the enclosed Form of Instruction, to the purchaser of such Shares or the Broker, CSDP or other agent through whom you disposed of such Shares. This Circular and Form of Instruction should not be forwarded to any person in any territory other than South Africa unless the Rights Offer can lawfully be made to such person or in such territory.

ACTION REQUIRED BY SHAREHOLDERS HOLDING CERTIFICATED SHARES

A Form of Instruction for completion by Qualifying Shareholders who hold Certificated Shares is enclosed with this Circular and the relevant procedure for participation in the Rights Offer is set out below:

- a Letter of Allocation will be created in electronic form with the Transfer Secretaries;
- if you are a Qualifying Shareholder holding Certificated Shares and do not wish to subscribe for all of the Rights allocated to you as reflected in the Form of Instruction, you may either sell or renounce all or part of your entitlement as follows:
 - 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 so as to be received by no later than 12:00 on Friday, 20 October 2017. 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 STADIO 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; and
 - 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, 27 October 2017, together with a bank-guaranteed cheque or bank 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 +27 (0) 861 100 634 for the appropriate amount).
- if you are a Qualifying Shareholder holding Certificated Shares and wish to subscribe for all or part of your entitlement in terms of the enclosed Form of Instruction, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it, together with the amount due in Rand in the form of a bank-guaranteed cheque or bankers' 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 +27 (0) 861 100 634), with the Transfer Secretaries as follows:

By hand to:

STADIO Holdings Limited – Rights Offer
c/o Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196

By post to:

STADIO Holdings Limited – Rights Offer
c/o Computershare Investor Services Proprietary Limited
PO Box 61763
Marshalltown, 2107

Only in relation to the subscription for Rights Offer Shares (and not for the sale thereof) and only in the case where payment is by way of EFT:

By electronic mail to:

STADIO Holdings Limited – Rights Offer
c/o Computershare Investor Services Proprietary Limited
corporate.events@computershare.co.za

so as to be received by the Transfer Secretaries by no later than 12:00 on Friday, 27 October 2017.

The Transfer Secretaries 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 systems. Notwithstanding anything to the contrary, it is each Shareholder's responsibility to ensure that their Form of Instruction is received by the Transfer Secretaries.

STADIO and the Transfer Secretaries accept no responsibility and will not be held liable for any allocation of Rights Offer Shares pursuant to payment being made or alleged to have been made by way of electronic transfer and where proof of such payment has not been received or purported proof of such payment being insufficient or defective for STADIO together with the Transfer Secretaries, for any reason, not being able to reconcile a payment or purported payment with a particular application for Rights Offer Shares.

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 E in the enclosed Form of Instruction.

In order to comply with recent legislative changes, the Rights Offer Shares may only be issued in Dematerialised form. In this regard:

1. Qualifying Shareholders holding Certificated Shares who wish to receive the Rights Offer Shares allocated to them in Dematerialised form and who already have an account with a Broker or CSDP, will have their accounts at their Brokers or CSDPs credited with their Rights Offer Shares (provided that they have provided their Form of Instruction, and have elected “**Option 1**” on Form E thereof, along with the relevant CSDP details, to the Transfer Secretaries on or before 12:00 on Friday, 27 October 2017;
2. Qualifying Shareholders holding Certificated Shares who do not wish to hold the Rights Offer Shares allocated to them in Dematerialised form and prefer to hold their Rights Offer Shares in Certificated form, will be afforded the option to “rematerialise” their Dematerialised Rights Offer Shares and replace these with a physical Document of Title, provided that such Qualifying Shareholders have elected “**Option 3**” on Form E of their Form of Instruction and provided their Form of Instruction to the Transfer Secretaries on or before 12:00 on Friday, 27 October 2017; or
3. Qualifying Shareholders holding Certificated Shares who wish to receive the Rights Offer Shares allocated to them in Dematerialised form, but who do not have an account with a Broker or CSDP, will be issued with statements of allocation and will be required to appoint a Broker or CSDP so that Dematerialised Rights Offer Shares can be made available to them following implementation of the Rights Offer (such Shareholders will be required to provide the statement of allocation to their Broker or CSDP as proof of their holdings), provided that such Qualifying Shareholders have elected “**Option 2**” on Form E of their Form of Instruction.

Certificated Shareholders should indicate which of the above applies, when completing the Form of Instruction. Should a Certificated Shareholder contemplated in paragraph 1 above fail to provide the necessary Broker and CSDP account details and other information requested in the Form of Instruction, it will not be possible to credit such Shareholder’s account at its Broker or CSDP with the Rights Offer Shares due to it, and such Shareholder will instead be issued with a statement of allocation.

Should you be a Qualifying Shareholder holding Certificated Shares:

- contemplated in paragraph 1 above and have provided your Form of Instruction to the Transfer Secretaries on or before 12:00 on Friday, 27 October 2017, the Rights Offer Shares allocated to you will be credited to your Broker or CSDP account on Monday, 30 October 2017; or
- contemplated in paragraph 2 above, and have provided your Form of Instruction to the Transfer Secretaries on or before 12:00 on Friday, 27 October 2017, the share certificate for your Rights Offer Shares will be posted to you, at your risk, on Monday, 30 October 2017; or
- should you be a Shareholder contemplated in paragraph 3 above, the statement of allocation in respect of your Rights Offer Shares will be posted to you, at your risk, on Monday, 30 October 2017.

Qualifying Shareholders who wish to “rematerialise” their Dematerialised Rights Offer Shares as provided for above and whose registered addresses in the Register are outside of the Common Monetary Area, or whose share certificates are restrictively endorsed in terms of the Exchange Control Regulations, should refer to paragraph 5.12 of this Circular.

If the required documentation and payment has not been received in accordance with the instructions contained in the enclosed Form of Instruction (either from the Qualifying Shareholders or from any person in whose favour the Rights have been renounced) by 12:00 on Friday, 27 October 2017, then the Rights to those unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer entitlement will lapse.

ACTION REQUIRED BY DEMATERIALISED SHAREHOLDERS

If you are a Qualifying Shareholder and have Dematerialised your Shares, you will not receive a printed Form of Instruction and you should receive notification from your CSDP or Broker regarding the Rights to which you are entitled in terms of the Rights Offer.

Your CSDP or Broker will credit your account with the number of Rights to which you are entitled and will contact you to ascertain:

- whether you wish to follow your Rights in terms of the Rights Offer and, if so, in respect of how many Rights Offer Shares; and
- if you do not follow all or any of your Rights:
 - whether you wish to sell your Rights and, if so, how many Rights you wish to sell;
 - whether you wish to renounce your Rights and, if so, how many Rights and in favour of whom you wish to renounce those Rights; or
 - whether you wish your Rights to lapse.

CSDPs effect payment in respect of Dematerialised Shareholders on a delivery versus payment basis.

If you are a Qualifying Shareholder holding Dematerialised Shares and wish to follow your Rights in respect of the Rights Offer, you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the Custody Agreement governing the relationship between yourself and your CSDP or Broker. If you are not contacted, you should proactively contact your CSDP or Broker and provide them with your instructions. If your CSDP or broker does not obtain instructions from you, they are obliged to act in terms of the mandate granted to them by you, or if the mandate is silent in this regard, not to subscribe for Rights Offer Shares in terms of the Rights Offer.

STADIO does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer shares and/or to sell the Rights allocated.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 7 of this Circular apply to these salient dates and times.

2017

Declaration and finalisation announcement released on SENS on	Tuesday, 3 October
Circular placed on the STADIO website on	Tuesday, 3 October
Last day to trade in Shares in order to participate in the Rights Offer (cum Rights)	Tuesday, 10 October
Listing of and trading in the Letters of Allocation under the JSE Code SDON and ISIN ZAE000250379 on the JSE commences at 09:00 on	Wednesday, 11 October
Shares commence trading ex-Rights on the JSE at 09:00 on	Wednesday, 11 October
Circular posted to Certificated Shareholders together with a Form of Instruction on	Thursday, 12 October
Record Date for the Rights Offer	Friday, 13 October
Rights Offer opens at 09:00 on	Monday, 16 October
Dematerialised Shareholders will have their accounts at their CSDP or Broker credited with their entitlement on	Monday, 16 October
Certificated Shareholders will have their Letters of Allocation credited to an electronic account held at the Transfer Secretaries on	Monday, 16 October
Circular posted to Qualifying Dematerialised Shareholders, where applicable, on	Monday, 16 October
Last day for Certificated Shareholders wishing to sell all or part of their entitlement to lodge Form of Instruction at the Transfer Secretaries by 12:00 on	Friday, 20 October
Last day to trade in Letters of Allocation in order to settle trades by the Record Date for the Letters of Allocation and participate in the Rights Offer at the close of business on	Tuesday, 24 October
Listing of Rights Offer Shares and trading therein on the JSE commences	Wednesday, 25 October
Rights Offer closes at 12:00 on	Friday, 27 October
Payment to be made by 12:00 and Form of Instruction lodged by Certificated Shareholders wishing to renounce or subscribe for all or part of the entitlement, at the Transfer Secretaries on	Friday, 27 October
Record Date for the Letters of Allocation	Friday, 27 October
Rights Offer Shares issued and posted to Shareholders in certificated form (where applicable) on or about	Monday, 30 October
CSDP or Broker accounts in respect of Dematerialised Shareholders will be updated with Rights Offer Shares and debited with any payments due on	Monday, 30 October
Results of Rights Offer announced on SENS	Monday, 30 October

Notes:

1. Shareholders may not Dematerialise or rematerialise their Shares between Wednesday, 11 October 2017 and Friday, 13 October 2017, 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. Shareholders are referred to page 4 of the Circular for information on the action required by them.

DEFINITIONS AND INTERPRETATION

In this Circular, 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 gender:

“AFDA”	the South African School of Motion Picture Medium and Live Performance Proprietary Limited (registration number 1999/024588/07), a private company incorporated under the laws of South Africa, 100% of the issued share capital of which is held by STADIO Investment Holdings;
“AFDA Acquisition”	the acquisition by STADIO of 100% of the issued share capital of AFDA and Intraframe, the details of which are contained in the Pre-listing Statement;
“Auditor”	PricewaterhouseCoopers Incorporated (registration number 1998/012055/21), the particulars of which appear in the “ <i>Corporate Information</i> ” section of this Circular;
“B-BBEE Transaction”	the private placement of Shares by STADIO, to raise up to R200 million, the details of which are contained in the Pre-listing Statement;
“Board” or “Directors”	the board of directors of STADIO, further details of whom appear in paragraph 7.1 of this Circular;
“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;
“CA Connect”	CA Connect Professional Training Institution CPT Proprietary Limited (registration number 2006/035512/07), a private company incorporated under the laws of 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;
“cent(s)”	South African cent(s);
“CHE”	the South African Council on Higher Education, established in terms of the Higher Education Act, No. 101 of 1997;
“Circular”	this Rights Offer Circular issued by STADIO to its Shareholders, dated Tuesday, 3 October 2017 including all annexures hereto;
“Common Monetary Area”	the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland;
“Companies Act”	the Companies Act, No. 71 of 2008, as amended;
“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;
“Curro”	Curro Holdings Limited (registration number 1998/025801/06), a public company incorporated under the laws of South Africa, 55.6% of the issued share capital of which is held by PSG Financial Services;
“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 STADIO’s uncertificated securities register administered by a CSDP;
“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;
“DHET”	the South African Department of Higher Education and Training;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts or any other documents of title to Certificated Shares acceptable to STADIO;
“EFT”	Electronic Funds Transfer;

“Embury”	Embury Institute for Higher Education Proprietary Limited (registration number 2004/031722/07), a private company incorporated under the laws of South Africa, 100% of the issued share capital of which is held by STADIO Investment Holdings;
“Exchange Control Regulations”	the 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 Financial Markets Act, No. 19 of 2012, as amended;
“Form of Instruction”	a form of instruction in respect of the Letter of Allocation;
“Irrevocable Undertaking and Underwriting Agreement”	the agreement entered into between STADIO and PSG Financial Services, dated 13 September 2017, in terms of which PSG Financial Services (i) irrevocably undertook that it and/or PSG Alpha (being a Subsidiary of PSG Financial Services), will follow all of their Rights in terms of the Rights Offer; and (ii) irrevocably undertook that it will underwrite the balance of the Rights Offer, being a maximum of 125 471 918 Rights Offer Shares;
“Independent Sponsor”	Questco Proprietary Limited (registration number 2002/005616/07), a private company incorporated under the laws of South Africa, the particulars of which appear in the “ <i>Corporate Information</i> ” section of this Circular;
“JSE”	the exchange, licensed in terms of section 9 of the Financial Markets Act and operated by the JSE Limited (registration number 2005/022939/06), a public company incorporated under the laws of South Africa;
“JSE Listings Requirements”	the Listings Requirements of the JSE in force as at the Last Practicable Date;
“Last Practicable Date”	the Last Practicable Date prior to the finalisation of this Circular, which date was Wednesday, 27 September 2017;
“Letter of Allocation”	a renounceable (nil paid) letter of allocation in electronic form relating to the Rights Offer;
“Listing Date”	the date on which the issued share capital of STADIO was listed on the main board of the JSE, being Tuesday, 3 October 2017;
“Major Subsidiary”	a major subsidiary of STADIO, as defined in the JSE Listings Requirements, meaning a subsidiary that represents 25% or more of the total assets or revenue of the consolidated STADIO Group, it being noted that STADIO Investment Holdings, Embury and AFDA are the only Major Subsidiaries of STADIO as at the Last Practicable Date;
“Non-resident”	a person whose registered address is outside the Common Monetary Area;
“PGDA”	a post-graduate diploma in accounting;
“Pre-listing Statement”	the pre-listing statement issued by STADIO to its Shareholders, dated Friday, 15 September 2017 including all annexures thereto;
“PSG Alpha”	PSG Alpha Investments Proprietary Limited (registration number 2009/022552/07), a private company incorporated under the laws of South Africa, the majority of the issued ordinary share capital of which is held by PSG Financial Services;
“PSG Capital” or “Transaction Advisor and Sponsor”	PSG Capital Proprietary Limited (registration number 2006/015817/07), a private company incorporated under the laws of South Africa, the particulars of which appear in the “ <i>Corporate Information</i> ” section of this Circular;
“PSG Group”	PSG Group Limited (registration number 1970/008484/06), a public company incorporated under the laws of South Africa, the shares of which are listed on the JSE;
“Qualifying Shareholder”	a registered holder of Shares recorded in the Register as at the Record Date for the Rights Offer and which does not have its registered address in any jurisdiction in which it would be unlawful to make the Rights Offer;
“Rand” or “R”	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 57.19647 Rights Offer Shares for every 100 Shares held on the Record Date for the Rights Offer;
“Record Date for the Rights Offer”	the last day for Shareholders to be recorded in the Register in order to participate in the Rights Offer, being close of business on Friday, 13 October 2017;
“Record Date for the Letters of Allocation”	the last day for Shareholders to be recorded in the Register in order for Shareholders to subscribe for the Rights Offer Shares, being Friday, 27 October 2017;
“Register”	the register of Certificated Shareholders maintained by the Transfer Secretaries and the sub-register of Dematerialised Shareholders maintained by the relevant CSDPs;
“Rights”	the entitlement to subscribe for Rights Offer Shares pursuant to the Rights Offer;

“Rights Offer”	the renounceable rights offer by STADIO 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 250 cents per Rights Offer Share and in the ratio of 57.19647 Rights Offer Shares for every 100 Shares held on the Record Date for the Rights Offer, in terms of which STADIO will raise approximately R640 million;
“Rights Offer Issue Price”	the price per Rights Offer Share are offered to Shareholders in terms of the Rights Offer being 250 cents per Rights Offer Share;
“Rights Offer Shares”	the 256 000 011 Shares representing approximately 57.19647% of the issued share capital of STADIO as at the Last Practicable Date and which are the subject of the Rights Offer;
“SAICA”	the South African Institute of Chartered Accountants;
“SBS Acquisition”	the subscription by STADIO Investment Holdings for ordinary shares in the share capital of the Southern Business School, which shares will comprise 74% of the total issued share capital of the Southern Business School once issued, the details of which are contained in the Pre-listing Statement;
“SENS”	the Securities Exchange News Service of the JSE;
“Shareholders”	registered holders of Shares;
“Shares”	ordinary no par value shares in the share capital of STADIO, which are listed on the JSE;
“South Africa”	the Republic of South Africa;
“Southern Business School”	Southern Business School Proprietary Limited (registration number 2002/018614/07), a private company, duly incorporated under the laws of South Africa, 74% of the issued share capital of which will be held by STADIO Investment Holdings following the implementation of the SBS Acquisition and the remaining 26% of which is held indirectly by Christian Phillipus David Vorster, who owns 100% of the issued share capital prior to the implementation of the SBS Acquisition;
“Southern Business School of Namibia”	Southern Business School of Namibia Proprietary Limited (registration number 2017/0727), a private company, duly incorporated under the laws of Namibia, 51% of the issued share capital of which is held by the Southern Business School;
“STADIO”	STADIO Holdings Limited (registration number 2016/371398/06), a public company incorporated under the laws of South Africa, the Shares of which are listed on the main board of the JSE;
“STADIO Corporate Services”	STADIO Corporate Services Proprietary Limited (registration number 2017/219978/07), a private company incorporated under the laws of South Africa, 100% of the issued share capital of which is held by STADIO Investment Holdings;
“STADIO Group”	collectively, STADIO and its Subsidiaries;
“STADIO Investment Holdings”	STADIO Investment Holdings Proprietary Limited (registration number 2016/371414/07), a private company incorporated under the laws of South Africa, 100% of the issued share capital of which is held by STADIO;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a private company incorporated under the laws of South Africa, a central securities depository licensed in terms of the Financial Markets Act and responsible for the electronic clearing and settlement system provided to the JSE;
“Subsidiary”	a “subsidiary” as defined in the Companies Act, but also includes an entity incorporated outside South Africa which would, if incorporated in South Africa, be a “subsidiary” as defined in the Companies Act;
“Transfer Secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company incorporated under the laws of South Africa, the particulars of which appear in the “Corporate Information” section of this Circular;
“Underwriter” or “PSG Financial Services”	PSG Financial Services Limited (registration number 1919/000478/06), a public company incorporated under the laws of South Africa, 100% of the issued ordinary share capital of which is held by PSG Group; and
“Underwritten Shares”	the maximum of 125 471 918 Rights Offer Shares underwritten by the Underwriter in terms of the Irrevocable Undertaking and Underwriting Agreement.

STADIO

— HOLDINGS —

STADIO HOLDINGS LIMITED

(Previously Embury Holdings Proprietary Limited)

(incorporated in the Republic of South Africa)

Registration number: 2016/371398/06

JSE share code: SDO

ISIN ZAE000248662

("STADIO")

Directors

CR van der Merwe (Chief executive officer)

S Totaram (Chief financial officer)

D Singh (Chief academic officer)

RH Stumpf ** (Chairperson)

R Kisten **

KS Sithole **

PN de Waal *

A Mellet (alternate Director to PN de Waal) *

* *non-executive*

independent

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THE CIRCULAR

- 1.1 Shareholders are referred to the announcement published on SENS on Tuesday, 3 October 2017, in which it was announced that STADIO intends raising approximately R640 million by way of the Rights Offer and up to R200 million through the B-BBEE Transaction, for a total capital raising of approximately R840 million.
- 1.2 STADIO has received an irrevocable undertaking from PSG Financial Services (being its major Shareholder), in terms of which PSG Financial Services irrevocably undertook that it and/or PSG Alpha (being a Subsidiary of PSG Financial Services), will follow all of their Rights in terms of the Rights Offer. In addition, PSG Financial Services has agreed that it will underwrite the balance of the Rights Offer, being a maximum of 125 471 918 Rights Offer Shares.
- 1.3 The purpose of this Circular and the Form of Instruction is to furnish Shareholders with information concerning the Rights Offer and the implications thereof in accordance with the JSE Listings Requirements.
- 1.4 In terms of the Rights Offer, Shareholders recorded in the Register at the close of trade on Friday, 13 October 2017, will be entitled to subscribe for the Rights Offer Shares on the basis of 57.19647 Rights Offer Shares for every 100 Shares held, at the Rights Offer Issue Price of 250 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.
- 1.5 The JSE has agreed to the listing of the Rights Offer Shares and the purpose of this Circular is to furnish Shareholders with relevant information relating to the Rights Offer, the action required and the implications thereof, in accordance with the Companies Act and the JSE Listings Requirements.

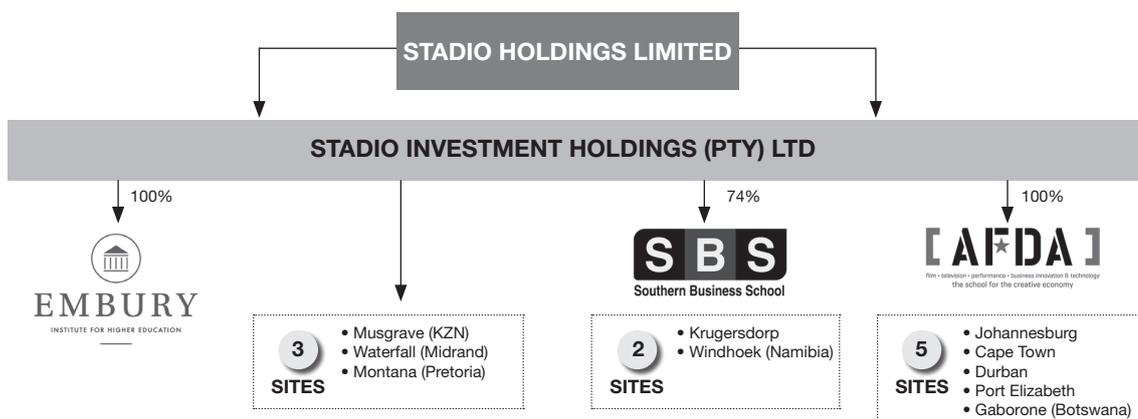
2. RATIONALE FOR THE RIGHTS OFFER AND UTILISATION OF FUNDS

- 2.1 The purpose of the Rights Offer is to raise capital which will be used to settle the bridge funding provided by Curro (which was used to fund the cash settled portions of the purchase considerations payable in terms of the AFDA Acquisition and the SBS Acquisition). It will further be utilised to fund acquisitions that are in various stages of negotiation, the transaction costs related to the various acquisitions as well as the costs of the capital raising and the listing of STADIO on the main board of the JSE.
- 2.2 Following the successful implementation of the Rights Offer and the B-BBEE Transaction as contemplated in the Pre-listing Statement and post settlement of the purchase considerations payable in terms of the AFDA Acquisition and the SBS Acquisition, STADIO will have excess cash on hand of approximately R430 million, which will specifically be utilised to fund further acquisitions that are in various stages of negotiations. STADIO believes that this capital will be fully invested within the next 6 to 12 months.

3. OVERVIEW OF THE STADIO GROUP

3.1 STADIO Group Structure

The following diagram sets out the STADIO Group structure after the implementation of the SBS Acquisition, which is anticipated to be completed shortly after the Listing Date:



3.2 Businesses

The various businesses of the STADIO Group are detailed below:

3.2.1 Embury Institute for Higher Education Proprietary Limited (Embury) (100%)

3.2.1.1 Embury is a South African registered higher education institution (DHET registration number 2008/HE07/004) which currently offers 8 accredited undergraduate teacher-education qualifications through both contact and distance learning modes, to prepare teachers for working in South African schools. Embury currently has approximately 1 100 students registered for contact and distance learning qualifications at its Morningside campus in Durban (KwaZulu-Natal). Currently the Morningside campus is at capacity which has limited Embury's growth potential in KwaZulu-Natal to date. During 2017, Embury (through STADIO) acquired and developed the Musgrave campus in order to meet the increased demand. The Musgrave campus will be able to accommodate a maximum capacity of 2 700 students. The current Embury Morningside campus will thus relocate to the newly constructed Musgrave campus at the beginning of 2018 and strongly position Embury for its next phase of growth in KwaZulu-Natal.

3.2.1.2 Embury is in the process of expanding its national footprint and academic programme offerings. The STADIO Board believes that there exists a large opportunity for teacher-education qualifications in Gauteng. As such in January 2018, Embury will open two new campuses in Gauteng, one in Waterfall Estate (Midrand) and the other in Montana (Pretoria). It is estimated that these new campuses will take between 3 and 4 years (i.e. between 2020 and 2021) to breakeven, as the Embury brand gains traction in Gauteng, and thereafter both campuses are expected to contribute meaningfully to the profits of the STADIO Group.

3.2.1.3 Embury is also currently in the process of developing 17 new contact and distance learning qualifications for its teacher education and economic and management sciences faculties. Embury has developed and submitted a number of economic and management sciences qualifications, including its own PGDA, to the CHE for accreditation. Embury is also in the process of obtaining SAICA accreditation for this PGDA programme.

3.2.1.4 Furthermore, Embury has entered into an agreement to acquire the business, intellectual property and employees of CA Connect, with effect from 1 January 2018. CA Connect is a private education business which currently collaborates with a higher education institution in offering a one-year PGDA, which allows students to write the "Initial Test of Competence", being the first of SAICA's professional exams for students on the path to becoming registered Chartered Accountants. The CA Connect team will join and assist in developing Embury's new economic and management sciences faculty from 1 January 2018.

3.2.2 The South African School of Motion Picture Medium and Live Performance Proprietary Limited (AFDA) (100%)

3.2.2.1 AFDA is a South African registered higher education institution, (DHET registration number 2001/HE07/012) and offers 9 fully accredited programmes ranging from higher certificates to masters' degrees, primarily focused on the film, television and live performance industry.

3.2.2.2 AFDA was founded in 1994 by Garth Holmes, Bata Passchier and Deon Opperman. Since then it has grown from 6 students, to a premier institution of its kind in the world, with approximately 1 950 students on campuses in Johannesburg, Cape Town, Durban and Port Elizabeth. AFDA has grown its student numbers consistently from 1 570 students in 2015 to 1 775 students in 2016 and to 1 950 students currently enrolled at its 4 South African campuses. These current campuses can accommodate an approximate student capacity of 4 000 students. AFDA will further look to expand its offerings in locations such as Pretoria and Soweto over time.

- 3.2.2.3 As a further part of its strategy to expand its brand offering, and prepare graduates for the demands of a digital economy, AFDA launched its business innovation and technology degree offering, to address the exciting exponential development of the creative economy.
- 3.2.2.4 It is the intention of AFDA to broaden the scope of its offering in the connected creative ecology, by increasing its choice of disciplines, including interior, graphic and fashion design, advertising, virtual reality, 3D printing, music, sound and application development to produce innovative and profitable business concepts, popular culture, media and entertainment, for both local and global markets.
- 3.2.3 **Southern Business School Proprietary Limited (Southern Business School) (74%)**
 - 3.2.3.1 The Southern Business School is a South African registered higher education institution (DHET registration number: 2002/HE07/015), with its Subsidiary, Southern Business School Namibia, being recognised by the Namibian Qualification Authority. The Southern Business School has 11 accredited distance learning programmes (ranging from higher certificates to masters' degrees) with 3 academic schools, namely the School of Business and Economics, the School of Safety in Society and the School of Law, which offer dedicated formal programmes as well as short courses.
 - 3.2.3.2 Founded by Chris Vorster in 1996, the Southern Business School, which originally opened its doors with 38 students in 1996, offers accredited programmes through distance learning. The business has reflected stellar growth in student numbers from approximately 6 905 students in 2015, to approximately 8 533 students in 2016 and to approximately 9 956 students in 2017, enrolled in South Africa and Namibia.
 - 3.2.3.3 As a contributor to growth, in 2016, the Southern Business School launched a Bachelor of Commerce (in Law) degree as part of its strategy to expand its range of programmes offered.
 - 3.2.3.4 The Southern Business School will continue to seek out growth opportunities (in South Africa and Namibia) by introducing new programmes as well as increasing its presence, through effective marketing, and extending its reach geographically. Being a distance learning provider, the Southern Business School will not require the physical building infrastructure required, for example, by the Embury or AFDA businesses. This business is thus able to scale its operations and widen access with investment in appropriate information technology improvements over time.

3.3 Growth strategy

STADIO will grow its business by focussing on:

- 3.3.1 the acquisition of reputable higher education institutions, aligned with STADIO's Multiversity strategy and ethos, with the aim to accumulate a wide spread of programmes and qualifications in various fields of higher education;
- 3.3.2 optimising the utilisation of STADIO's newly constructed facilities, namely:
 - 3.3.2.1 Musgrave (KwaZulu-Natal) (contact learning capacity of 2 700 students);
 - 3.3.2.2 Montana (Pretoria) (contact learning capacity of 1 700 students); and
 - 3.3.2.3 Waterfall (Midrand) (contact learning capacity of 1 700 students);
- 3.3.3 promoting growth of existing brands (i.e. Embury, AFDA, the Southern Business School). This will include:
 - 3.3.3.1 geographic expansion through rolling out the brands to new locations;
 - 3.3.3.2 accrediting further undergraduate and post-graduate degrees, diplomas and higher certificate qualifications across various brands;
 - 3.3.3.3 investing in focused marketing across the various brands and products of the STADIO Group; and
 - 3.3.3.4 expanding distance learning offerings across the brands (key qualifications to be accredited on both distance learning and contact learning modes of delivery); and
- 3.3.4 expanding into greenfield opportunities by exploring its offering into new faculties, such as Engineering as well as Health and Sciences, in due course.

3.4 Key strengths and competitive advantages

- 3.4.1 The Board believes that the STADIO Group's strengths and competitive advantages include the following:
 - 3.4.1.1 a qualified and highly-skilled leadership team with expertise in education, academics, finance and business;
 - 3.4.1.2 quality, well established niche-market brands that are acknowledged leaders in their respective fields of offering;
 - 3.4.1.3 a teaching and learning ideology focussed on graduate success, entrepreneurship and employability. STADIO recognises that a number of higher education students do not progress academically, as a result of not achieving examination admission. STADIO believes that, having registered a student, the higher education institution must take all reasonable and responsible steps to facilitate the success of such student, including the implementation of the 'credit retry' principle as an integral element of its teaching and learning methodology;

3.4.1.4 access to capital and strong financial backing; and

3.4.1.5 economies of scale.

3.4.2 In comparison to the basic education environment, the higher education environment requires lower fixed capital expenditure, with less emphasis on physical infrastructure and fewer buildings required and the potential to leverage off distance learning opportunities to effectively bridge the geographical divide and widen access to a greater number of students.

4. PROSPECTS

4.1 STADIO's objective is to facilitate, through its Subsidiaries, access to quality higher education, giving its students realistic opportunities of finding or creating future employment.

4.2 Through implementing its growth strategy, the details of which are set out in paragraph 3.3 of this Circular, the STADIO Group's objective, as stipulated in the Pre-listing Statement, is to increase its student enrolments (across both the contact and distance learning modes of delivery) initially to 35 000 students in the medium term and then to approximately 56 000 students by 2026, earning a profit after taxation of approximately R500 million. STADIO believes that the aforementioned target can be achieved through deploying: (i) the capital of up to R840 million raised from the Rights Offer and the B-BBEE Transaction; (ii) internally generated cash; and (iii) debt funding.

PLEASE NOTE THAT THE AFOREGOING STATEMENT OF STADIO'S OBJECTIVE HAS NOT BEEN REVIEWED OR REPORTED ON BY STADIO'S AUDITORS OR BY AN INDEPENDENT REPORTING ACCOUNTANT NOR IS SAME GUARANTEED. IT IS HOWEVER AN OBJECTIVE THAT STADIO WISHES TO ACHIEVE BY 2026.

4.3 Over time however, STADIO's vision is to increase its reach to 100 000 students and more.

4.4 Given the opportunities in the sector and the demand for quality higher education, the Board is of the opinion that STADIO's prospects are very favourable.

5. PARTICULARS OF THE RIGHTS OFFER

5.1 Terms of the Rights Offer

5.1.1 Shareholders recorded in the Register at the close of business on Friday, 13 October 2017, are offered 256 000 011 Rights Offer Shares at the Rights Offer Issue Price of 250 cents per Rights Offer Share and in the ratio of 57.19647 Rights Offer Share for every 100 Shares held, 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 Shareholders will be entitled to rounded number of Shares once the Ratio of Entitlement has been applied.

5.1.2 The Rights Offer Issue Price represents a discount of 23% to the price at which Shares were issued to the vendors in terms of the AFDA Acquisition on 24 August 2017. STADIO will raise an amount of approximately R640 million in terms of the Rights Offer.

5.1.3 The Record Date for the Rights Offer for determining which Shareholders are entitled to participate in the Rights Offer is Friday, 13 October 2017.

5.1.4 Upon their issue, the Rights Offer Shares will rank *pari passu* in all respects with the existing Shares.

5.1.5 The Letters of Allocation in respect of the Rights Offer are negotiable and will be listed on the JSE on Wednesday, 11 October 2017, under the JSE code SDON and ISIN ZAE000250379. The Rights Offer Shares cannot be traded before such Shares are listed on the JSE on Wednesday, 25 October 2017.

5.1.6 The Rights Offer does not constitute an offer in any area of jurisdiction in which it is illegal to make such an offer and in such circumstances, this Circular and accompanying Letter of Allocation are distributed for information purposes only.

5.1.7 The enclosed Form of Instruction contains details of the Rights to which holders of Certificated Shares are entitled, as well as the procedure for acceptance and/or sale and/or renunciation of all or part of those Rights.

5.1.8 Holders of Dematerialised Shares will be advised of the Rights to which they are entitled as well as the procedure for acceptance and/or sale and/or renunciation of all or part of those Rights by their CSDP or Broker in terms of the Custody Agreement entered into between the Shareholder and his CSDP or Broker, as the case may be.

5.1.9 The Rights Offer Issue Price is payable in full, in Rand, by Qualifying Shareholders holding Certificated Shares on acceptance of the Rights Offer. CSDPs will make payment, on a delivery versus payment basis, in respect of Qualifying Shareholders holding Dematerialised Shares who have accepted the Rights Offer. Qualifying Shareholders holding Dematerialised Shares 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.

5.1.10 The Rights Offer is underwritten by the Underwriter as detailed in paragraph 5.7 of this Circular.

5.2 Opening and closing dates of the Rights Offer

The Rights Offer will open at 09:00 on Monday, 16 October 2017, and will close at 12:00 on Friday, 27 October 2017.

5.3 Excess

The Rights Offer does not include the right for Shareholders to apply for excess Rights Offer Shares.

5.4 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** to this Circular. The entitlement of each Qualifying Shareholder holding Certificated Shares is reflected in the appropriate block in the Form of Instruction, which is enclosed with this Circular. If you are a Qualifying Shareholder and hold Dematerialised Shares you will not receive a printed Form of Instruction. Qualifying Shareholders holding Dematerialised Shares will have their accounts automatically credited with their entitlements in accordance with **Annexure 1**.

5.5 Fractional entitlement

The whole number of Rights to subscribe for 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 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.

5.6 Minimum Subscription and Irrevocable Undertaking

5.6.1 The Rights Offer is not conditional on any minimum subscription being obtained.

5.6.2 Pursuant to the provisions of the Irrevocable Undertaking and Underwriting Agreement, PSG Financial Services provided STADIO with an irrevocable undertaking that it and/or PSG Alpha (being a Subsidiary of PSG Financial Services), will follow all of their Rights in terms of the Rights Offer and will subscribe for all the Rights Offer Shares to which they are entitled under the Rights Offer, as set out below:

Number of Shares held before the Rights Offer	Number of Rights Offer Shares Offered	% of Rights Offer Shares	Number of Shares held after the Rights Offer
228 210 051	130 528 093	51%	358 738 144

5.7 Underwriting

5.7.1 The Underwriter has irrevocably undertaken that it will underwrite the balance of the Rights Offer Shares, being a maximum of 125 471 918 Rights Offer Shares, to the extent that Shareholders other than PSG Financial Services and/or PSG Alpha do not follow their Rights.

5.7.2 The Board, after due and careful enquiry is of the opinion that the Underwriter has sufficient resources to meet its financial commitments in terms of the Irrevocable Undertaking and Underwriting Agreement.

5.7.3 No securities are offered as a preferential right to any person, other than as contemplated by virtue of the Rights Offer.

5.7.4 Further particulars of the Underwriter are set out in **Annexure 2** to this Circular.

5.8 Commitment and Underwriting Fee

5.8.1 In terms of the Irrevocable Undertaking and Underwriting Agreement, there will be –

5.8.1.1 a commitment fee equal to 1.5% of the aggregate Rights Offer Issue Price of all of the Rights Offer Shares to which PSG Financial Services and/or PSG Alpha are entitled and subscribe for; and

5.8.1.2 an underwriting fee equal to 1.5% of the aggregate Rights Offer Issue Price of all the Underwritten Shares which the Underwriter underwrites; being an aggregate fee of R9 600 000, excluding VAT,

payable by STADIO to PSG Financial Services or its duly authorised nominee, which nominee shall be a wholly-owned Subsidiary of PSG Financial Services (whose appointment as nominee shall be confirmed in writing).

5.8.2 Such fee will not be paid until the underwriting commitments have been met. In the opinion of the Board, the underwriting fee is not greater than the current market rate charged by independent underwriters.

5.9 Procedures for acceptance

5.9.1 If you are a Qualifying Shareholder holding Certificated Shares and/or have had Rights renounced in your favour, and wish to **subscribe** for all or part of your entitlement in terms of the enclosed Form of Instruction, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it together with payment of the Rights Offer Issue Price with the Transfer Secretaries at the addresses set out in paragraph 5.11.1.2 of this Circular, so as to be received by the Transfer Secretaries by no later than 12:00 on Friday, 27 October 2017. Once received by the Transfer Secretaries, the acceptance is irrevocable and may not be withdrawn.

5.9.2 If payment is not received on or before 12:00 on Friday, 27 October 2017, the day of the closing of the Rights Offer, the Qualifying Shareholder or renounee concerned will be deemed to have declined the Rights Offer to acquire Rights Offer Shares pursuant to the Rights Offer.

5.9.3 Qualifying Shareholders holding Certificated Shares are advised to take into consideration postal delivery times when posting their Forms of Instruction, as no late postal deliveries will be accepted. Qualifying Shareholders are advised to deliver their completed Forms of Instruction together with their **bank-guaranteed cheques or bankers' drafts, or EFT swift reference number** by hand or by courier, where possible to the Transfer Secretaries as set out in the enclosed Form of Instruction. Forms of Instruction together with proof of EFT payment may also be emailed to the Transfer Secretaries in accordance with the provisions of the section of this Circular titled "Action Required by Shareholders".

- 5.9.4 If you are a Qualifying Shareholder and have Dematerialised your Shares you will not receive a printed Form of Instruction. You should receive notification from your CSDP or Broker regarding the Rights to which you are entitled in terms of the Rights Offer.
- 5.9.5 If you are a Qualifying Shareholder holding Dematerialised Shares and wish to follow your Rights in respect of the Rights Offer, you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the Custody Agreement governing the relationship between yourself and your CSDP or Broker.
- 5.9.6 **STADIO does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Shares and/or to sell the Rights allocated.**
- 5.10 **Procedures for sale and renunciation**
- 5.10.1 If you are a Qualifying Shareholder holding Certificated Shares and do not wish to subscribe for all of the Rights allocated to you as reflected in the Form of Instruction, you may either sell or renounce all or part of your entitlement as follows:
- 5.10.1.1 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 Friday, 20 October 2017.
- 5.10.1.2 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 STADIO 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; and
- 5.10.1.3 if you wish to **renounce** your entitlement or any part thereof 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, 27 October 2017, **together with a bank-guaranteed cheque or bank draft or an EFT accompanied by an EFT swift reference number for the appropriate subscription amount.**
- 5.10.1.4 If you wish to renounce parts of your entitlement in favour of different renounees, you may copy **Form B** and use a copied **Form B** for each additional renounee.
- 5.10.2 If you are a Qualifying Shareholder holding Dematerialised Shares and wish to renounce or sell some or all of the Rights allocated to you as a holder of Dematerialised Shares, you should make the necessary arrangements with your CSDP or Broker in the manner and time stipulated in the Custody Agreement governing the relationship between yourself and your CSDP or Broker.
- 5.11 **Payment**
- 5.11.1 **Payment by holders of Certificated Shares**
- 5.11.1.1 The amount due on acceptance of the Rights Offer is payable in Rand.
- 5.11.1.2 **A banker's draft drawn on a registered bank or a bank-guaranteed cheque drawn on a South African bank** (each of which should be crossed and marked "not transferable" and, in the case of a cheque, with the words "or bearer" deleted) in favour of **"STADIO Holdings Limited – Rights Offer"** in respect of the amount due **or an EFT accompanied by an EFT swift reference number** (obtainable from the Transfer Secretaries, at +27 (0) 8611 00634), together with a properly completed Form of Instruction, should be clearly marked **"STADIO Holdings Limited – Rights Offer"**, and delivered:
- | | |
|--|--|
| <p><i>By hand to:</i></p> <p>STADIO Holdings Limited – Rights Offer
 c/o Computershare Investor Services
 Proprietary Limited
 Rosebank Towers
 15 Biermann Ave
 Rosebank, 2196</p> | <p><i>By post to:</i></p> <p>STADIO Holdings Limited – Rights Offer
 c/o Computershare Investor Services
 Proprietary Limited
 PO Box 61763
 Marshalltown, 2107</p> |
|--|--|
- By electronic mail (only in the case where payment is by way of EFT) to:*
- STADIO Holdings Limited – Rights Offer**
c/o Computershare Investor Services
Proprietary Limited
corporate.events@computershare.co.za
- so as to be received by no later than 12:00 on Friday, 27 October 2017.

5.11.1.3 All bank-guaranteed cheques or bankers' drafts received by the Transfer Secretaries will be deposited immediately for payment. The payment as referred to in paragraph 5.11.1.2 will constitute an irrevocable acceptance by the Shareholder or renounee of the Rights Offer upon the terms and conditions set out in this Circular and in the enclosed Form of Instruction. In the event that any cheque or banker's draft is dishonoured, STADIO, in its sole discretion, may treat the relevant acceptance as void or may tender delivery of the relevant Rights Offer Shares to which it relates against payment in cash of the Rights Offer Issue Price for such Rights Offer Shares.

5.11.1.4 Money received in respect of an application that is rejected or otherwise treated as void by STADIO, or which is otherwise not validly received in accordance with the terms stipulated, will be posted by registered post by way of a cheque drawn (without interest) in Rand to the applicant concerned, at the applicant's risk, or paid by EFT (without interest) in Rand to the applicant concerned on or about Monday, 30 October 2017. If the applicant concerned is not a Shareholder and gives no address or bank details in the attached Form of Instruction, then the relevant refund will be held by STADIO until collected by the applicant and no interest will accrue to the applicant in respect thereof.

5.11.2 **Payment by holders of Dematerialised Shares**

Payment will be effected on the Shareholder's behalf in Rand by the CSDP or Broker. The CSDP or Broker will make payment in respect of Qualifying Shareholders holding Dematerialised Shares on a delivery versus payment basis.

5.12 **Exchange Control Regulations**

5.12.1 An outline of the applicable Exchange Control Regulations is available in **Annexure 3** to this Circular. Relevant Qualifying Shareholders are advised to acquaint themselves with these regulations.

5.12.2 In the case of Qualifying Shareholders who wish to "rematerialise" their Dematerialised Rights Offer Shares as provided for above and whose registered addresses in the Register are outside of the Common Monetary Area, or where the relevant share certificates are restrictively endorsed in terms of the Exchange Control Regulations, the following will apply:

5.12.2.1 for non-residents who are emigrants, the replacement Documents of Title will be sent to the Qualifying Shareholder's authorised dealer in foreign exchange in South Africa controlling their blocked assets; and

5.12.2.2 for all other non-residents, the replacement Documents of Title will be restrictively endorsed "non-resident" in terms of the Exchange Control Regulations.

5.13 **JSE Listings**

The Issuer Regulation Division of the JSE has approved the listing of:

5.13.1 the Letters of Allocation in respect of all of the 256 000 011 Rights Offer Shares with effect from the commencement of trade on Wednesday, 11 October 2017, to the close of trade on Tuesday, 24 October 2017, both days inclusive; and

5.13.2 256 000 011 Rights Offer Shares with effect from the commencement of trade on Wednesday, 25 October 2017.

5.14 **Documents of title**

5.14.1 New share certificates to be issued to Qualifying Shareholders holding Certificated Shares or renounees who have opted to "rematerialise" their Dematerialised Rights Offer Shares to which they are entitled as contemplated in the section titled "*Action Required By Shareholders*", will be posted to persons entitled thereto, by registered post, at the risk of the Shareholders concerned, on or about Monday, 30 October 2017, provided that the Form of Instruction in respect thereof has been provided to the Transfer Secretaries before 12:00 on Friday, 27 October 2017.

5.14.2 Qualifying Shareholders receiving the Rights Offer Shares must note that such Certificated Shares are not good for delivery in respect of future trades on the JSE until they have been Dematerialised.

5.14.3 Qualifying Shareholders holding Dematerialised Shares who have applied for, and been allotted, Rights Offer Shares under the Rights Offer will have their accounts updated with the Rights Offer Shares to which they are entitled and in respect of which they have accepted the Rights Offer, on Monday, 30 October 2017.

5.15 **Taxation**

Shareholders are advised to consult their tax and financial advisors regarding any taxation implications pertaining to them regarding the acceptance of their Rights in terms of the Rights Offer.

6. SHARE CAPITAL

The authorised and issued share capital of STADIO, before and after the Rights Offer is set out below:

Before the Rights Offer:

	Number of Shares	R
Authorised share capital		
Ordinary Shares of no par value	1 000 000 000	–
Issued share capital		
Stated capital – ordinary Shares of no par value	447 580 089	441 963 964
Treasury Shares	–	–
Total	447 580 089	441 963 964

After the Rights Offer:

	Number of Shares	R
Authorised share capital		
Ordinary Shares of no par value	1 000 000 000	–
Issued share capital		
Stated capital – ordinary Shares of no par value	703 580 100	1 071 013 992
Treasury Shares	–	–
Total	703 580 100	1 071 013 992

Notes:

1. STADIO has no shares held in treasury, as at the Last Practicable Date.
2. Assuming all Rights Offer Shares are subscribed for in terms of the Rights Offer.
3. The expenses of the Rights Offer (R10.95 million) will be written off against the stated capital.

7. INFORMATION OF DIRECTORS AND MANAGEMENT OF STADIO

7.1 Composition of the Board

The full names, ages, business address and capacities of the Directors of STADIO are provided below:

Full name	Age	Capacity	Business Address
Christiaan Rudolph van der Merwe	55	Chief executive officer	Unit 13, San Domenico, 10 Church Street, Durbanville, 7550
Samara Totaram	38	Chief financial officer	Unit 13, San Domenico, 10 Church Street, Durbanville, 7550
Divya Singh	52	Chief academic officer	Unit 13, San Domenico, 10 Church Street, Durbanville, 7550
Rolf Heinrich Stumpf	71	Independent non-executive Director	5 Clingendael Close, Tokai, Cape Town, 7945
Renganayagee Kisten	52	Independent non-executive Director	Unit 13, San Domenico, 10 Church Street, Durbanville, 7550
Khayelihle Sibusiso Sithole	31	Independent non-executive Director	18 Gladiolus Road, Avoca Hills, Durban, 4051
Pieter Nicolaas de Waal	42	Non-executive Director	2 nd Floor, Ou Kollege, 35 Church Street, Stellenbosch, 7600
Andries Mellet	34	Alternate non-executive Director to PN de Waal	2 nd Floor, Ou Kollege, 35 Church Street, Stellenbosch, 7600

7.2 Directors and executive management

- 7.2.1 There will be no variation in the composition of the Board of STADIO, the various boards of directors of any of its Major Subsidiaries and/or the executive management of STADIO as a consequence of this Rights Offer.
- 7.2.2 None of the Directors have been convicted of an offence involving dishonesty, declared bankrupt, insolvent or entered into voluntary compromise of arrangements, nor have they been publicly criticised by any statutory or regulatory authorities or disqualified by a court from acting as a director, manager or conducting the affairs of a company.
- 7.2.3 There were no receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any compromise with creditors generally or any class of creditors, where any Director is or was a director with an executive function of such company at the time of, or within 12 months preceding such events, save for A Mellet, who was a director of Capevin Investments Limited when it underwent a solvent voluntary liquidation.

7.3 Directors' emoluments

- 7.3.1 There will be no variation in the remuneration receivable by any of the Directors as a consequence of this Rights Offer.
- 7.3.2 Each of the executive Directors has concluded service contracts with terms and conditions that are standard for such appointments, which service contracts are available for inspection in terms of paragraph 12 of the Circular. The duration of each Director's appointment is determined by such agreement.

7.4 Directors' interests in securities

- 7.4.1 At the Last Practicable Date, the following Directors of STADIO (and their associates), including Directors who have resigned during the last 18 months, held, in aggregate, directly and indirectly, approximately 0.96% of STADIO's issued Shares, as follows:

Director	Direct number of Shares held	Direct % of Shares in issue held	Indirect number of Shares held	Indirect % of Shares in issue held	Total number of Shares held	Total % of Shares in issue held
CR van der Merwe	-	-	3 711 677	0.90%	3 711 677	0.90%
S Totaram	122 333	0.03%	-	-	122 333	0.03%
D Singh	-	-	-	-	-	-
RH Stumpf	-	-	-	-	-	-
R Kisten	-	-	-	-	-	-
KS Sithole	-	-	-	-	-	-
PN de Waal	98 048	0.02%	-	-	98 048	0.02%
A Mellet	21 121	0.01%	13 000	0.00%	34 121	0.01%
Total	241 502	0.06%	3 724 677	0.90%	3 966 179	0.96%

- 7.4.2 There has been no change in the Shareholding of the Directors between the Listing Date and the Last Practicable Date.
- 7.4.3 Save for being a Shareholder of STADIO, no Director of STADIO and no director of any of its Subsidiaries, (including a director who has resigned during the last 18 months) has or had any material beneficial interest, directly or indirectly, in any transactions that were effected by STADIO:
- 7.4.3.1 during the current or immediately preceding financial year; or
- 7.4.3.2 in any previous financial year which remains in any respect outstanding or unperformed.

8. EXPENSES

- 8.1 It is estimated that STADIO's expenses relating to the Rights Offer will amount to approximately R10 950 000. The expenses (excluding VAT) relating to the Rights Offer have been detailed below:

Nature of Expense	Payable to	R
Transaction Advisor and Sponsor fees	PSG Capital	850 000
Independent Sponsor fees	Questco	50 000
Documentation inspection fees	JSE	25 105
Listing fees	JSE	225 356
Transfer Secretaries fees	Computershare	30 000
Strate fees	Strate	10 000
Printing, publication and distribution	Greymatter & Finch	100 000
Commitment and underwriting fees	PSG Financial Services	9 600 000
Contingency		59 539
Estimated Total		10 950 000

- 8.2 Other than set out above, STADIO has incurred no preliminary expenses in relation to the Rights Offer during the three years preceding the date of this Circular.
- 8.3 The expenses of the Rights Offer will be written off against the stated capital.

9. SHARE TRADING HISTORY

STADIO was only listed on the JSE on 3 October 2017, being the date of this Circular, and accordingly no share trading history of STADIO on the JSE has been included in this Circular.

10. RESPONSIBILITY STATEMENT

The Directors of STADIO, whose names appear in the "Corporate Information" section of this Circular, 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. All the Directors have read, and understand and agree with, the contents of this Circular and have authorised the chief executive officer of STADIO, by way of powers of attorney granted to him, to sign this Circular on their behalf.

11. EXPERTS' CONSENTS

Each of the advisors whose names appear on the front cover of this Circular have consented and have not, prior to the Last Practicable Date, withdrawn their written consents to the inclusion of their names and, where applicable, reports in the form and context in which they appear in this Circular.

12. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of STADIO and at the Stellenbosch and Johannesburg offices of PSG Capital at the addresses referred to in the "Corporate Information" section of this Circular, during normal office hours from the date of issue of this Circular until Friday, 27 October 2017:

- 12.1 the memorandum of incorporation of STADIO and its Subsidiaries;
- 12.2 the trust deed for the STADIO Holdings Group Share Incentive Trust;
- 12.3 the agreements relating to the AFDA Acquisition and the SBS Acquisition;
- 12.4 the historical financial information of STADIO and its Subsidiaries;
- 12.5 the employment agreements of the executive Directors;
- 12.6 the Irrevocable Undertaking and Underwriting Agreement;
- 12.7 written consents of the Underwriter, Transaction Advisor and Sponsor, Independent Sponsor and Transfer Secretaries to the inclusion of their names in this Circular in the context and form in which they appear;
- 12.8 a signed copy of this Circular; and
- 12.9 the powers of attorney signed by the Directors.

SIGNED AT DURBANVILLE ON 3 OCTOBER 2017 BY DR CHRIS VAN DER MERWE ON BEHALF OF ALL THE DIRECTORS OF STADIO, AS LISTED BELOW, IN TERMS OF POWERS OF ATTORNEY SIGNED BY SUCH DIRECTORS



DR CHRIS VAN DER MERWE

CR van der Merwe

S Totaram

D Singh

RH Stumpf

R Kisten

KS Sithole

PN de Waal

A Mellet (alternate Director to PN de Waal)

TABLE OF ENTITLEMENT

The definitions and interpretations commencing on page 7 of the Circular apply to this **Annexure 1**.

The number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out below. Shareholders will be entitled to 57.19647 Rights Offer Shares for every 100 Shares held at the Record Date for the Rights Offer, provided that fractions of Shares will not be issued and that any fractions of Shares will be rounded down to the nearest whole number or otherwise dealt with in accordance with the JSE Listings Requirements.

Number of Shares held	Number of Rights Offer Shares entitled to receive	Number of Shares held	Number of Rights Offer Shares entitled to receive	Number of Shares held	Number of Rights Offer Shares entitled to receive
1	1	42	24	83	47
2	1	43	25	84	48
3	2	44	25	85	49
4	2	45	26	86	49
5	3	46	26	87	50
6	3	47	27	88	50
7	4	48	27	89	51
8	5	49	28	90	51
9	5	50	29	91	52
10	6	51	29	92	53
11	6	52	30	93	53
12	7	53	30	94	54
13	7	54	31	95	54
14	8	55	31	96	55
15	9	56	32	97	55
16	9	57	33	98	56
17	10	58	33	99	57
18	10	59	34	100	57
19	11	60	34	125	71
20	11	61	35	150	86
21	12	62	35	175	100
22	13	63	36	200	114
23	13	64	37	500	286
24	14	65	37	1 000	572
25	14	66	38	5 000	2 860
26	15	67	38	10 000	5 720
27	15	68	39	20 000	11 439
28	16	69	39	50 000	28 598
29	17	70	40	100 000	57 196
30	17	71	41	200 000	114 393
31	18	72	41	300 000	171 589
32	18	73	42	400 000	228 786
33	19	74	42	500 000	285 982
34	19	75	43	1 000 000	571 965
35	20	76	43	2 000 000	1 143 929
36	21	77	44	3 000 000	1 715 894
37	21	78	45	4 000 000	2 287 859
38	22	79	45	5 000 000	2 859 824
39	22	80	46	10 000 000	5 719 647
40	23	81	46	50 000 000	28 598 235
41	23	82	47	100 000 000	57 196 470

INFORMATION ON THE UNDERWRITER

The definitions and interpretations commencing on page 7 of the Circular apply to this **Annexure 2**.

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

1. Nature of business

PSG Financial Services is an investment holding company consisting of underlying investments that operate across a diverse range of industries including banking, education, financial services and food and related business, as well as early-stage investments in growth sectors. PSG Financial Services, being a wholly-owned Subsidiary of PSG Group, is the investment holding company for all of PSG Group's direct and/or indirect investments.

2. Directors

PJ Mouton (Chief executive officer)
 WL Greeff (Chief financial officer)
 JA Holtzhausen
 JF Mouton (Chairman)
 PE Burton
 ZL Combi
 MJ Jooste (Alternate: AB la Grange)
 JJ Mouton
 CA Otto
 B Mathews
 FJ Gouws

3. Company secretary

PSG Corporate Services (Pty) Limited

4. Date and place of incorporation

25 July 1919, Pretoria

5. Registration number

1919/000478/06

6. Registered office

1st Floor, Ou Kollege
 35 Kerk Street
 Stellenbosch
 7600

7. Auditor

PricewaterhouseCoopers Inc.

8. Bankers

FirstRand Bank Limited

9. Authorised share capital

Ordinary share capital

1 000 000 000 ordinary shares with no par value

Preference share capital

30 000 000 cumulative, non-redeemable, non-participating, variable rate preference shares with no par value

10. Issued share capital

Ordinary share capital

599 256 535 ordinary shares with no par value

Preference share capital

17 415 770 cumulative, non-redeemable, non-participating, variable rate preference shares with no par value.

EXCHANGE CONTROL REGULATIONS

*The definitions and interpretations commencing on page 7 of the Circular apply to this **Annexure 3**.*

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.

Pursuant to the Exchange Control Regulations and upon specific approval of the South African Reserve Bank, non-residents, excluding former residents, of the Common Monetary Area will be allowed to:

- take up Rights allocated to them in terms of the Rights Offer;
- purchase Letters of Allocation on the JSE;
- subscribe for the Rights Offer Shares arising in respect of the Letters of Allocation purchased on the JSE; and
- provided payment is received either through normal banking channels from abroad or from a non-resident account.

All applications by non-residents for the above purposes must be made through an authorised dealer in foreign exchange. Electronic statements issued in terms of Strate and any share certificates issued pursuant to such applications will be endorsed "non-resident".

Where a Right in terms of the Rights Offer becomes due to a former resident of the Common Monetary Area, which right is based on shares blocked in terms of the Exchange Control Regulations of South Africa, then only emigrant blocked funds may be used to:

- take up the Rights allocated to them in terms of the Rights Offer;
- purchase Letters of Allocation on the JSE; and
- subscribe for the Rights Offer Shares arising in respect of the Letters of Allocation purchased on the JSE.

All applications by emigrants using blocked funds for the above purposes must be made through the authorised dealer in South Africa controlling their blocked assets. Share certificates issued to such emigrants will be endorsed "non-resident" and placed under the control of the authorised dealer in foreign exchange through whom the payment was made. The proceeds due to emigrants from the sale of the Letters of Allocation, if applicable, will be returned to the authorised dealer in foreign exchange for credit to such emigrants' blocked accounts. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the authorised dealer through whom the payment was made. The proceeds arising from the sale of Letters of Allocation or arising from the sale of blocked Shares will be credited to the blocked accounts of the emigrants concerned.

New share certificates issued pursuant to the Rights Offer to an emigrant will be endorsed "non-resident" and forwarded to the address of the relevant authorised dealer controlling such emigrant's blocked assets for control in terms of the Exchange Control Regulations of South Africa. Where the emigrant's Shares are in Dematerialised form with a CSDP or Broker, the electronic statement issued in terms of Strate will be despatched by the CSDP or Broker to the address of the emigrant in the records of the CSDP or Broker.

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.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions commencing on page 7 of the accompanying Circular apply, *mutatis mutandis*, to the information on this Form of Instruction for the Rights Offer.

This Form of Instruction in respect of a renounceable (nil paid) letter of allocation ("**Form of Instruction**") is negotiable and may be traded on the JSE under JSE Code SDON and ISIN ZAE000250379. If you are in any doubt as to what action to take, please consult your Broker, banker, attorney, accountant or other professional advisor immediately.

STADIO has issued all letters of allocation in dematerialised form and the electronic record for Certificated Shareholders is being maintained by its transfer secretaries, Computershare Investor Services Proprietary Limited ("**Transfer Secretaries**"). This has made it possible for Certificated Shareholders to enjoy the same rights and opportunities with respect to the Form of Instruction as those Shareholders who have already dematerialised their Shares. You must complete this Form of Instruction and return it to the Transfer Secretaries, at the address below, if you wish to dispose of or renounce or take up all or part of your rights in terms hereof.

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

EXCHANGE CONTROL
REGULATIONS
ENDORSEMENT
(see page 2 paragraph 6)

STADIO

— HOLDINGS —

STADIO HOLDINGS LIMITED

(Previously Embury Holdings Proprietary Limited)

(Incorporated in the Republic of South Africa)

Registration number: 2016/371398/06

JSE share code: SDO

ISIN ZAE000248662

("STADIO")

CIRCULAR TO STADIO SHAREHOLDERS

A renounceable Rights Offer of 256 000 011 Shares at an issue price of 250 cents per Share, in the ratio of 57.19647 Rights Offer Shares for every 100 Shares held at the close of business on Friday, 13 October 2017.

SPECIMEN FORM OF INSTRUCTION IN RESPECT OF A LETTER OF ALLOCATION ("FORM OF INSTRUCTION")

Issued only to holders of Certificated Shares

2017

Declaration and finalisation announcement released on SENS on	Tuesday, 3 October
Circular placed on the STADIO website on	Tuesday, 3 October
Last day to trade in Shares in order to participate in the Rights Offer (cum Rights)	Tuesday, 10 October
Listing of and trading in the Letters of Allocation under the JSE Code SDON and ISIN ZAE000250379 on the JSE commences at 09:00 on	Wednesday, 11 October
Shares commence trading ex-Rights on the JSE at 09:00 on	Wednesday, 11 October
Circular posted to Certificated Shareholders together with a Form of Instruction on	Thursday, 12 October
Record Date for the Rights Offer	Friday, 13 October
Rights Offer opens at 09:00 on	Monday, 16 October
Certificated Shareholders will have their Letters of Allocation credited to an electronic account held at the Transfer Secretaries on	Monday, 16 October
Dematerialised Shareholders will have their accounts at their CSDP or Broker credited with their entitlement on	Monday, 16 October
Circular posted to Qualifying Dematerialised Shareholders, where applicable, on	Monday, 16 October
Last day for Certificated Shareholders wishing to sell all or part of their entitlement to lodge Form of Instruction at the Transfer Secretaries by 12:00 on	Friday, 20 October
Last day to trade in Letters of Allocation in order to settle trades by the Record Date for the Letters of Allocation and participate in the Rights Offer at the close of business on	Tuesday, 24 October
Listing of Rights Offer Shares and trading therein on the JSE commences	Wednesday, 25 October
Rights Offer closes at 12:00 on	Friday, 27 October
Payment to be made by 12:00 and Form of Instruction lodged by Certificated Shareholders wishing to renounce or subscribe for all or part of the entitlement, at the Transfer Secretaries on	Friday, 27 October
Record Date for the Letters of Allocation	Friday, 27 October
Rights Offer Shares issued and posted to Shareholders in certificated form (where applicable) on or about	Monday, 30 October
CSDP or Broker accounts in respect of Dematerialised Shareholders will be updated with Rights Offer Shares and debited with any payments due on	Monday, 30 October
Results of Rights Offer announced on SENS	Monday, 30 October

NOTES:

- All references to dates and times are to local dates and times in South Africa.
- The above dates and times are subject to amendment. Any such amendment will be released on SENS.
- Shareholders may not Dematerialise or rematerialise their Shares between Wednesday, 11 October 2017 and Friday, 13 October 2017, both dates inclusive.
- CSDPs effect payment on a delivery-versus-payment method in respect of holders of Dematerialised Shares.
- If you are a holder of Dematerialised Shares you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between yourself and your CSDP or Broker.

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

--

Name and address of Shareholder	Number of Shares deemed to be held at close of business on Friday, 13 October 2017	Number of Rights Offer Shares which can be taken up in terms of paragraph 2 below based on the deemed shareholding as at Friday, 13 October 2017	Amount payable at 250 cents per Rights Offer Share (3) x 250 cents
(1)	(2)	(3)	(4)

Acceptance of Rights Offer Shares	Number of Rights Offer Shares accepted	Total amount due at 250 cents per Rights Offer Share (5) x 250 cents
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)

	Amount of cheque/banker's draft/EFT
TOTAL : (6)	R (7)

EFT swift reference number (only applicable if payment made by EFT)

Addressee telephone number (office hours) (_____) and/or cell phone number (_____)

Signature:

Email address:

Dear STADIO Shareholder,

1. THE RIGHTS OFFER

Shareholders recorded in the Register of STADIO at the close of trade on Friday, 13 October 2017, are offered Rights Offer Shares at the Rights Offer Issue Price of 250 cents per Rights Offer Share in the ratio of 57.19647 Rights Offer Shares for every 100 Shares held. The offer price is 250 cents per Rights Offer Share payable in full on acceptance in the currency of South Africa.

2. ALLOCATION

The Rights Offer Shares stated in **Block (3)** have been provisionally allocated for subscription at a price of 250 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 (7)**.

3.2 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.

3.3 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.

3.4 If you wish to subscribe for the Rights Offer Shares, you must lodge a properly completed Form of Instruction together with the amount due in the currency of South Africa by way of one of the following methods of payment to the Transfer Secretaries, so as to be received by no later than 12:00 on Friday, 27 October 2017:

- a cheque (crossed "not transferable" and with the words "or bearer" deleted)
- banker's draft (drawn on a registered bank), payable to "STADIO Holdings Limited – Rights Offer"
- an EFT swift reference number (EFT to be made into the Designated Bank Account, details of which are available from the corporate; or actions department of the Transfer Secretaries +27 (0) 8611 00634).

3.5 Such payment, when the cheque or banker's draft or EFT has been received, will constitute acceptance of the Rights Offer upon the terms and conditions set out in the accompanying Circular and in this Form of Instruction.

3.6 No acknowledgement of receipt will be given for a cheque or banker's draft or EFT received in accordance with the Rights Offer.

3.7 **If this Form of Instruction and the cheque or banker's draft or EFT swift reference number 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/her renounee), will revert to the Underwriter.**

3.8 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 are received timeously by the Transfer Secretaries.

4. RENUNCIATION OR SALE

4.1 If you are a holder of Certificated Shares 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**. In addition, 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 3.4 above for the number of Rights Offer Shares in respect of which the Rights Offer is accepted. The renounee must also complete **Form E** to indicate if the renounee wishes to receive the Rights Offer Shares in certificated or Dematerialised form.

4.2 The participant lodging this Form of Instruction, with **Form B** purporting to be signed by the Shareholder whose name appears thereon ("**the holder**"), will be taken to be conclusive evidence of the right of such holder:

- to deal with this Form of Instruction; or
- to have the Rights Offer Shares in question allotted and to receive a certificate for those Rights Offer Shares (i.e. STADIO Shares).

4.3 Therefore, STADIO 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.

4.4 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 to be received by no later than 12:00 on Friday, 20 October 2017. 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 STADIO 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.

5. EXCESS APPLICATIONS

5.1 Excess application for Rights Offer Shares (i.e. applications in excess of the number of shares as reflected in **Block (3)** on page 2), will not be allowed.

5.2 Those Rights Offer Shares that are not taken up by Qualifying Shareholders in terms of the Rights Offer, will revert to the Underwriter who shall thereafter be required to subscribe and pay for such Rights Offer Shares.

6. EXCHANGE CONTROL REGULATIONS

6.1 Pursuant to the Exchange Control Regulations of South Africa and upon specific approval of the South African Reserve Bank, non-residents, excluding former residents, of the Common Monetary Area will be allowed to:

- take up rights allocated to them in terms of the Rights Offer;
- purchase Letters of Allocation on the JSE; and
- subscribe for the Rights Offer Shares arising from the Letters of Allocation purchased on the JSE, provided payment is received either through normal banking channels from abroad or from a non-resident account.

6.2 All applications by non-residents for the above purposes must be made through an authorised dealer in foreign exchange. Electronic statements issued in terms of Strate and any Share certificates issued pursuant to such applications will be endorsed "non-resident".

6.3 Where a right in terms of the Rights Offer becomes due to a former resident of the Common Monetary Area, which right is based on Shares blocked in terms of the Exchange Control Regulations of South Africa, then only emigrant blocked funds may be used to:

- take up the rights allocated to them in terms of the Rights Offer;
- purchase Letters of Allocation on the JSE; and
- subscribe for the Rights Offer Shares arising from the Letters of Allocation purchased on the JSE.

6.4 All applications by emigrants using blocked funds for the above purposes must be made through the authorised dealer in South Africa controlling their blocked assets. Share certificates issued to such emigrants will be endorsed "non-resident" and placed under the control of the authorised dealer in foreign exchange through whom the payment was made. The proceeds due to emigrants from the sale of the Letters of Allocation, if applicable, will be returned to the authorised dealer in foreign exchange for credit to such emigrants' blocked accounts. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the authorised dealer through whom the payment was made. The proceeds arising from the sale of Letters of Allocation or arising from the sale of blocked Shares will be credited to the blocked accounts of the emigrants concerned.

6.5 New Share certificates issued pursuant to the Rights Offer to an emigrant will be endorsed "non-resident" and forwarded to the address of the relevant authorised dealer controlling such emigrant's blocked assets for control in terms of the Exchange Control Regulations of South Africa. Where the emigrant's Shares are in Dematerialised form with a CSDP or Broker, the electronic statement issued in terms of Strate will be despatched by the CSDP or Broker to the address of the emigrant in the records of the CSDP or Broker.

7. JURISDICTION

7.1 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.

7.2 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.

7.3 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.

7.4 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 who are Non-Qualifying Shareholders, are responsible for ensuring that taking up the Rights Offer, or trading in their entitlements under the Rights Offer, do not breach any law or regulations in their relevant overseas jurisdictions.

7.5 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. To the extent that Non-Qualifying Shareholders are permitted to do so, they may sell their Rights Offer entitlement on or prior to Tuesday, 24 October 2017, the last day to trade their Rights Offer entitlement.

8. LISTINGS ON THE JSE

The JSE has granted a listing for the:

- the Letters of Allocation in respect of all of the 256 000 011 Rights Offer Shares with effect from the commencement of trade on Wednesday, 11 October 2017, to the close of trade on Tuesday, 24 October 2017, both days inclusive; and
- 256 000 011 Rights Offer Shares with effect from the commencement of trade on Wednesday, 25 October 2017.

9. DOCUMENTS OF TITLE

New Share certificates to be issued to Qualifying Shareholders holding Certificated Shares or renounees 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, 30 October 2017.

By order of the Board

STADIO HOLDINGS LIMITED

3 October 2017

Transfer Secretaries

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

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 Secretaries.
- (b) **Powers of attorney:** If this form is signed under a power of attorney, then the original, or certified copy thereof, must be sent to the Transfer Secretaries for noting unless it has already been registered by the Transfer Secretaries.
- (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) **Stamp of broking member of the JSE:** If any signature to **Form B** is confirmed by the stamp of a broking member of the JSE then (a), (b) or (c) above, as the case may be, will not apply.
- (e) **Deceased estates and trusts:** Rights Offer Shares will not be allotted in the name of an estate or a trust. Therefore, where the right to the Rights Offer Shares in STADIO has accrued to the estate of a deceased holder or a trust, the executor or administrator or trustee (as the case may be) must complete **Form B** in his/her representative capacity and **Form C** must be completed by the person in whose name the Rights Offer Shares are to be allotted without any reference to the estate or the trust.
- (f) **Joint holders:** Where applicable, all joint holders of Letters of Allocation must sign the Form of Instruction in the appropriate space provided therefor.
- (g) **Receipts and documents:** No receipts will be given for completed letters of allocation and remittances. Documents accompanying applications will be returned by the Transfer Secretaries in due course, at the risk of the applicant.
- (h) **Share certificates:** STADIO 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. Accordingly, in the event that a Certificated Shareholder holds more than one Share certificate, all of the Rights Offer Shares allotted to such Certificated Shareholder who participates in the Rights Offer, will be allotted collectively through the issuance of one new Share certificate only.

All documentation to be forwarded to:

The Transfer Secretaries

STADIO Holdings Limited – Rights Offer
c/o Computershare Investor Services Proprietary Limited
Rosebank Tower, 15 Biermann Avenue, Rosebank, 2196
(PO Box 61763, Marshalltown, 2107)
(Telephone 0861 100 634)

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.

STADIO HOLDINGS LIMITED

I/We hereby instruct Computershare Investor Services Proprietary Limited 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 RXXX, all inclusive, for trades less than or equal to RXXX, and RXXX, plus XXX% of the value of trades (plus value added tax, for amounts greater than RXXX)).

Payment instruction

By electronic funds transfer to the following bank account:

Name of Bank _____

Account Number _____

Branch Code _____

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.

PLEASE NOTE THAT IF THE ABOVE INFORMATION IS NOT COMPLETE OR IF CONFLICTING INSTRUCTIONS ARE GIVEN, A CHEQUE PAYMENT OF THE AMOUNT DUE MAY BE SENT TO THE ADDRESS RECORDED IN STADIO'S SHARE REGISTER OR THE AMOUNT DUE WILL BE HELD BY STADIO UNTIL COLLECTED AND NO INTEREST WILL ACCRUE TO THE SHAREHOLDER IN RESPECT THEREOF.

Signed

Signature(s) of Shareholder selling his/her rights

Date

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

Stamp of selling broker
(if any) or stamp or
name and address
of lodging agent

FORM B: FORM OF RENUNCIATION

(To be signed by the Shareholder named in **Block (1)** on page 2 of the Form of Instruction if the right to the Rights Offer Shares is renounced.)

To the Directors,

STADIO 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)** on page 2 of the Form of Instruction in favour of the person(s) completing the Registration Application Form (**Form C**) in relation to such Rights Offer Shares.

Signed

Signature(s) of person(s) renouncing _____

Date

Stamp of selling broker
(if any) or stamp or
name and address
of lodging agent

FORM C: REGISTRATION APPLICATION FORM (to be accompanied by a cheque or banker's draft or EFT swift reference number)

This form must 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,

STADIO 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) on page 2 of the Form of Instruction** hereof in the following name(s) upon the conditions set out in the accompanying Circular dated 3 October 2017.

I/We authorise you to place such name(s) on the register of Shareholders in respect thereof.

Surname(s) or Name of company _____

*Mr/Mrs/Miss _____

First names in full _____

Postal address (preferably a PO Box address) _____

Postal Code _____

E-mail address _____

Telephone number (office hours) (_____) _____

Cellphone number (_____) _____

Date _____

2017

Signature of renounee(s) _____

Stamp of buying broker
(if any) or stamp or
name and address
of lodging agent

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

Holders of Certificated Shares 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.

Holders of Certificated Shares 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 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
- an original or original certified copy of a service (or utility) bill to verify your residential address.

(If no specific instructions are given here, the Certificated Shares will be forwarded to the address as shown in **Block (1)** of page 2 of the Form of Instruction.)

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

FORM E: ELECTION RELATING TO THE ISSUE OF RIGHTS OFFER SHARES

In order to comply with recent legislative changes, the Rights Offer Shares may only be issued in Dematerialised form.

All Qualifying Shareholders holding Certificated Shares or renounee(s) who wish to follow their rights in terms of the Rights Offer should kindly complete the section below dealing with the issue of the Rights Offer shares.

1. Please tick this box if you have an account with a Broker or CSDP and wish such account to be credited with the Rights Offer Shares which have been allocated to or renounced to you, and insert the details of such account below:

Name of account holder: _____

Name of Broker: _____

Name of CSDP: _____

Account number of Broker: _____

Account number of CSDP: _____

Telephone number of Broker/CSDP: _____

SCA number of Broker/CSDP: _____

Please note: The information provided above must be stamped and signed by your CSDP or Broker.

Please note: Should the account details provided by you above be incorrect or incomplete, it will not be possible to credit such account with the Rights Offer Shares, in which case you will be issued with a statement of allocation, confirming the number of Rights Offer Shares due to you. The statement of allocation will be posted to you at your risk.

2. Please tick this box if you do not have an account with a Broker or CSDP, but wish to receive the Rights Offer Shares in Dematerialised form and not in certificated form. It will be necessary for you to appoint a Broker or CSDP before the Rights Offer Shares to which you are entitled can be credited to your Broker or CSDP account. In the meantime, you will be issued with a statement of allocation, confirming the number of Rights Offer Shares due to you. The statement of allocation will be posted to you at your risk.

3. Please tick this box if you do NOT wish to receive the Rights Offer Shares to which you are entitled in Dematerialised form and instead wish to "re-materialise" the Dematerialised Rights Offer Shares due to you and replace these with a physical Document of Title (share certificate). The Document of Title (share certificate) for the Rights Offer Shares will be posted to you at your risk.