

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"**)

DECLARATION AND FINALISATION ANNOUNCEMENT IN RESPECT OF THE STADIO RIGHTS OFFER

1. INTRODUCTION

STADIO shareholders ("**Shareholders**") are hereby advised that STADIO intends to raise up to R640 million by way of an underwritten renounceable rights offer ("**Rights Offer**") of 256 000 011 new STADIO ordinary no par value shares ("**Rights Offer Shares**") to qualifying Shareholders at a subscription price of 250 cents per Rights Offer Share ("**Rights Offer Issue Price**"), in the ratio of 57.19647 Rights Offer Shares for every 100 STADIO ordinary no par value shares ("**Shares**") held on the record date for the Rights Offer, being Friday, 13 October 2017 ("**Record Date**").

A circular to Shareholders, in respect of the Rights Offer ("**Circular**"), together with a specimen form of instruction in respect of a letter of allocation, was published today, Tuesday, 3 October 2017 on STADIO's website (www.stadio.co.za). Terms appearing in title case in this announcement and that are not otherwise defined herein, shall bear the meanings assigned to them in the Circular.

2. RATIONALE FOR THE RIGHTS OFFER

The purpose of the Rights Offer is to raise capital, which will be utilised as follows:

- to settle the bridge funding provided to STADIO by Curro Holdings Limited (which was used to fund the cash settled portions of the purchase considerations payable in terms of the acquisitions of the South African School of Motion Picture Medium and Live Performance Proprietary Limited (AFDA) and the Southern Business School Proprietary Limited);
- to fund acquisitions that are in various stages of negotiation; and

- to fund 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 Limited ("**JSE**").

3. SALIENT TERMS OF THE RIGHTS OFFER

In terms of the Rights Offer, 256 000 011 Rights Offer Shares will be offered to Shareholders recorded in STADIO's share register at the close of business on the Record Date, 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 ("**Ratio of Entitlement**").

Excess applications for Rights Offer Shares will not be allowed and any Rights Offer Shares that are not accepted, renounced or sold shall revert back to the underwriter. The Rights Offer is not conditional upon any minimum subscription being obtained.

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 of less than 0.5 will be rounded down.

The Rights Offer Shares issued will rank *pari passu* with the existing issued Shares.

4. IRREVOCABLE UNDERTAKING AND UNDERWRITING

PSG Financial Services Limited ("**PSG Financial Services**") has provided STADIO with an irrevocable undertaking that it and/or PSG Alpha Proprietary Limited ("**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.

PSG Financial Services has also irrevocably undertaken to 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.

In terms of the irrevocable undertaking and underwriting agreement concluded between STADIO and PSG Financial Services -

- 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
- an underwriting fee equal to 1.5% of the aggregate Rights Offer Issue Price of all the Rights Offer Shares underwritten by PSG Financial Services;

being an aggregate fee of R9 600 000 (excluding VAT), will be payable by STADIO to PSG Financial Services or its duly authorised nominee.

5. SALIENT DATES AND TIMES

The salient dates and times relating to the Rights Offer are set out below.

	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

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.

6. JURISDICTION

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and the Circular and form of instruction should not be forwarded or transmitted 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. The 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. The Circular does not constitute an offer of any securities for sale in the United States or to United States persons.

The Rights Offer 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.

7. PUBLICATION AND DISTRIBUTION OF THE CIRCULAR

The Circular, containing full details of the terms of the Rights Offer, together with a specimen form of instruction, was published today, Tuesday, 3 October 2017 on STADIO's website (www.stadio.co.za).

STADIO will post the Circular, together with a form of instruction in respect of a letter of allocation, to certificated Shareholders on Thursday, 12 October 2017.

Furthermore, STADIO will post the Circular to qualifying dematerialised Shareholders, where applicable, on Monday, 16 October 2017.

Copies of the Circular are available in English and may be obtained during normal business hours from Tuesday, 3 October 2017 until Friday, 27 October 2017 (both days inclusive), from the registered office of STADIO at Unit 13, San Domenico, 10 Church Street, Durbanville, 7550 and from the offices of PSG Capital, the Transaction Advisor and Sponsor, at 1st Floor, Ou Kollege, 35 Kerk Street, Stellenbosch, 7600 and 2nd Floor, 11 Alice Lane (Bowmans Building), Sandhurst, Sandton, 2196.

Durbanville
3 October 2017

Transaction Advisor and Sponsor: PSG Capital Proprietary Limited
Independent Sponsor: Questco Proprietary Limited
Underwriter: PSG Financial Services Limited