

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this Circular apply, *mutatis mutandis*, throughout this Circular.

If you are in any doubt as to the action you should take, please consult your CSDP, broker, banker, attorney, accountant, or other professional advisor immediately.

Action required by Shareholders

1. If you have disposed of your Shares, this Circular and the attached Form of Proxy should be handed to the purchaser of such Shares or the CSDP, Broker, banker or other agent through whom the disposal was effected.
2. Certificated Shareholders, and Dematerialised Shareholders who have elected Own-Name Registration in the sub-register through a CSDP, who are unable to attend the General Meeting, to be held virtually at 10:00 on Friday, 03 June 2022, but wish to be represented thereat must complete and return the Form of Proxy in accordance with the instructions contained therein to the Transfer Secretary, CTSE Registry Services Proprietary Limited, by lodging it at the Woodstock Exchange Building, 5th Floor, Block B, 66-68 Albert Road, Woodstock, 7925, posting it to PostNet Suite 5, Private Bag X4, Woodstock, 7915 or emailing it to purple@4axregistry.co.za to be received by no later than 10:00 on Wednesday, 01 June 2022.
3. Dematerialised Shareholders who wish to attend the General Meeting virtually or send a proxy to represent them thereat, must request their CSDP or Broker to provide them with the necessary letter of representation for them or their proxy to attend and vote their Shares.
4. Dematerialised Shareholders who do not wish to, or are unable to attend the General Meeting, must instruct their CSDP or Broker to vote on their behalf in accordance with the custody agreement entered into between the Dematerialised Shareholder and their CSDP or broker.
5. Any CSDP or Broker which does not obtain timeous voting instructions in terms of paragraph 4 above will be obliged to vote in accordance with the instructions as contained in the custody agreement concluded between themselves and the Dematerialised Shareholder concerned.
6. **Purple Group does not accept responsibility and will not be held liable for any action of or omission by any CSDP or Broker including, without limitation, any failure on the part of the CSDP or Broker of any beneficial owner of Shares to notify such beneficial owner of the details set out in this Circular.**



PURPLE GROUP
LIMITED

(Incorporated in South Africa)
(Registration Number: 1998/013637/06)
Share Code: PPE
ISIN: ZAE000185526
("Purple Group" or "the Company")

CIRCULAR TO SHAREHOLDERS

Regarding:

- **the approval of the Purple Group Limited Share Incentive Plan;**

and incorporating:

- **a Notice of General Meeting; and**
- **a Form of Proxy (for use by Certificated Shareholders and Own-Name Registered Dematerialised Shareholders).**

Company and Transfer Secretary

CTSE¹
REGISTRY SERVICES

Sponsor

Deloitte.

Legal Advisor

CDH
CLIFFE DEKKER HOFMEYR
INCORPORATING
KIETI LAW LLP, KENYA

Date of issue: Wednesday, 04 May 2022

This Circular is available in English only. A copy hereof may be obtained during normal business hours from the registered office of the Company and the Sponsor at the addresses set out in the "Corporate Information" section of this Circular from the date of issue of this Circular until the date of the General Meeting. An electronic version of this Circular will also be available on the Company's website, www.purplegroup.co.za/our-financials from Wednesday, 04 May 2022.

CORPORATE INFORMATION

Company Name and Registered Office

Purple Group Limited
16th Floor
25 Owl Street
Braamfontein Werf
2092

Date and Place of Incorporation:

15 July 1998, South Africa

Company Secretary and Transfer Secretary

Physical address

CTSE Registry Services Proprietary Limited
(Registration number: 2016/396777/07)
The Woodstock Exchange Building
5th Floor
Block B
66-68 Albert Road
Woodstock
7925

Postal address

(PostNet Suite 5, Private Bag X4, Woodstock, 7915)

Email

purple@4axregistry.co.za

Sponsor

Deloitte & Touche Sponsor Services
Proprietary Limited
(Registration number 1996/000034/07)
5 Magwa Crescent
Waterfall City
Waterfall
2090
(Private Bag X6, Gallo Manor, 2052)

Legal Advisor

Cliffe Dekker Hofmeyr
Incorporating Kieti Law LLP, Kenya
(Registration number 2008/018923/21)
1 Protea Place
Sandown
Sandton
2196
(Private Bag X40, Benmore, 2010)

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SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 4 of this Circular shall apply mutatis mutandis to this section.

Item	2022
Record date to receive the circular containing the notice of general meeting	Friday, 22 April
Circular and the Notice of General Meeting posted to Shareholders on	Wednesday, 4 May
Announcement regarding the posting of the Circular and the availability on the website published on SENS	Wednesday, 4 May
Last day to trade in order to be eligible to participate and vote at the General Meeting	Tuesday, 24 May
Record date in order to participate and vote at the General Meeting	Friday, 27 May
Receipt of Forms of Proxy in respect of the General Meeting by 10:00 on	Wednesday, 01 June
General Meeting at 10:00 on	Friday, 03 June
Results of the General Meeting published on SENS on	Friday, 03 June

Notes:

1. If the General Meeting is adjourned or postponed, the Form of Proxy (*white*) submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.
2. If the General Meeting is adjourned or postponed, then Forms of Proxy (*white*) that have not yet been submitted should be lodged with the Transfer Secretary by no later than 48 hours before the adjourned or postponed General Meeting.
3. Shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, Shareholders who acquire Shares after close of trade on Tuesday, 24 May 2022 will not be eligible to attend, participate and vote at the General Meeting.
4. The above dates and times are South African and are subject to change. Any changes will be notified on SENS.
5. Shareholders are referred to page 3 of this Circular for information on the action required to be taken by them.
6. In respect of the general meeting, no dematerialisation or rematerialisation of Shares may take place between Tuesday, 24 May 2022 and Friday, 27 May 2022 both days inclusive.

ACTION REQUIRED BY PURPLE GROUP SHAREHOLDERS

The definitions and interpretations commencing on page 4 of this Circular apply to this section.

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

The General Meeting will be held virtually at 10:00 on Friday, 03 June 2022 at which General Meeting, Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the resolutions set out in the Notice attached to this Circular.

IF YOU HAVE DEMATERIALISED YOUR SHARES WITHOUT OWN-NAME REGISTRATION

Voting, attendance and representation at the General Meeting

If you (or the relevant holder of voting rights as contemplated in section 57(1) of the Companies Act) wish to attend the General Meeting, you (or the relevant holder of voting rights) should instruct your CSDP or Broker to issue you (or the relevant holder of voting rights) with the necessary letter of representation to attend the General Meeting virtually in the manner stipulated in the Custody Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature.

If you (or the relevant holder of voting rights) do not wish to, or are unable to attend the General Meeting, but wish to vote at the General Meeting, you (or the relevant holder of voting rights) should provide the CSDP or Broker with your voting instructions, in the manner stipulated in the Custody Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature. If the CSDP or Broker does not obtain voting instructions, it will be obliged to vote in accordance with the instructions contained in the Custody Agreement. You do not need to complete the attached Form of Proxy.

IF YOU ARE A CERTIFICATED SHAREHOLDER OR HAVE DEMATERIALISED YOUR SHARES WITH OWN-NAME REGISTRATION

Voting, attendance and representation at the General Meeting

You may attend and vote at the General Meeting virtually.

Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Form of Proxy in accordance with the instructions therein, to be received by the Transfer Secretary, CTSE Registry, by no later than 10:00 on Wednesday, 01 June 2022.

VIRTUAL GENERAL MEETING

Should any Shareholder (or representative or proxy for a Shareholder) wish to participate in the virtual General Meeting, that Shareholder should apply in writing (including details on how the Shareholder or representative (including proxy) can be contacted) to the Transfer Secretary via email at purple@4axregistry.co.za for the Transfer Secretary to arrange for the Shareholder (or representative or proxy) to provide reasonably satisfactory identification for the purposes of section 63(1) of the Companies Act 71 of 2008, as amended (Companies Act) and for the Transfer Secretary to provide the Shareholder (or representative or proxy) with the link to the Online Registration and Voting Platform as well as the process to register and vote online.

Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.

Shareholders are advised to ensure that they are identified and registered to attend the virtual General Meeting by preferably no later than Thursday, 02 June 2022 at 12:00, to ensure that they do not experience any delays in accessing the virtual General Meeting.

DEFINITIONS AND INTERPRETATIONS

Throughout this Circular, unless otherwise stated, the words in the first column shall have the meanings assigned to them in the second column, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and words in the singular shall include the plural and vice versa.

“the Board”	the board of directors of Purple Group;
“Business Day”	any such day other than a Saturday, Sunday, or public holiday in South Africa;
“Broker”	any person registered as a broking member (equities) in terms of the rules of the JSE prepared in accordance with the provisions of the Financial Markets Act;
“Certificated Shareholders” or “Holders of Certificated Shares”	Shareholders who have not Dematerialised their Shares;
“Circular”	this circular to Shareholders, dated Wednesday, 04 May 2022, including the Notice of General Meeting and Form of Proxy;
“Companies Act”	the South African Companies Act, 2008 (Act 71 of 2008), as amended;
“CSDP”	a Central Securities Depository Participant, accepted as a participant in terms of the Securities Services Act;
“Custody Agreement”	the custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker, governing their relationship in respect of Dematerialised Shares held by a Dematerialised Shareholder on the Company’s uncertificated securities register and administered by a CSDP or Broker on behalf of that Dematerialised Shareholder;
“Deloitte” or “Sponsor”	Deloitte & Touche Sponsor Services Proprietary Limited (Registration number 1996/000034/07), a private company incorporated in accordance with the laws of South Africa;
“Dematerialised”	the process whereby shares held by the holder of Certificated Shares or other documents of title are converted to and held in electronic form as uncertificated shares in terms of the Strate System and recorded in the sub-register of shareholders maintained by a CSDP;
“Dematerialised Shareholders” or “Holders of Dematerialised Shares”	shareholders who have dematerialised their shares;
“Dematerialised Shares”	shares which have been converted from paper form into electronic entries in the register of the Company;
“Directors”	the board of directors of Purple Group as at the date of this Circular;
“FMA”	the Financial Markets Act, 19 of 2012, as amended;
“Form of Proxy”	for purposes of the General Meeting, the form of proxy (<i>white</i>) attached to and forming part of this Circular, for use only by Certificated Shareholders and Dematerialised Shareholders who have elected Own-Name Registration;
“General Meeting”	the general meeting of Shareholders to be held virtually on Friday, 03 June 2022 at 10:00;

“Hurdle Share Appreciation Rights” or “HSAR”	A once off allocation of, equity settled rights based on the share price appreciation over a seven-year period over and above a hurdle rate of growth.
“Last Practicable Date”	Friday, 29 April 2022, the last practicable date prior to the finalisation of this circular;
“Listings Requirements”	the JSE Limited Listings Requirements;
“Memorandum of Incorporation” or “Moi”	The Memorandum of Incorporation of the Company;
“Notice	the notice of general meeting attached to and forming part of this Circular, in terms of which the General Meeting is convened;
“Own-Name Registration”	the process by which Shareholders have Dematerialised their Shares and the Shares are held in the name of the Shareholder in electronic form in the sub-register of the Company;
“Performance Shares” or “PS”	Annual awards for 5 years of equity settled conditional performance Shares, each award vesting 3 (three) years from award date, with the extent of vesting governed by prescribed performance criteria;
“Purple Group” or “the Company”	Purple Group Limited (registration number 1998/013637/06, a public company duly registered and incorporated with limited liability in South Africa, the issued ordinary share capital of which is listed on the JSE;
“Purple Group Shares” or “Ordinary Shares” or “Shares”	ordinary shares with no par value in the issued ordinary share capital of Purple Group;
“Purple Group Shareholders” or “Shareholders”	the registered holders of Purple Group ordinary shares;
“R” or “Rand”	South African Rand;
“Register”	The securities register of the Company (including the relevant sub-register and the register of disclosures of the Company);
“Resolutions”	collectively, the ordinary resolutions to be tabled at the General Meeting;
“SARS”	South African Revenue Services;
“SENS”	the Securities Exchange News Service of the JSE;
“Share Incentive Plan” or “Plan”	The Purple Group Limited 2022 Share Plan, a summary of which is set out in Annexure 1 to this Circular while a full copy of the plan is set out in Annexure 2 to this circular and will be available for inspection in accordance with the provisions of paragraph 9 of this Circular;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a private company incorporated in accordance with the laws of South Africa which is a registered central securities depository in terms of the FMA and which manages the electronic clearing and settlement for transactions that take place on the JSE and off-market trades;
“Strate System”	the clearing, custody and settlement environment for securities transactions to be settled and transfer of ownership to be recorded electronically, as managed by Strate; and
“Transfer Secretary” or “CTSE Registry”	CTSE Registry Services Proprietary Limited (registration number 2016/396777/07), a private company duly registered and incorporated with limited liability in South Africa.



PURPLE GROUP
LIMITED

(Incorporated in South Africa)
(Registration Number: 1998/013637/06)
Share Code: PPE
ISIN: ZAE000185526
("Purple Group" or "the Company")

Directors:

Happy Ntshingila (*Chairman*)*#
Mr CH Savage (*Chief Executive Officer*)
Mr GS van Dyk (*Chief Financial Officer*)
Mr C Carter*#
Mr MA Barnes*
Mr A Forman*#
Mr Bonang Mohale*
Mr Paul Rutherford*

* non-executive

independent

CIRCULAR TO SHAREHOLDERS

1. DEFINITIONS AND INTERPRETATIONS

The definitions and interpretations set out on pages 4 to 5 of this Circular applies to this section.

2. INTRODUCTION

The Board of Purple Group has resolved to implement the Share Incentive Plan. The purpose of the Plan is to align executive directors, prescribed officers and key management with shareholder interests and reward exceptional performance.

3. PURPOSE AND REASON FOR CIRCULAR

In terms of the Listing Requirements, share incentive plans are required to be approved by shareholders in a general meeting. The purpose of this Circular is to provide Shareholders with relevant information relating to the Share Incentive Plan and the implications thereof, to enable Shareholders to make an informed decision as to whether or not they should vote in favour of the proposed resolutions relating to the adoption of the Share Incentive Plan.

4. SALIENT FEATURES OF THE SHARE INCENTIVE PLAN

The Share Incentive Plan is a hybrid scheme, containing the following elements:

- a) **Hurdle Share Appreciation Rights or HSAR:** A once off allocation of, equity settled rights based on the share price appreciation over a seven-year period over and above a hurdle rate of growth.
- b) **Performance Shares or PS:** Annual awards for 5 years of equity settled conditional performance shares, each award vesting 3 (three) years from award date, with the extent of vesting governed by prescribed performance criteria.

The salient features of the Share Incentive Scheme are set out as Annexure 1 to this Circular, while the full Share Plan is set out in Annexure 2 to this Circular. A full copy of the Plan will also be available for inspection in accordance with provisions of paragraph 9 below.

5. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors of Purple Group:

- have considered all statements of fact and opinion in this Circular;
- collectively and individually accept full responsibility for the accuracy of the information given;
- certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement false or misleading; and
- have made all reasonable enquiries in this regard.

6. **EXPERT CONSENTS**

Each of the Sponsor, Legal Advisor and the Transfer Secretary have consented in writing to act in the capacities as stated and to their names being stated in this Circular and have not withdrawn their consents prior to the Last Practicable Date.

7. **OPINION AND RECOMMENDATION**

The Board is of the opinion that the Share Incentive Plan is in the best interest of employees and of Shareholders, as the Share Incentive Plan aligns the interests of employees and Shareholders, and should be supported. The Board therefore unanimously recommends that the Shareholders vote in favour of the Resolutions at the General Meeting. Each Director who holds Shares and is permitted to vote at the General Meeting, intends to vote his Shares in favour of the Resolutions as set out in the Notice.

8. **GENERAL MEETING OF SHAREHOLDERS**

The General Meeting is scheduled to be held virtually at 10:00 on Friday, 03 June 2022 for the purposes of considering and if deemed fit, passing with or without modification, some or all of the Resolutions.

The Notice convening the General Meeting to approve the Share Incentive Plan and a Form of Proxy (*white*), for use by registered Certificated Shareholders and Dematerialised Shareholders who have elected Own-Name Registration, who are unable to attend the General Meeting, form part of this Circular.

Shareholders are referred to the "*Action required by Shareholders*" section of this Circular which contains information as to the action they need to take regarding the General Meeting.

9. **DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents, or copies thereof, will be available for inspection by Shareholders during normal business hours at the Company's registered office the details of which appear in the "*Corporate Information*" section of this Circular, from the date of issue of this Circular, until the date on which the General Meeting is held (both days inclusive). The documents will also be electronically available by making an email request to the Company Secretary at purple@4axregistry.co.za.

- the MoI of Purple Group and its major subsidiaries;
- a copy of this Circular, including all annexures hereto;
- the Share Incentive Plan; and
- the written consents of the Sponsor, Legal Advisors and Transfer Secretary as set out in paragraph 6 of this Circular.

SIGNED at Braamfontein Werf, Johannesburg on behalf of the Board on Tuesday, 03 May 2022 by way of resolutions.

By order of the Board



Charles Savage

Chief Executive Officer

SALIENT FEATURES OF THE SHARE INCENTIVE PLAN

The definitions and interpretations commencing on page 4 of this Circular shall and the definitions set out in the full Share Incentive Plan contained in Annexure 2 shall apply mutatis mutandis to this Annexure

Salient Features of the proposed Purple Group 2022 Share Plan design and recommended implementation policy

1. PURPOSE

The purpose of the Plan is to align Executive Directors, Prescribed Officers, Key Management and Key Staff, including Key Independent Contractors (where 80% of their time is occupied with member companies of the Group's affairs), with shareholder interests and reward exceptional performance.

2. INTRODUCTION AND CONTEXT

A consultant has worked with Executive Management of the Purple Group to establish the design of a hybrid share plan ("**Plan**"), containing the following elements:

- A once off allocation of, equity settled rights based on the share price appreciation over a seven-year period over and above a hurdle rate of growth – **Hurdle Share Appreciation Rights ("HSAR")**.
- Annual awards for 5 years of equity settled conditional performance shares, each award vesting 3 years from award date, with the extent of vesting governed by prescribed performance criteria – **Performance shares, ("PS")**.

The above elements will be introduced and integrated into the Purple Group's reward strategy and will be described in detail in the company's Implementation Report of the Remuneration Policy, part of Purple Group's annual Integrated Report and be subject to a non-binding advisory vote at the next Annual General Meeting.

This document describes the salient features of the intended Plan and is intended to accompany and provide information to the JSE, Shareholders and the Board as to the nature of the Plan, its overall architecture, its intended implementation, and some of the critical clauses contained in the Rules.

The Rules

- will be scrutinised, commented on, and ultimately approved by the JSE in terms of Schedule 14 of the Listing Requirements;
- subsequently approved by the Board; and
- ultimately be subjected to a 75% majority vote of approval by Shareholders in general meeting.

Only after the successful conclusion of this approval process may the Plan be implemented.

The Implementation of the Plan:

- will be governed by the company's Remuneration Policy; and
- reported on in the company's Implementation Report,

both of which will form part of Purple Group's annual integrated report, and be subject to a non-binding, advisory vote by Shareholders.

This summary describes the recommended architecture of the Plan. Note that in both elements, the intention is that settlement of the appropriate number of shares will be, at the discretion of the Board, via acquisition and transfer, or the issue and allotment, to participants, although the Rules allow for the payment of cash of equivalent value.

3. **PURPLE GROUP 2022 SHARE PLAN ARCHITECTURES**

a. Hurdle Share Appreciation Rights (“HSAR”) element

A once off allocation of HSAR will be made to an Assignment Pool and thereafter Assigned to Executive Directors, Prescribed Officers, Key Management and Key Staff, including Key Independent Contractors, to incentivise them to drive and be rewarded for exceptional growth in Shareholder value, over a seven-year period. They will vest and be settled in full on the seventh anniversary from the Allocation Date.

On settlement, the value accruing to participants will be the Appreciation of Purple Group’s share price over and above a determined strike price (“HSP”) at the time of vesting.

The Hurdle Strike Price will be determined by the Board at the direction of its Remuneration Committee, and considering the Implementation Policy, which price may be formulaically driven.

The actual Appreciation in the share price above the HSP as at the Vesting Date will be settled in Shares.

b. Performance Share (“PS”) element

A further element of long term (share based) incentivisation for Purple Group will be conditional awards, each year for five years, of equity settled performance shares.

The participants will be predominantly Executive Directors, Prescribed Officers, Key Management and Key Staff, including Key Independent Contractors; however, most staff will participate.

Each award will vest no earlier than 3 years from their Award Date to the extent that Purple Group has met specified performance criteria over the intervening period. Essentially, the number of Shares that vest will depend on whether The Purple Group’s performance over the intervening three-year period has been on target, an under performance, or an over performance against the targets set at the Award Date.

The Performance Criteria to govern the vesting of Performance Shares are to be determined annually for each award by the Board and communicated in Award Letters to Participants:

The performance curve governing vesting can potentially take various forms. However, the following fundamental inflexion points are generally employed:

- The business will be targeting a 7-year share price and in essence the Performance Shares will be utilised to reward performance relative to the attainment of the 7-year share price.
- Performance Shares closely align the interests of shareholders and executives by rewarding superior shareholder performance in the future.
- It is anticipated that three performance level targets will be set for each award, being Performance Level 1, Performance Level 2 and Performance Level 3.
- If Purple Group’s share price over the three-year period is tracking the Performance Level 1 target, then 100% of the targeted number of Performance Shares awarded will vest.
- If Purple Group’s share price over the three-year period is tracking the Performance Level 3 target, then the full maximum number (three times the targeted number) of Performance Shares awarded will vest.
- If Purple Group’s performance over the three-year period lies between any of the Performance Level targets, then a prorated number of Performance Shares will vest.

4. **TARGETED SHARING OF ECONOMICS RELATIVE TO PERFORMANCE**

The Remuneration Policy and implementation thereof will ultimately target an equitable sharing of the future upside in the share price of Purple Group and utilise the Plan as the primary tool to achieve such.

5. SALIENT FEATURES OF THE PLAN

The Rules will govern the rights, entitlements, and responsibilities of all parties once the Plan has been approved and/or offers have been made. The most material ones are summarised below.

a. Administration of the Plan

The Remuneration Committee, acting on behalf of the Board, will ultimately be responsible for the operation and administration of the Plan.

Subject to applicable laws, it will have discretion to decide whether and on what basis the Plan shall be operated.

This may include but not be limited to the delegation of the administration of the Plan to a Compliance Officer or any third party appointed by the Board, but excluding any executive director of the Company.

b. Settlement

It is envisaged that settlement will be via shares (equity settlement) for all elements, although the documentation will allow for either equity or cash settlement at the Board's discretion.

In equity settlement, the documentation allows settlement to be via allotment and issue or use of treasury shares (resulting in shareholder dilution) or acquisition of shares in the open market on behalf of participants.

c. Eligibility

Any executive, senior manager and/or key employee and key independent contractors of Purple Group or its subsidiaries or associates (as defined in the Listing Requirements) may be selected by the Board to be participants in the Plan.

d. Limitation

The maximum number of shares to be acquired by participants over the duration of the Plan and any other plan is not to exceed 203 700 000 (two hundred and three million seven hundred thousand) Shares, amounting to 16.6% of the shares currently in issue; and for any one participant in terms of the Plan is not to exceed 20 370 000 (twenty million three hundred and seventy thousand) Shares, amounting to 1.66% of the shares currently in issue.

In the application of the above limits, Shares which have been acquired through the market on behalf of participants shall not be considered.

e. Termination of Employment

Termination of employment is based on the definition of no-fault termination versus that of fault termination. No fault termination is the termination of employment of a participant by Purple Group or another member of the Purple Group employing such participant ("Employer Company") by reason of –

- death;
- injury, disability, or ill health, in each case as certified by a qualified medical practitioner nominated by the relevant Employer Company;
- dismissal based on Operational Requirements as contemplated in the LRA;
- retirement on or after his Retirement Date;
- a mutually agreed termination of employment; or
- the Employer Company by which he is employed ceasing to be a member of Purple Group.

Fault termination will be a dismissal for misconduct, poor performance or a resignation by the participant.

The following provisions will apply under circumstances of termination.

• **Hurdle Share Appreciation Rights (“HSAR”)**

If employment is terminated for no fault reasons prior to the vesting of HSAR, then the Allocation shall automatically Vest on the Date of Termination of Employment and be Settled in accordance with the provisions of the Plan, with the Participant receiving a pro-rata portion of the appreciation calculated on the Vesting Date.

If a participant ceases to be employed by reason of a fault termination, all HSAR allocated shall be cancelled.

• **Performance Shares or PS**

If employment is terminated for no fault reasons, then the PS will be prorated for the period until the termination date and be further adjusted by a performance factor, which the Board may in its discretion apply relating to the Company’s performance as at the termination date.

If employment is terminated for fault reasons, then the performance shares will be cancelled.

f. Change of Control

“Change of Control” is defined as all circumstances where a party (or parties acting in concert), directly or indirectly, obtains:

- beneficial ownership of at least the majority (being, more than 50%) of Purple Group’s issued shares; or
- control of at least the majority (being, more than 50%) of the voting rights at meetings of Purple Group; or
- the right to control the management of Purple Group or the composition of the Board; or
- the right to appoint or remove directors holding a majority of voting rights at Board meetings; or
- the right to control the business or undertaking of Purple Group through a merger or consolidation with any other business or entity, or upon a sale of the whole or a major part of the Purple Group’s assets or undertakings; or
- the de-listing of Purple Group from the JSE.

If Purple Group undergoes a Change of Control, after an Assignment Date or Award Date, then the rights (whether conditional or otherwise) in and to the Hurdle Share Appreciation Rights and/or Performance Shares of Participants under this Plan will, to the extent necessary, be accommodated on a basis which shall be determined by the Board to be fair and reasonable to Participants.

g. Consideration payable by participants

There shall be no consideration payable by participants for any assignment, award, or grant.

h. Definition of Fair Market Value

Fair Market Value in relation to a Share on any day shall be the volume weighted average price of a Share on the JSE over the 30 (thirty) trading days immediately prior to the day in question.

i. Voting and Dividend rights

No shares (or rights associated thereto) shall be transferred or issued to participants pursuant to an assignment, award, or grant, nor shall a participant have any expectation of earning any dividends (or other distributions made) and shall have no right to vote in respect of any offer or any transaction, unless and until vesting, exercise or settlement occurs.

j. Basis upon which awards are made

Offers will be governed by Purple Group’s reward philosophy and strategy, taking into consideration, *inter alia*, a participant’s current status, his role and current remuneration and Purple Group’s Remuneration Policy, which is approved and managed by Purple Group’s Remuneration Committee and will be referred to shareholders in the Annual General Meeting on an annual basis for a non-binding advisory vote.

The basis of any specific assignment or award will be set out in the assignment/award letters signed by a participant at the time of the offer.

k. Adjustments

If Purple Group undertakes a sub-division or consolidation of securities or a capitalisation issue, a special dividend, a rights issue or reduction of capital, makes any distribution or undertakes any corporate action affecting the rights of its shareholders, then such adjustments shall be made to the rights of participants as may be determined by the Board to be fair and reasonable to the participants concerned; provided that any adjustments shall be in accordance with the Rules and be confirmed by the Auditors to Purple Group and to the JSE in writing at the time the adjustment is finalised and should give a participant the entitlement to the same proportion of the share capital as he was previously entitled to. Any shares which are not subsequently issued or transferred to any participant, for example because of a forfeiture, shall revert to the Plan.

Should any participant be aggrieved by such adjustment, he may utilise the prescribed dispute procedures. Any adjustment made must be reported on in Purple Group's annual financial statements in the year during which the adjustment is made.

No adjustments shall be required in the event of the issue of equity securities as consideration for an acquisition, the issue of securities for cash and the issue of equity securities for a vendor consideration placing.

l. Additional Terms and Conditions

Over and above the provisions specifically detailed above, the Rules, which will be available for scrutiny at Purple Group's head office and attached hereto as Annexure 2, make provision for the following:

- Administration of the plan.
- Implementation summary in annual accounts.
- Share availability for settlement.
- Funding of costs.
- Role of the Remuneration Committee.
- Participants' rights.
- Participant tax liability.
- Listing and legal requirements, and compliance.
- Amendment of the Plan rules.
- STRATE.
- Disputes.
- Profits and losses and termination of the Plan.
- Compliance.
- Rights and obligations.

SHARE INCENTIVE PLAN

adopted by



PURPLE GROUP
LIMITED

(Registration Number: 1998/013637/06)

Approved in the first instance by resolution passed at a meeting of the Board of Directors of the Company held virtually on 14 October 2021.

Finally approved by ordinary resolution supported by 75% or more of the votes exercised by Shareholders thereon, in terms of Schedule 14 of the JSE Listings Requirements, at the general meeting of the Company

held at _____ on _____ 2022.

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PART 1 – INTRODUCTION

1. DEFINITIONS AND INTERPRETATIONS

1.1 In these Rules, unless expressly stipulated to the contrary or unless the context clearly indicates a contrary intention, the following words and expressions shall bear the following meanings (and cognate words and expressions shall bear corresponding meanings) –

- 1.1.1 **“Act”** – the Companies Act 71 of 2008, as amended or substituted;
- 1.1.2 **“Allocation”** – a conditional offer of Hurdle Share Appreciation Rights to an Assignment Pool;
- 1.1.3 **“Allocation Date”** – the date on which an Allocation is made to the Assignment Pool, which date may not be made retrospective;
- 1.1.4 **“Allocation Price”** – the price attributable to a Hurdle Share Appreciation Right, being a price equal to the Fair Market Value of a Share on the Allocation Date;
- 1.1.5 **“Applicable Laws”** – in relation to any person or entity, all, and any –
 - 1.1.5.1 statutes, subordinate legislation, and common law;
 - 1.1.5.2 regulations;
 - 1.1.5.3 ordinances and by-laws;
 - 1.1.5.4 accounting standards;
 - 1.1.5.5 the JSE Listings Requirements;
 - 1.1.5.6 the Takeover Regulations; and
 - 1.1.5.7 directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, compliance with which is mandatory for that person or entity.
- 1.1.6 **“Appreciation”** – means the incremental value of a Share, over and above the Hurdle Strike Price as at the time of Vesting of Hurdle Share Appreciation Rights.
$$A = VP - HSP$$

Where: A = Appreciation
VP = Vesting Price
HSP = Hurdle Strike Price
- 1.1.7 **“Assignment”** – a conditional offer of Hurdle Share Appreciation Rights to an Eligible Employee as described in 10 which may on Vesting result in Settlement to the Participant in terms of 12 and the word “assigned” shall be construed accordingly. For the avoidance of doubt an Assignment does not entitle the Participant to ownership of Shares, and he will only acquire rights in relation to an Assignment on the Vesting thereof.
- 1.1.8 **“Assignment Date”** – the date on which an Assignment is made to an Eligible Employee, which date may not be made retrospectively.
- 1.1.9 **“Assignment Letter”** – a letter containing the information specified in 10.3 sent by the Board to an Eligible Employee informing him of an Assignment.
- 1.1.10 **“Assignment Pool”** – is a vehicle to which the full allocation of Hurdle Share Appreciation Rights, will be Allocated on the Allocation Date and thereafter be assigned to Participants at the sole discretion of the Board.
- 1.1.11 **“Auditors”** – the registered auditors of the Company from time to time.
- 1.1.12 **“Award”** – a conditional offer of Performance Shares to an Eligible Employee as described in 14 which may on Vesting result in Settlement to the Participant in terms of 15 and the word “awarded” shall be construed accordingly. For the avoidance of doubt an Award does

not entitle the Participant to ownership of Shares, and he will only acquire rights in relation to an Award on the Vesting thereof.

- 1.1.13 **“Award Date”** – the date on which an Award is made to an Eligible Employee, which date may not be made retrospective.
- 1.1.14 **“Award Letter”** – a letter containing the information specified in 14.2 sent by the Board to an Eligible Employee informing him of an Award.
- 1.1.15 **“Board”** – the board of directors for the time being of the Company, at all times, for purposes of the Plan, acting through its Remuneration Committee and the Compliance Officer.
- 1.1.16 **“Business Day”** – any day which is not a Saturday, Sunday or public holiday in the Republic of South Africa as gazetted by the government of the Republic of South Africa.
- 1.1.17 **“Change of Control”** – all circumstances where a party (or parties acting in concert), directly or indirectly obtains: –
 - 1.1.17.1 beneficial ownership of at least the majority (being more than 50%) of the Company’s issued share capital; or
 - 1.1.17.2 control of at least the majority of the voting rights at meetings of the Company; or
 - 1.1.17.3 the right to control the management of the Company or the composition of the Board; or
 - 1.1.17.4 the right to appoint or remove directors holding a majority of voting rights at Board meetings; or
 - 1.1.17.5 the right to control the business or undertaking of the Company through a merger or consolidation with any other business or entity, or upon a sale of the whole or a major part of the Company’s assets or undertakings; or
 - 1.1.17.6 the de-listing of the Company from the JSE.
- 1.1.18 **“Company”** – Purple Group (registration number 1998/013637/06), a company incorporated in accordance with the laws of the RSA.
- 1.1.19 **“Compliance Officer”** – the officer referred to in section 97 of the Act.
- 1.1.20 **“Date of Termination of Employment”** – the date upon which a Participant is no longer employed or contracted by, or ceases to hold salaried office or the role of an independent contractor in, any Employer Company, provided that in the event of a resignation by a Participant, the date shall be the date on which the Participant gives notice of his intention to resign.
- 1.1.21 **“Dismissal based on Operational Requirements”** – the retrenchment or termination of contract of a Participant based on the Employer Company’s economic, technological, structural, or similar needs as contemplated in the LRA.
- 1.1.22 **“Eligible Employee”** – a person eligible for participation in the Plan, namely an executive, senior manager and/or key employee of any member company of the Group, including any present or future executive director holding salaried employment or office, which executive, manager and/or employee shall be selected by the Board from time to time in its sole and absolute discretion, but excluding any non-executive director.
- 1.1.23 **“Employee”** – any person holding full-time salaried employment or office (including any executive director) of any Employer Company, or any person contracted by any member company as an independent contractor, where at least 80% of such person’s time is spent on the affairs of such member company.
- 1.1.24 **“Employer Company”** – that member company of the Group that is the employer of a particular Participant.
- 1.1.25 **“Fair Market Value”** – in relation to a Share on any day, shall be the volume weighted average price of a Share on the JSE over the 30 (thirty) Trading Days immediately prior to the day in question.

- 1.1.26 **“Fault Termination”** – the termination of employment of a Participant by the Group by reason of –
- 1.1.26.1 misconduct;
 - 1.1.26.2 poor performance; or
 - 1.1.26.3 resignation by the Participant.
- 1.1.27 **“Group”** – the Company and any other company, body corporate or other undertaking which is or would be deemed to be a subsidiary, in terms of the Act, or associate, in terms of the JSE Listings Requirements, of the Company, and the expression “member company of the Group” shall be construed; accordingly.
- 1.1.28 **“Hurdle Share Appreciation Method”** – the method of participation in this Plan detailed in Part 3 of these Rules.
- 1.1.29 **“Hurdle Share Appreciation Rights”** – Shares which may become Settled to a Participant in terms of the Hurdle Share Appreciation Method as described in 12.
- 1.1.30 **“Hurdle Strike Price”** – means the nominal value of a Share, at the time of Vesting of Hurdle Share Appreciation Rights, as determined by the Board, on the Allocation Date, at the direction of its Remuneration Committee, and considering the Implementation Policy, which price may be formulaically determined, provided that such calculated price may not be lower than the Allocation Price.
- 1.1.31 **“Implementation Policy”** – the policy directed by the Remuneration Committee and derived from the Remuneration Policy used to establish the quantum and terms of any Assignment or Award, taking into consideration, *inter alia*, a Participant’s current status, his role, past performance, and current remuneration.
- 1.1.32 **“Implementation Report”** – the annual documentation and disclosure in the Company’s; Annual Integrated Report used to record (*inter alia*) the quantum and terms of any Assignment, Award, or Vesting of Hurdle Share Appreciation Rights or Performance Shares.
- 1.1.33 **“JSE”** – the JSE Limited, a company duly registered and incorporated with limited liability under the company laws of the RSA with registration number 2005/022939/06, licensed to operate an exchange under the Financial Markets Act, 19 of 2012, as amended or replaced from time to time.
- 1.1.34 **“LRA”** – the Labour Relations Act 66 of 1995, as amended or substituted.
- 1.1.35 **“No Fault Termination”** – the termination of employment of a Participant by the Group by reason of –
- 1.1.35.1 death;
 - 1.1.35.2 injury, disability, or ill health, in each case as certified by a qualified medical practitioner nominated by the relevant Employer Company;
 - 1.1.35.3 dismissal based on Operational Requirements;
 - 1.1.35.4 retirement on or after his Retirement Date;
 - 1.1.35.5 a mutually agreed termination of employment; or
 - 1.1.35.6 the Employer Company by which he is employed ceasing to be a member company of the Group.
- 1.1.36 **“Participant”** – an Eligible Employee to whom an Assignment or Award has been made, and who has accepted such Assignment or Award, and includes the executor of the Participant’s deceased estate where appropriate.
- 1.1.37 **“Performance Criteria”** – the performance criteria for the Performance Share Method as may be determined by the Board at the time of offer, and as communicated to Participants in the Award Letter.
- 1.1.38 **“Performance Share Method”** – the method of participation in this Plan detailed in Part 4 of these Rules.

- 1.1.39 “**Performance Shares**” – Shares which may become Settled to a Participant in terms of the Performance Share Method as described in 15.
- 1.1.40 “**Plan**” – Purple Group 2022 Share Plan, the terms of which are embodied in these Rules, and which entails participation therein through either one, or both of, the Share Appreciation Method and the Performance Share Method as determined by the Board.
- 1.1.41 “**Prohibited Period**” – the definition of “Prohibited Period” in the JSE Listings Requirements.
- 1.1.42 “**Remuneration Policy**” – the remuneration policy of the Group as approved by the Company’s Remuneration Committee on an annual basis, and disclosed in the Company’s Annual Integrated Report.
- 1.1.43 “**Retirement Date**” – the date on which, or age at which a Participant:
 - 1.1.43.1 can be required to retire by any Employer Company; or
 - 1.1.43.2 has agreed to take early retirement.
- 1.1.44 “**RSA**” – the Republic of South Africa.
- 1.1.45 “**Rules**” – these Rules, as amended from time to time.
- 1.1.46 “**Schedule 14 Approval**” – the approval of the Plan by an ordinary resolution of the Company’s shareholders supported by at least 75% of the votes exercised thereon at a general meeting of the Company.
- 1.1.47 “**Settled**” – in relation to a Vested Hurdle Share Appreciation Right or Vested Performance Share, shall mean –
 - 1.1.47.1 the acquisition by an Employer Company (or duly authorised third party) of Shares on the JSE on behalf, and in the name of, a Participant; or
 - 1.1.47.2 the use of the services of a treasury company, script lender or any other external third party to trade and thereby Settle Shares on behalf of an Employer Company; or
 - 1.1.47.3 by the allotment and issue by the Company of Shares into the name of a Participant; or
 - 1.1.47.4 as an alternative to the delivery or issue of Shares to which a Participant may become entitled to pursuant to the Vesting of an Assignment or an Award, the payment by the Company and/or an Employer Company of a cash bonus equal to the Fair Market Value of such Shares, calculated on the Vesting Date, as may be elected by the Company at any time prior to Settlement, and the words “Settlement” and “Settle” shall be construed accordingly.
 - 1.1.47.5 It is recorded that any Shares which have been Settled to a Participant in terms of this Plan shall rank *pari passu* with all other issued Shares in all respects and no Settlement of Shares shall take place within a Prohibited Period.
- 1.1.48 “**Shares**” – ordinary shares in the capital of the Company (or such other class of shares as may represent the same because of any reorganisation, reconstruction, or other variation of the share capital of the Company to which the provisions of the Plan may apply from time to time).
- 1.1.49 “**Takeover Regulations**” – the regulations on takeovers prescribed by the Takeover Regulation Panel under the Act.
- 1.1.50 “**Tax**” – any present or future tax or other charge of any kind or nature whatsoever imposed, levied, collected, withheld or assessed by any competent authority, and includes all income tax (whether based on or measured by income/revenue or profit or gain of any nature or kind or otherwise and whether levied under the Tax Act or otherwise), capital gains tax, value-added tax and any charge in the nature of taxation, and any interest, penalty, fine or other payment on, or in respect thereof but specifically excluding securities transfer tax.
- 1.1.51 “**Tax Act**” - the Income Tax Act 58 of 1962, as amended or substituted.
- 1.1.52 “**Trading Day**” – any day on which the Shares are traded on the JSE.

- 1.1.53 “**Vest**”, “**Vesting**” or “**Vested**” – when used in relation to:
- 1.1.53.1 a Hurdle Share Appreciation Right shall mean that such Hurdle Share Appreciation Right shall immediately become capable of being Settled in accordance with these Rules;
 - 1.1.53.2 a Performance Share shall mean that such Performance Share shall immediately become capable of being Settled in accordance with these Rules; and
- 1.1.54 “**Vesting Date**” – in relation to:
- 1.1.54.1 an Assignment, the date on which Hurdle Share Appreciation Rights Vest to a Participant as described in 11, which date shall, subject to 11, 12 and 13 be no earlier than the seventh anniversary of the Allocation Date;
 - 1.1.54.2 an Award, the date on which Performance Shares shall be Settled to a Participant as described in 15, which date shall, subject to 15 and 16, be no earlier than three years from the Award Date; and
- provided that if any of the above dates falls on a date which, or during a period in which –
- 1.1.54.3 by virtue of any Applicable Laws or any policy of the Group (including any corporate governance policy) it is not permissible to Settle Shares to a Participant; or
 - 1.1.54.4 by virtue of any Applicable Laws or any policy of the Group (including any corporate governance policy) it is not permissible for a Participant to receive or otherwise deal or trade in Shares,
- the Vesting Date shall be the second Trading Day after the date on which it becomes permissible to Settle Shares to a Participant and/or for the Participant to receive or deal or trade in Shares.
- 1.1.55 “**Vesting Price**” – the price attributable to a Hurdle Share Appreciation Right, being a price equal to the Fair Market Value of a Share on the Vesting Date;

1.2 In these Rules –

- 1.2.1 clause headings are used for convenience only and shall be ignored in its interpretation;
- 1.2.2 unless the context clearly indicates a contrary intention, an expression which denotes –
 - 1.2.2.1 any gender includes the other genders;
 - 1.2.2.2 a natural person includes an artificial person (whether corporate or unincorporated) and vice versa; and
 - 1.2.2.3 the singular includes the plural and vice versa.
- 1.2.3 unless the context clearly indicates a contrary intention, words and expressions defined in the Act shall bear the meanings therein assigned to them;
- 1.2.4 any reference to any statute shall be to that statute, as amended from time to time and to any statutory substitution of that statute; and
- 1.2.5 the use of the word “**including**” or “**includes**” or “**include**” followed by a specific example shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific example/s.

1.3 If any provision in 1.1 is a substantive provision conferring any right or imposing any obligation on anyone, effect shall be given to it as if it were a substantive provision in the body of these Rules.

1.4 When any number of days is prescribed in these Rules, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday, or official public holiday in the RSA, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or official public holiday.

2. PURPOSE

The purpose of the Plan shall be to attract, motivate, reward, and retain Eligible Employees who are able to influence the performance of the Group, on a basis which aligns their interests with those of the Company’s shareholders.

PART 2 – ADMINISTRATION OF THE PLAN

3. THE PLAN

The Plan is hereby constituted, which Plan shall be administered for the purpose and in the manner set out in these Rules.

4. ADMINISTRATION OF THE PLAN

- 4.1 The Board is responsible for the operation and administration of the Plan, and subject to Applicable Laws has discretion to decide whether and on what basis the Plan shall be operated, which may include but not be limited to the delegation of the administration of the Plan to a Compliance Officer or any third party appointed by the Board but excluding any executive director of the Company.
- 4.2 Subject to the provisions of the Plan, any Applicable Laws and to the approval of the Board, the Board shall be entitled to make and establish such rules and regulations, and to amend the same from time to time, as they may deem necessary or expedient for the proper implementation and administration of the Plan.

5. ANNUAL ACCOUNTS

The Board shall ensure that a summary appears in the annual financial statements of the Company of the:

- 5.1 number of Hurdle Share Appreciation Rights and Performance Shares Assigned and Awarded and Settled to Participants;
- 5.2 number of Shares that may be utilised for the purposes of this Plan at the beginning of the financial year;
- 5.3 any changes in such numbers during the financial year under review;
- 5.4 the balance of Shares available for utilisation for the purposes of the Plan at the end of the financial year;
- 5.5 number of Shares, if any, held by any Employer Company which may be acquired by Participants upon Vesting; and
- 5.6 number of unissued Shares, if any, then under the control of the Board for Settlement to Participants in terms of this Plan.

6. SHARES

The Company shall:

- 6.1 subject to 8.2, always reserve and keep available, free from pre-emptive rights, out of its authorised but unissued share capital, such number of Shares as may be required to enable the Company to fulfil its obligations to Settle Shares to Participants;
- 6.2 ensure that Shares may only be issued or purchased for purposes of the Plan once a Participant (or group of Participants) to whom they will be Assigned or Awarded has been formally identified; and
- 6.3 ensure that Shares held for purposes of the Plan will not have their votes at general/annual general meetings considered for the purposes of resolutions proposed in terms of the JSE Listings Requirements or for purposes of determining categorisations as detailed in Section 9 of the JSE Listings Requirements.

7. FUNDING

- 7.1 Other than any Tax as defined in 24.1, all costs of and incidental to the implementation and administration of the Plan, including but not limited to:
 - 7.1.1 the consideration for Shares (if any) acquired and/or issued under the Plan;

- 7.1.2 the costs incurred in the acquisition thereof;
- 7.1.3 any administration or other expenses or administration fees;
- 7.1.4 any duties payable upon the Settlement of Shares to Participants including without limitation securities transfer tax; and
- 7.1.5 all secretarial, accounting, administrative, legal, and financial advice and services, office accommodation and stationery,

properly incurred by the Company as agent for and on behalf of each Employer Company to give effect to the Plan (all the foregoing costs, expenses and duties hereinafter referred to as "**Participation Costs**") shall be funded, as the Board may from time to time direct.

- 7.2 The Company may recover from each Employer Company such Participation Costs as may be attributable to the participation of any of its Participants in the Plan.

8. **MAXIMUM NUMBER OF SHARES WHICH MAY BE ACQUIRED BY PARTICIPANTS**

- 8.1 Subject to 8.2, the maximum aggregate number of Shares which may be acquired by:
 - 8.1.1 all Participants under the Plan is 203 700 000 (two hundred and three million seven hundred thousand) Shares, amounting to 16.6% of the shares currently in issue; or
 - 8.1.2 any one Participant in terms of the Plan is 20 370 000 (twenty million three hundred and seventy thousand) Shares, amounting to 1.66% of the shares currently in issue.
- 8.2 Shares may be acquired on the market through the JSE to satisfy obligations in terms of the Plan. In the determination of the number of Shares which may be acquired by Participants in terms of 8.1, Shares which have been purchased through the JSE shall not be considered. For the sake of clarity and notwithstanding anything to the contrary contained in these Rules, the aggregate number of Shares set out in 8.1.1 and 8.1.2 shall not "roll over" as contemplated under the Listings Requirements. In other words, once a Share is Settled it shall not again thereafter be counted in the number of Shares comprising the aggregate amounts set out in 8.1.1 and 8.1.2 above.

9. **TERMINATION OF EMPLOYMENT**

A Participant who ceases to be employed by an Employer Company on the basis that he is -

- 9.1 immediately thereafter employed by another Employer Company; or
- 9.2 thereafter re-employed by such Employer Company pursuant to it being determined that his employment was terminated on a basis which was not lawful in terms of the LRA,

shall be deemed not to have terminated his employment for the purposes of the Plan and his rights (whether conditional or otherwise) in and to the Hurdle Share Appreciation Rights and/or Performance Shares shall be deemed to be unaffected.

PART 3 – THE HURDLE SHARE APPRECIATION ELEMENT

10. ALLOCATIONS

- 10.1 The Board may at the direction of its Remuneration Committee, and considering the Implementation Policy, resolve to make an Allocation to the Assignment Pool.
- 10.2 The Board may at the direction of its Remuneration Committee, and considering the Implementation Policy, resolve to make Assignments to Eligible Employees from time to time from the Assignment Pool. The basis of the Assignment shall be set out in the Assignment Letter signed by a Participant.
- 10.3 The Board shall, as soon as reasonably practicable on or after the Assignment Date, notify the Eligible Employees of the Assignment in an Assignment Letter. The Assignment Letter shall be in the form prescribed by the Board and shall specify –
 - 10.3.1 the number of Hurdle Share Appreciation Rights Assigned to the Eligible Employee;
 - 10.3.2 the Allocation Price per Hurdle Share Appreciation Right;
 - 10.3.3 the Assignment Date;
 - 10.3.4 the Hurdle Strike Price or the formula that will govern the establishment of the Hurdle Strike Price on Vesting;
 - 10.3.5 the formula that will govern the establishment of Appreciation on Vesting;
 - 10.3.6 the Vesting Date;
 - 10.3.7 the provisions of 24;
 - 10.3.8 a stipulation that the Assignment is subject to the provisions of these Rules;
 - 10.3.9 where a copy of these Rules might be obtained for perusal; and
 - 10.3.10 provision for signed acceptance by the Eligible Employee.
- 10.4 Acceptance by an Eligible Employee of an Assignment shall be communicated to the Board, in writing in such form and within such period as the Board may from time to time prescribe. An Assignment which is not accepted by an Eligible Employee as aforesaid shall automatically be deemed to have been cancelled, subject to re-instatement or extension by the Board in its sole and absolute discretion.
- 10.5 An Assignment is personal to a Participant and shall not be capable of being ceded, assigned, transferred, or otherwise disposed of or encumbered by a Participant.
- 10.6 There shall be no consideration payable for an Assignment.
- 10.7 No Shares (or rights associated thereto) shall be transferred or issued to Participants pursuant to an Assignment, nor shall a Participant earn any dividends (or other distributions made) and shall have no right to vote in respect of an Assignment unless and until the Hurdle Share Appreciation Rights under an Assignment are Settled in accordance with the provisions of these Rules.
- 10.8 An Assignment may be cancelled at any time after the date of acceptance thereof if the Board and Participants so agree in writing.

11. VESTING OF HURDLE SHARE APPRECIATION RIGHTS

The Board shall prior to the Vesting Date in respect of an Assignment assess and determine the Appreciation, as per the formulae defined in clauses 1.1.6 and 1.1.31.

The Hurdle Share Appreciation Rights for which the Appreciation calculated is greater than zero shall Vest, and the balance shall be forfeited and cancelled.

12. SETTLEMENT

12.1 The Participant shall, in respect of the Assigned and Vested Hurdle Share Appreciation Rights, receive, and be Settled, such number of Shares as is calculated in accordance with 12.2.

12.2 A Participant shall, in respect of the Assigned and Vested Hurdle Share Appreciation Rights, be entitled to be Settled X Shares, where X is calculated in accordance with the following formula –

$$X = ((N \times (T/255)) \times A) / VP$$

where –

- X = the number of Shares in Settlement
- N = the number of Assigned and Vested Hurdle Share Appreciation Rights
- T = time period, in days, calculated from the Allocation Date to the Vesting Date
- A = the Appreciation
- VP = the Vesting Price

12.3 The Participant shall pay, in such manner as the Board may from time to time prescribe, any amount which the Board may notify the Participant of, in respect of any deduction on account of Tax as may be required by Applicable Laws which may arise on the Settlement of Hurdle Share Appreciation Rights to him.

13. TERMINATION OF EMPLOYMENT

13.1 Subject to 9, if a Participant ceases to be employed by the Group by reason of a –

13.1.1 No Fault Termination prior to the Vesting of an Assignment, then the Assignment shall automatically Vest on the Date of Termination of Employment and be Settled in accordance with the provisions of this Plan. "T" in the formula utilised to calculate the number of Shares in Settlement in clause 12.2, shall be calculated upto the Date of Termination of Employment.

13.1.2 Fault Termination prior to the Vesting of an Assignment, then such Assignment shall be cancelled on the Date of Termination of Employment.

PART 4 – THE PERFORMANCE SHARE METHOD

14. AWARDS

- 14.1 The Board may at the direction of its Remuneration Committee, and considering the Implementation Policy, resolve to make Awards to Eligible Employees from time to time. The basis of the Award shall be set out in the Award Letter signed by a Participant.
- 14.2 The Board shall, as soon as reasonably practicable on or after the Award Date, notify the Eligible Employee of the Award in an Award Letter. The Award Letter shall be in the form as prescribed by the Board from time to time and shall specify –
- 14.2.1 the targeted number of Performance Shares which may Vest as part of the Award;
 - 14.2.2 the Award Date;
 - 14.2.3 the Vesting Date;
 - 14.2.4 the Performance Criteria imposed by the Board, which will determine the manner in which the number of Performance Shares referred to in 14.2.1 shall be adjusted prior to Settlement;
 - 14.2.5 the provisions of 24;
 - 14.2.6 a stipulation that the Award is subject to the provisions of these Rules;
 - 14.2.7 where a copy of the Rules might be obtained for perusal; and
 - 14.2.8 provision for signed acceptance by the Eligible Employee.
- 14.3 Acceptance by an Eligible Employee of an Award shall be communicated to the Board, in writing in such form and within such period as the Board may from time to time prescribe. An Award which is not accepted by an Eligible Employee as aforesaid shall automatically be deemed to have been cancelled, subject to re-instatement or extension by the Board in its sole and absolute discretion.
- 14.4 An Award is personal to a Participant and shall not be capable of being ceded, assigned, transferred, or otherwise disposed of or encumbered by a Participant.
- 14.5 There shall be no consideration payable for an Award.
- 14.6 No Shares (or rights associated thereto) shall be transferred or issued to Participants pursuant to an Award, nor shall a Participant earn any dividends (or other distributions made) and shall have no right to vote in respect of an Award unless and until and to the extent that the Performance Shares under an Award are Settled in accordance with the provisions of this Plan.
- 14.7 An Award may be cancelled at any time after the date of acceptance thereof if the Board and the Participant so agree in writing.

15. VESTING AND SETTLEMENT OF PERFORMANCE SHARES

- 15.1 The Board shall prior to the Vesting Date, in respect of an Award, assess and determine the extent to which the Performance Criteria imposed by the Board have been achieved. The Performance Shares comprising that portion of an Award in respect of which the Performance Criteria have been achieved shall Vest on the Vesting Date, and the balance shall be cancelled.
- 15.2 The number of Performance Shares which have Vested in respect of an Award shall be Settled to the Participant as soon as practically possible after the Vesting Date, subject to compliance with 15.3 and 24.
- 15.3 The Participant shall pay, in such manner as the Board may from time to time prescribe, any amount which the Board may notify the Participant of, in respect of any deduction on account of Tax as may be required by Applicable Laws which may arise on the Settlement of Performance Shares to him.

16. TERMINATION OF EMPLOYMENT

Subject to 9, if a Participant ceases to be employed by the Group by reason of a:

16.1 No Fault Termination prior to the Vesting Date of his Award, the Performance Shares available to be Settled to him under an Award in terms of 17 shall Vest on the Date of Termination of Employment and shall be Settled to him as soon as practically possible after the Date of Termination of Employment, unless the Board in its sole discretion determines otherwise; or

16.2 Fault Termination, his Award shall be cancelled.

17. EXTENT TO WHICH PERFORMANCE SHARES UNDER AN AWARD ARE AVAILABLE FOR SETTLEMENT ON TERMINATION OF EMPLOYMENT

17.1 Subject to the adjustment in terms of 15.1, if pursuant to 16 Performance Shares are to be Settled to a Participant under an Award, the number of Performance Shares which shall be Settled to him is to be calculated in accordance with the following formula (rounded down to the nearest whole Share), unless the Board, as directed through its Remuneration Committee, permits him to acquire a greater number of Performance Shares –

$$A \times \frac{B}{C} \times P$$

where –

- A = the number of Performance Shares originally conditionally awarded to him in the Award;
- B = the number of completed calendar months which have elapsed from the Award Date to the Date of Termination of Employment;
- C = 36 months;
- P = a performance factor which the Board may in its discretion apply relating to the applicable Performance Criteria, based on its view of the Company performance as at the Date of Termination of Employment.

PART 6 – GENERAL

18. PARTICIPATION

- 18.1 The participation by a Participant in the Plan, including the making of any Assignment or Award, or the Vesting thereof, shall always be approved and confirmed by the Remuneration Committee of the Board as constituted from time to time.
- 18.2 The participation by executive directors of the Group in the Plan, and the issue of Shares to them, shall always comply with the provisions of the Act.

19. INSOLVENCY

- 19.1 If the Company is placed in business rescue or liquidation, then this Plan shall *ipso facto* lapse as from the date of business rescue or liquidation and any Assignment or Award which has not yet been Settled shall *ipso facto* lapse from that date. For the purposes hereof “date of business rescue or liquidation” shall mean the date upon which any application (whether provisional or final) for the business rescue or liquidation of the Company is lodged at the relevant court.

20. POOR PERFORMANCE AND DISCIPLINARY PROCEDURES

Notwithstanding anything that may be construed to the contrary in these Rules, the Vesting and/or Settlement of any Assignment or Award shall be suspended pending the final determination of any disciplinary or poor performance procedures which may be instituted against any Participant.

21. RIGHTS PRIOR TO SETTLEMENT

For the sake of clarity and the avoidance of any doubt, it is recorded that until Settlement the Participant shall have no rights whatsoever in and to the Hurdle Share Appreciation Rights and/or Performance Shares and shall not:

- 21.1 have any ownership interest in; or
- 21.2 receive any dividends and/or exercise any voting rights attached to; or
- 21.3 have acquired any Share being the subject of any Assignment or Award.

22. ADJUSTMENTS

22.1 Notwithstanding anything to the contrary contained herein but subject to 22.4, if the Company undertakes –

- 22.1.1 a sub-division or consolidation of Shares, adjustments shall be made to the numbers specified in 8.1.1 and 8.1.2 and to the number of unvested Hurdle Share Appreciation Rights, or unvested Performance Shares held by Participants; or
- 22.1.2 a capitalisation issue, a special dividend, a rights issue, or reduction of capital affecting the rights of its shareholders, adjustments shall be made to the number specified in 8.1.2, and to the number and/or the Allocation Price of unvested Hurdle Share Appreciation Rights, or the number of unvested Performance Shares held by Participants,

as may be determined by the Board to be fair and reasonable in order to give a Participant the entitlement to the same proportion of the share capital as he was previously entitled to, provided that any adjustments pursuant to this 22.1 shall be in accordance with Schedule 14 of the Listings Requirements of the JSE and with the Rules, and shall be confirmed by the Auditors to the Company and to the JSE in writing at the time the adjustment is finalised. Should any Participant be aggrieved by such adjustment, he may utilise the dispute procedures set out in 28. Any adjustment made in accordance with 22.1 must be reported on in the Company’s annual financial statements in the year during which the adjustment is made.

- 22.2 Any Shares which are not subsequently issued to any Participant, for example because of a forfeiture, shall revert to the Plan.
- 22.3 No adjustments shall be required in terms of 22.1 in the event of the issue of equity securities as consideration for an acquisition, subject to 22.4, the issue of securities for cash and the issue of equity securities for a vendor consideration placing.
- 22.4 If the Company undergoes a Change of Control, or is in the course of a transaction which will result in a Change of Control, after an Assignment Date or Award Date, then the Board may, having regard to such professional advice as it considers appropriate in the circumstances, make such substitution of and/or adjustment to this Plan and the Awards and/or Assignment as it considers appropriate in the circumstances (which determination shall be binding on every Participant and, as applicable, the terms of these Rules shall, without need for a formal variation, be amended as is necessary to give effect to such determination), which adjustments may include (but are not limited to):
- 22.4.1 substituting for the Awards or Assignments (or any part thereof) other awards or a share- or value-based scheme in respect of the Shares or other designated securities of the Company and/or securities of any other legal or corporate entity; and/or
 - 22.4.2 adjusting any of the terms, rights and/or benefits attributable to any Award or Assignment of a Participant (or group of Participants), including as to the number of Shares and/or relevant securities of the Company to which the Award (or part thereof) relates, the number of Awards or Assignments, the Vesting Date(s), the condition(s) in respect of such Awards or Assignments (or part thereof), the benefits payable on Vesting of an Award or Assignment (or part thereof) and/or the benefits attributable to an Award or Assignment (or part thereof) and/or the manner of calculation thereof and/or an adjustment to the maximum limits specified in clause 8; and/or
 - 22.4.3 requiring and/or permitting Participants to dispose of or cancel all or any number of their Awards or Assignments (or parts thereof), on stipulated terms (including fair compensation).
- 22.5 In making adjustments under clause 22.4.2, the Board will consider both the interests of the Company, the Employer Companies (having regard to the fundamental purpose of the Plan) and those of the Participants and, as a guideline and reference point of departure only, and without limiting the discretion of the Board:
- 22.5.1 Participants may be placed in a comparable position to that which they were in prior to such Change of Control having occurred; and/or
 - 22.5.2 the Board may endeavour to place the Participants in a reasonably comparable position to that of the holders of the Company's Shares that are subject to a Change of Control transaction or offer.

23. CANCELLATION

If, in terms of any provision of this Plan, any Assignment or Award is deemed to have been cancelled, the Company is hereby irrevocably and *in rem suam* nominated, constituted, and appointed as the sole attorney and agent of the Participant concerned in that Participant's name, place and stead to sign and execute all such documents and do all such things as are necessary for that purpose.

24. TAX LIABILITY

- 24.1 It is the intention of the Company that any Assignment or Award shall be subject to the provisions of section 8C of the Tax Act.
- 24.2 Notwithstanding any other provision in these Rules (including 12.3 and 15.3), if the Company or an Employer Company are obliged (or would suffer a disadvantage of any nature if they were not) to account for, withhold or deduct any Tax in any jurisdiction which is payable in respect of, or in connection with, the making of any Assignment or Award, the Settlement to a Participant of Shares, the payment of a cash amount or otherwise in connection with the Plan, then the Company or the Employer Company shall be entitled to account for, withhold or deduct such Tax, or the Company or the Employer Company shall be relieved from the obligation to Settle any Shares to a Participant or to pay any cash amount to a Participant in terms of the Plan, until that Participant has either –

- 24.2.1 made payment to the relevant Employer Company of an amount equal to the Tax; or
 - 24.2.2 entered an arrangement which is acceptable to the relevant Employer Company to secure that such payment is made (whether by authorising the sale of some or all the Shares to be Settled to him and the payment to the relevant person of the relevant amounts out of the proceeds of the sale or otherwise).
- 24.3 The Company is hereby irrevocably and in rem suam nominated, constituted and appointed as the sole attorney and agent of a Participant, in that Participant's name, place and stead to sign and execute all such documents and do all such things as are necessary to give effect to the provisions of 24.

25. LISTING AND LEGAL REQUIREMENTS

Notwithstanding any other provision of this Plan:

- 25.1 no Shares shall be Settled to any Participant or acquired pursuant to this Plan if the Board determines, in their sole discretion, that such Settlement will or may violate any Applicable Laws or the listings requirements of any securities exchange on which the Shares of the Company are listed; and
- 25.2 the Company shall apply for the listing of all Shares on the JSE or any other securities exchange which have been Settled to Participants under this Plan.

26. AMENDMENT OF THE PLAN

- 26.1 Subject to 26.2, it shall be competent for the Board to amend any of the provisions of the Plan subject to the prior approval (if required) of the JSE and any other stock exchange on which the Shares are for the time being listed; provided that no such amendment negatively affecting the rights (whether conditional or otherwise) in and to the Assignment or Award of any Participant shall be effected without the prior written consent of the Participant concerned.
- 26.2 If and after the Schedule 14 Approval has been obtained, no amendment affecting any of the following matters shall be competent unless it is approved by the JSE and by an ordinary resolution approved by at least 75% of the votes cast by shareholders present or represented by proxy at a general meeting (excluding all the votes attached to Shares owned or controlled by existing Participants in the Plan) –
 - 26.2.1 the definition of Eligible Employees and Participants;
 - 26.2.2 the definition of Fair Market Value;
 - 26.2.3 the calculation of the total number of Shares which may be acquired for the purpose of or pursuant to the Plan;
 - 26.2.4 the calculation of the maximum number of Shares which may be acquired by any Participant in terms of the Plan;
 - 26.2.5 the amount, if any, payable on application or acceptance, subscription or exercise, as the case may be, or the basis for determining the price (if any and regardless of the form it takes) payable by participants and the period after or during which such payments must be made. There are currently no amounts payable by participants for the acceptances of Awards or Assignments;
 - 26.2.6 the voting, dividend, transfer, or other rights (including rights on liquidation of the Company) which may attach to any Assignment or Award;
 - 26.2.7 the basis for Assignment and/or Awards in terms of these Rules;
 - 26.2.8 the provisions of 22.4;
 - 26.2.9 the provisions in these Rules dealing with the rights (whether conditional or otherwise) in and to the Assignments or Awards of Participants who leave the employment of the Group prior to Vesting; or
 - 26.2.10 the provisions of this 26.

26.3 Without derogating from the provisions of 26.1, if it should become necessary or desirable by reason of the provisions of Applicable Laws at any time after the signing of these Rules, to amend the provisions of these Rules so as to preserve the substance of the provisions contained in these Rules but to amend the form so as to achieve the objectives embodied in these Rules in the best manner, having regard to such Applicable Laws and without prejudice to the Participants concerned, then the Board may (with the prior approval (if required) of every stock exchange on which the Shares are at the time listed) amend these Rules accordingly.

27. **STRATE**

Shares acquired by Participants in terms of the Plan shall be uncertificated. Accordingly, the Company shall not be obliged to deliver the Participant share certificates in respect of the Shares settled to him in terms of these Rules but shall instead be obliged to procure such electronic transactions and/or entries and to deliver to the Participant such documents (if any) as may be required to reflect his rights in and to such Shares pursuant to the provisions of the Act, the Financial Markets Act, 19 of 2012, the Rules of the Central Securities Depository (being Share Transactions Totally Electronic Limited) and the requirements of the JSE.

28. **DISPUTES**

28.1 Should any dispute of whatever nature arise from or in connection with these Rules (including an urgent dispute), then the dispute shall, unless the parties thereto otherwise agree in writing:

28.1.1 in the first instance be referred to mediation by a mediator acceptable to both parties; and

28.1.2 failing resolution by mediation or agreement in respect of a mediator, shall be finally resolved in accordance with the Rules of the Arbitration Foundation of Southern Africa by an arbitrator or arbitrators appointed by the Foundation.

28.2 This clause is severable from the rest of these Rules and shall remain in effect even if these Rules are terminated for any reason.

29. **PROFITS AND LOSSES AND TERMINATION OF THE PLAN**

29.1 The Company shall bear any losses sustained by the Plan which are not recovered from Employer Companies in terms of 7. Furthermore, the Company shall be entitled to receive and be paid any profits made in respect of the purchase, acquisition, sale, or disposal of Shares.

29.2 The Plan shall terminate if the Board so resolves, subject to any existing Assignments, or Awards. Any deficit arising from the winding up of the Plan shall be borne by the Company, to the extent not recovered by the Company from Employer Companies.

30. **DOMICILIUM AND NOTICES**

30.1 The parties choose *domicilium citandi et executandi* for all purposes arising from the Plan, including the giving of any notice, the payment of any sum, the serving of any process, as follows –

30.1.1 The Company: The address and telefax number of the Registered Office of the Company from time to time.

30.1.2 Each Participant: The physical address, telefax number and electronic address from time to time reflected as being his address, telefax number and/or electronic address in the Group's payroll system from time to time.

30.2 Each of the parties shall be entitled from time to time, by written notice to the other, to vary its domicilium to any other physical address and/or its facsimile number and/or (in the case of a Participant) his electronic address; provided in the case of a Participant such variation is also made to his details on the Group's payroll system.

30.3 Any notice given and any payment made by any party to the other which –

30.3.1 is delivered by hand during the normal business hours of the addressee at the addressee's domicilium for the time being shall be rebuttably presumed to have been received by the addressee at the time of delivery; and

30.3.2 is posted by prepaid registered post from an address within the RSA to the addressee at the addressee's domicile for the time being shall be rebuttably presumed to have been received by the addressee on the seventh day after the date of posting.

30.4 Any notice given by any party to any other party which is transmitted by electronic mail and/or facsimile to the addressee at the addressee's electronic address and/or facsimile address for the time being shall be presumed, until the contrary is proved by the addressee, to have been received by the addressee on the date of successful transmission thereof.

31. COMPLIANCE

31.1 The Company shall comply with (and shall use its best endeavours to ensure compliance by all member companies of the Group with) all Applicable Laws insofar as they apply to the Plan. The Plan shall always be operated and administered subject to all Applicable Laws.

31.2 Without derogating from the generality of the foregoing, the Company shall –

31.2.1 appoint a Compliance Officer of the Plan if required by the Act; and

31.2.2 ensure compliance with Schedule 14 and paragraphs 3.63 to 3.74 and 3.92 of the Listings Requirements of the JSE.

31.3 The Company, by its signature hereto, undertakes to procure compliance by every Employer Company with these Rules.

32. GENERAL PROVISIONS

32.1 The rights and obligations of any Participant under the terms of his office or employment with any Employer Company shall not be affected by his participation in the Plan or any right which he may have to participate in it. The Plan shall not entitle a Participant to any right to continued employment or any additional right to compensation in consequence of the termination of his employment.

32.2 The Plan shall be governed and construed in accordance with the law of the RSA.

Signed at _____ on _____ 2022

For and on behalf of the Company

who warrants that he is duly authorised hereto

The Plan was duly approved at a meeting of the Company held at _____ on _____.

Chairman of the Meeting



PURPLE GROUP
LIMITED

(Incorporated in South Africa)
(Registration Number: 1998/013637/06)
Share Code: PPE
ISIN: ZAE000185526
("Purple Group" or "the Company")

NOTICE OF GENERAL MEETING

The definitions and interpretations commencing on page 4 of this Circular to which this Notice is attached, apply, mutatis mutandis, to this Notice and to the Resolutions set out below.

NOTICE IS HEREBY GIVEN that a General Meeting of Shareholders will be held virtually at 10:00 on Friday, 03 June 2022.

Purpose

The purpose of the General Meeting is to consider and, if deemed fit, to approve, with or without modification, the Resolutions set out in this Notice of General Meeting.

1. ORDINARY RESOLUTION NUMBER 1 – APPROVAL OF THE SHARE INCENTIVE PLAN

“RESOLVED AS AN ORDINARY RESOLUTION, that the Company be authorised to adopt The Purple Group Limited 2022 Share Plan set out in Annexure 2 to this Circular, with the salient features of the Plan set out in Annexure 1 to this Circular. It is further resolved that the Directors be authorised to issue new Shares, or to cause subsidiaries of the Company to dispose of treasury shares as may be required from time to time for purposes of the implementation of the Plan.”

Voting Requirements:

In terms of the Listings Requirements, a 75% majority of the votes cast by the Shareholders present virtually or represented by proxy at the General Meeting is required to approve this resolution.

2. ORDINARY RESOLUTION 2 – AUTHORITY TO IMPLEMENT

“RESOLVED AS A ORDINARY RESOLUTION, that any director or the company secretary, for the time being, be and is hereby authorised, on behalf of the Company, to do or cause all such things to be done and to sign all documentation as may be necessary to give effect to the resolution referred to above.”

VOTING AND PROXIES

The date on which Shareholders must be recorded in the Register for purposes of being entitled to receive this Notice is Friday, 22 April 2022.

The date on which Shareholders must be recorded in the Register for purposes of being entitled to attend and vote at the General Meeting, is Friday, 27 May 2022. The last day to trade in order to be entitled to attend and vote at the General Meeting, is Tuesday, 24 May 2022.

Section 63(1) of the Companies Act requires that meeting participants provide satisfactory identification. Accordingly, meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the General Meeting and must accordingly bring a copy of their identity document, passport or drivers’ license to the General Meeting. In doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the Transfer Secretary for guidance.

A Shareholder entitled to attend, speak and vote at the General Meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a Shareholder of the Company. For the convenience of Certificated Shareholders and Dematerialised Shareholders who have elected Own-Name Registration, a Form of Proxy (*white*) is attached hereto. Completion of the Form of Proxy will not preclude such Shareholder from attending and voting (in preference to that Shareholder’s proxy) at the General Meeting.

Duly completed forms of proxy and the authority (if any) under which they are signed be lodged with, posted or emailed (using the details set out below) to the Transfer Secretary by no later than 10:00 on Wednesday, 01 June 2022.

Dematerialised Shareholders who wish to attend the General Meeting virtually should request their CSDP or Broker to provide them with the necessary letter of representation in terms of their Custody Agreement with their CSDP or Broker. Dematerialised Shareholders who do not wish to attend but wish to be represented at the General Meeting must advise their CSDP or Broker of their voting instructions. Dematerialised Shareholders should contact their CSDP or broker with regard to the cut-off time for their voting instructions.

SIGNED at Braamfontein Werf, Johannesburg on behalf of the Board on Wednesday, 04 May 2022.

By order of the Board

CTSE Registry Services Proprietary Limited

Company Secretary

Registered Office of the Company

16th Floor
25 Owl Street
Braamfontein Werf
2092

Physical address

Company Secretary and Transfer Secretary
CTSE Registry Services Proprietary Limited
The Woodstock Exchange Building
5th Floor
Block B
66-68 Albert Road
Woodstock
7925

Postal Address

PostNet Suite 5, Private Bag X4, Woodstock, 7915

Email address

purple@4axregistry.co.za



**PURPLE GROUP
LIMITED**

(Incorporated in South Africa)
(Registration Number: 1998/013637/06)
Share Code: PPE
ISIN: ZAE000185526
("Purple Group" or "the Company")

FORM OF PROXY

The definitions and interpretations commencing on page 4 of this Circular to which this Form of Proxy is attached apply, mutatis mutandis, to this Form of Proxy.

ONLY FOR USE BY CERTIFICATED SHAREHOLDERS AND DEMATERIALISED SHAREHOLDERS WHO HAVE ELECTED OWN-NAME REGISTRATION

For use by Shareholders at the General Meeting to be held virtually at **10:00 on Friday, 03 June 2022**, or any adjourned or postponed meeting.

If you are a Dematerialised Shareholder you must not complete this Form of Proxy but must instruct your CSDP or Broker as to how you wish to vote. This must be done in terms of the Custody Agreement between you and your CSDP or Broker.

I/We _____ (Name in block letters)

of address _____

being a shareholder/s of Purple Group Limited, holding ordinary Shares hereby appoint:

1. _____ or, failing him/her,

2. _____ or, failing him/her,

3. _____ or, failing him/her,

4. the Chairman of the General Meeting, as my proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at 10:00 on Friday, 03 June 2022 and at any adjournment thereof and to speak and act for me/us and, on a poll, vote on my/our behalf,

My/Our proxy shall vote as follows:

	Number of Shares		
	In favour	Against	Abstain
Ordinary resolution number 1: Approval of the Share Incentive Plan			
Ordinary resolution number 2: Authority to implement			

(Indicate instruction to proxy by way of a cross in space provided above)

Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed at: _____ on _____ 2022

Signature _____

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- A Shareholder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a Shareholder) as a proxy to participate in, and speak and vote at, a Shareholders' meeting on behalf of such Shareholder.
- A Shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the Shareholder.
- A proxy may delegate his authority to act on behalf of a Shareholder to another person, subject to any restriction set out in the instrument appointing such proxy.
- Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that
- the relevant Shareholder chooses to act directly and in person in the exercise of any of such Shareholder's rights as a Shareholder.
- Any appointment by a Shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise.
- If an appointment of a proxy is revocable, a Shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company.
- A proxy appointed by a Shareholder is entitled to exercise, or abstain from exercising, any voting right of such Shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise.
- If the instrument appointing a proxy or proxies has been delivered by a Shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a Shareholder must be delivered by such company to:
 - the relevant Shareholder; or
 - the proxy or proxies, if the relevant Shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.

Notes:

- Each Shareholder is entitled to appoint 1 (one) (or more) proxies (none of whom need be a Shareholder of the Company) to attend, speak and vote in place of that Shareholder at the General Meeting.
- A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space/s provided with or without deleting "the Chairman of the General Meeting" but the Shareholder must initial any such deletion. The person whose name stands first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
- A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Shareholder in the appropriate box provided or "X" should the Shareholder wish to vote all Shares held by him. Failure to comply with the above will be deemed to authorise and direct the chairman of the General Meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions, or any other proxy to vote or abstain from voting at the General Meeting as he/she deems fit, in respect of all the Shareholder's votes exercisable at the meeting.
- Completed Forms of Proxy and the authority (if any) under which they are signed must be lodged with the Transfer Secretary, CTSE Registry, at the Woodstock Exchange Building, 5th Floor, Block B, 66-68 Albert Road, Woodstock, 7925, or posted to the Transfer Secretary to PostNet Suite 5, Private Bag X4, Woodstock, 7915 or emailed to purple@4axregistry.co.za, to be received by them for administrative purposes only by no later than 48 hours before the commencement of the General Meeting (or any adjournment of the General Meeting), excluding Saturdays, Sundays and official public holidays, provided that any form of proxy not delivered to the Transfer Secretary by this time may be handed to the chairman of the General Meeting prior at any time before the appointed proxy exercises any shareholder rights at the General Meeting.
- The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in virtually thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.
- The chairman of the General Meeting may accept or reject any form of proxy not completed and/or received in accordance with these notes or with the memorandum of incorporation of the Company.
- Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
- Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by the Company or the Transfer Secretary.
- Where this Form of Proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has been registered by the Company or the Transfer Secretary or waived by the chairman of the General Meeting.
- Where Shares are held jointly, all joint holders are required to sign this form of proxy.

- A minor Shareholder must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company or the Transfer Secretary.
- Dematerialised Shareholders who have elected Own-Name Registration and who wish to attend the General Meeting, or to vote by way of proxy, must contact their CSDP or Broker who will furnish them with the necessary letter of representation to attend the General Meeting or to be represented thereat by proxy. This must be done in terms of the agreement between the Shareholder and his/her CSDP or Broker.
- This Form of Proxy shall be valid at any resumption of an adjourned meeting to which it relates although this Form of Proxy shall not be used at the resumption of an adjourned meeting if it could not have been used at the General Meeting from which it was adjourned for any reason other than it was not lodged timeously for the meeting from which the adjournment took place. This form of proxy shall in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the General Meeting in question, subject to any specific direction contained in this form of proxy as to the manner of voting.
- A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Share in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Transfer Secretary before the commencement of the meeting or adjourned meeting at which the proxy is used.
- Any proxy appointed pursuant to this form of proxy may not delegate her or his authority to act on behalf of the relevant Shareholder.
- In terms of section 58 of the Companies Act, unless revoked, an appointment of a proxy pursuant to this form of proxy remains valid only until the end of the General Meeting or any adjournment of the General Meeting.

