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1 July 2021

The Directors
Santova Limited
3rd Floor
53 Richefond Circle
Umhlanga Ridge
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Dear Sirs

INDEPENDENT EXPERT'S REPORT TO SANTOVA LIMITED ("SANTOVA" or "THE COMPANY") RELATING TO THE SPECIFIC REACQUISITION OF 20 608 070 SHARES IN ITS SHARE CAPITAL FROM A WHOLLY OWNED SUBSIDIARY

Introduction

Santova Financial Services Proprietary Limited ("SFS"), a wholly owned subsidiary of Santova has during the period 30 June 2015 to 8 February 2021, acquired a total of 20 608 070 Santova shares ("Treasury Shares"). The shares were reacquired in accordance with the general authority granted by means of special resolutions passed at each of the Annual General Meetings of Santova held on 19 July 2015, 28 July 2015, 26 July 2016, 24 July 2017, 30 July 2018, 29 July 2019 and 31 July 2020 respectively.

The shares were acquired in compliance with the requirements of the Companies' Act, 71 of 2008 ("the Companies Act"), and were affected at prevailing market price through the order book operated by the Johannesburg Securities Exchange ("JSE") without any prior understanding of arrangement between SFS, the Company and the counter parties.

Santova is in the process of, subject to shareholder approval, concluding an agreement with SFS to reacquire the Treasury shares held by SFS ("the Scheme").

In line with the above, it was announced on SENS on 19 May 2021 that the Company had applied to JSE for the cancellation of the Treasury Shares, registered in the name of SFS.

The company had resolved that, subject to shareholder approval at the company's Annual General Meeting to be held on 26 July 2021, to reacquire all the Treasury Shares held by SFS on 19 May 2021 at the prevailing market price on 19 May 2021.

The Treasury Shares being reacquired amounts to 20 608 070 Santova ordinary shares of no par value, held by SFS constitutes 12.76% of the issued share capital of Santova. Since this exceeds the threshold of 5% of the issued share capital of the Company, the Scheme is subject to the requirements of sections 48(8)(b), 114 and 115 of the Companies Act.

In terms of section 114(2) of the Companies Act, Santova is required to retain an independent expert to compile a report on the Scheme in compliance with section 114(3) of the Companies Act. It is required that the independent expert's report be addressed to the Board of Directors of Santova (the "Board") and distributed to all holders of the Santova securities.

Chairperson: Mrs A Ramasike
Chief Executive Officer: Mr B Adam
SAB&T Chartered Accountants Incorporated t/a Nexia SAB&T
Company Registration Number: 1997/018869/21 | IRBA Registration Number: 921297
Offices in: Bloemfontein, Cape Town, Centurion, Durban, Kimberley, Nelspruit, Polokwane, Port Elizabeth, Rustenburg
B-BBEE rating: Level 1 Contributor in terms of Generic Scorecard - B-BBEE Codes of Good Practice
SAB&T Chartered Accountants Incorporated is a member of Nexia International, a leading, global network of independent accounting and consulting firms.
SAB&T Chartered Accountants Incorporated is an authorised financial services provider

Nexia SAB&T was retained by the Board to act as the independent expert, reporting in terms of section 114 (2) and (3) of the Companies Act.

Qualifications and independence

The directors and employees of Nexia SAB&T assigned to this engagement have the necessary competencies, experience, expertise, and impartiality to meet the requirements of Section 114(2)(a). We further confirm that we meet the independence requirements as set out in Section 114(2)(b) of the Companies' Act.

Our fee payable for this engagement amounts to R75 000, exclusive of VAT and is not contingent upon or related to the outcome of the Scheme.

Scope of our work and report

Our report is provided to the Board for the sole purpose of assisting the Board in forming and expressing an opinion on whether the terms of the Scheme is fair and reasonable.

Our work and the contents of our independent expert report are regulated by Section 114(3) of the Companies' Act. We are required to consider the material effects that the Scheme will have on the rights and interests of shareholders of Santova, any reasonably probable beneficial and significant effect of the Scheme on the business and prospects of Santova. We are further required to state any material interests of any director of Santova and state the effect of the proposed Scheme on those interests and persons.

Responsibility

Compliance with the Companies' Act is the responsibility of the Directors. Our responsibility is to report on the reacquisition as required in terms of Section 114(3) of the Companies' Act.

The terms "Fair" and "Reasonable"

For the purposes of our opinion, fairness is primarily based on a quantitative assessment. Therefore the Scheme would be considered to be fair if the benefit to be derived therefrom is equal to or greater than the value foregone. The terms and conditions of the Scheme would be considered fair to Santova shareholders if the measurable financial benefits of the reacquisition of shares equal or exceed the costs thereof.

The assessment of reasonableness is based on qualitative considerations. Hence, even though the consideration may be lower than fair value, the transaction may be considered reasonable after considering other qualitative factors. Those factors which are difficult to quantify, or are unquantifiable but nonetheless may affect a shareholder's assessment of the proposed specific share repurchase, are also taken into account in forming an opinion on the reasonableness thereof.

Sources of information considered

In arriving at our opinion we have considered information, inter alia, from the following sources:

- Santova's history, nature of business, products or services, key customers and an overview of competitor activity. This information was acquired from public and proprietary sources and from management;
- Audited Annual Financial Statements of Santova for the financial years ended 28 February 2021 and 29 February 2020;
- Annual Integrated Reports of Santova for the financial years ended 28 February 2021 and 29 February 2020;
- Santova Results' presentations for the financial years ended 28 February 2021 and 29 February 2020;
- Announcements published on SENS throughout the period in which Treasury Shares were reacquired by

SFS;
- Announcement on SENS on 19 May 2021 relating to the cancellation of the Treasury Shares;
- Draft agreement between Santova and SFS relating to the reacquisition of the Treasury Shares by Santova from SFS;
- Recent analyst reports on Santova and the industry;
- Discussions and correspondence with senior management of Santova,

Where practical, we have corroborated the reasonability of the information provided to us for the purpose of our opinion, with publicly available information, whether such information was received in writing or through discussions with management of Santova.

Procedures performed in arriving at our opinion

In order to assess the fairness and reasonableness of the terms and conditions of the Scheme, we have performed, amongst other, the following procedures:

- performed an analysis of Santova against its peer group;
- considered the financial and other information described above;
- considered the rationale for the Specific Scheme; and
- assessed the quantitative and qualitative aspects of the proposed Scheme.

We did not consider it necessary to perform our own indicative valuation of the ordinary shares which are subject to the Scheme, since SFS is a wholly owned subsidiary of Santova and, accordingly, the Treasury Shares are already indirectly wholly owned by Santova prior to the transaction. The fundamental value of Santova shares would not affect the fair and reasonableness of the Scheme, on the basis that SFS is a wholly owned subsidiary of Santova.

Assessment of quantitative and qualitative factors

We note the following quantitative and qualitative factors for Santova shareholders, arising as a result of the Scheme:

- It is intended that stated capital will be used to settle the consideration in terms of the Scheme;
- The impact of the Scheme on the issued share capital of Santova is that the ordinary shares in issue will be reduced by 20 608 070 to 140 872 975;
- Santova's stated capital account will be reduced by R48 095 112 (being the cost of the shares to SFS);
- The Board resolved to reacquire, de-list and cancel the Treasury shares in order to simplify the group structure;
- The costs incurred to implement the Scheme are considered to be immaterial in relation to the nature and size of the transaction.
- The benefit of simplifying the Santova group structure, eliminate accounting and regulatory complexities arising from holding the Treasury shares, and saving additional costs of administration which cannot be quantified.

Limiting conditions

Our opinion is based upon the market, regulatory and trading conditions as they exist at the time of writing our report and can only be evaluated as at that date. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.

Our procedures and inquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we do not express an audit opinion on the financial data or other information used in arriving at our opinion.

Each shareholder's decision may be influenced by their particular circumstances, we recommend that a shareholder consult an independent advisor should they be in any doubt as to the merits of the proposed Scheme considering their personal circumstances.

Section 114(3) Requirements

As required, in terms of section 114(3) of the Companies' Act (read together with Section 48 of the Companies Act), we address below the specific requirements of Section 114(3) of the Act:

a. State all the prescribed information relevant to the value of the securities affected by the proposed arrangement

The Scheme will result in the company reacquiring 20 608 070 of its no par value shares for an amount of R 61 412 048 from its wholly owned subsidiary, SFS. SFS acquired these shares on the open market for an amount of R48 095 112 over the period June 2015 to February 2021.

b. Identify every type and class of holders of the Company's securities affected by the proposed arrangement

All Santova ordinary shareholders are affected by the Scheme. The Scheme will have an effect on the economic interests and voting power of holders of Santova shares.

c. Describe the material effects that the proposed arrangement will have on the rights and interests of the persons mentioned in paragraph (b)

Subsequent to the implementation of the Scheme, the issued ordinary shares will decrease by approximately 12.76%.

The implementation of the Scheme will have no material negative impact on the rights and interests on the remaining Santova shareholders.

d. Evaluate any material adverse effects of the proposed arrangement against-

i. The compensation that any of those persons will receive in terms of that arrangement; and

Management informed us that the parties to the Scheme will not receive any compensation for the implementation of the Scheme.

We are not aware of any other persons entitled to compensation as a result of the Scheme, apart from the costs normally associated with a transaction of this nature, including advisor's fees, legal fees, secretarial fees, securities transfer tax, broker's fees and JSE and Strate related fees.

ii. Any reasonably probable beneficial and significant effect of that arrangement on the business and prospects of the Company;

The Scheme has no material Impact on the value attributable to Santova Shareholders on the value per Santova share.

We are not aware of any material adverse effects on the business Santova.

e. State any material interest of any Director of the Company or Trustee for security holders;

The material direct and indirect interests of Directors in the company, prior to the implementation of the Scheme are set out below:

Name of Director	Direct	Indirect	Amount of Shares	% Interest
Van Zyl, AL	✓		17 208 106	10,66
Gerber, GH	✓		4 209 975	2,61
Gerber, GH		✓	1 501 329	0,93
Garner, ESC		✓	497 922	0,31
Garner, ESC		✓	142 760	0,09
Lombard, WA	✓		101 972	0,06
TOTAL			**23 622 064**	**14,66**

f. State the effect of the proposed arrangement on the interest and person contemplated in paragraph (e);

The number of direct and indirect Santova shares held by Directors will not changes as a result of the implementation of the Scheme. As a result of the Scheme the shareholding percentage will increase in proportion to the reduction in the issued shares of the Company.

g. Include a copy of sections 115 and 164

We confirm that Sections 115 and 164 of the Act are included as Annexures 1 and 2 to our report.

Opinion

We have evaluated the terms and conditions of the Scheme and its effect on the business and the prospects of the Company, we are of the opinion that the terms of the Scheme is fair and reasonable to the shareholders Santova in the circumstances.

Consent

We hereby consent to the inclusion of this report and references thereto, in the form and context in which they appear, in the Notice to the Annual General Meeting circulated to Santova shareholders.

Yours faithfully

Nexia SAB&T

B ADAM
DIRECTOR
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Nexia SAB&T

ANNEXURE 1

SECTION 115: REQUIRED APPROVAL FOR TRANSACTIONS CONTEMPLATED IN CHAPTER 5 OF THE COMPANIES ACT

(1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:

(a) the disposal, amalgamation or merger, or scheme of arrangement -

(i) as been approved in terms of this section; or

(j) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and

(b) to the extent that Parts B and C of this Chapter and the Takeover Regulations apply to a company that proposes to—

(i) dispose of all or the greater part of its assets or undertaking;

(ii) amalgamate or merge with another company; or

(iii) implement a scheme of arrangement, the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4)(b), or exempted the transaction in terms of section 119(6).

(2) A proposed transaction contemplated in subsection (1) must be approved -

(a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64(2); and

(b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if -

(i) the holding company is a company or an external company;

(ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and

(iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and

(c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).

(3) Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if -

(a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or

(b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).

(4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights -

(a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied;
or

(b) required to be voted in support of a resolution, or actually voted in support of the resolution.

(4A) In subsection (4), 'act in concert' has the meaning set out in section 117(1)(b).

(5) If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either -
- (a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or
- (b) treat the resolution as a nullity.

(6) On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant -
- (a) is acting in good faith;
- (b) appears prepared and able to sustain the proceedings; and
- (c) has alleged facts which, if proved, would support an order in terms of subsection (7).

(7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if -
- (a) the resolution is manifestly unfair to any class of holders of the company's securities; or
- (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.

(8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person -
- (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
- (b) was present at the meeting and voted against that special resolution.

(9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect -
- (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
- (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
- (c) the transfer of shares from one person to another;
- (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
- (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
- (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

ANNEXURE 2

SECTION 164: DISSENTING SHAREHOLDERS' APPRAISAL RIGHTS

(1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.

(2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to -
   (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
   (b) enter into a transaction contemplated in section 112, 113, or 114(1)(c), that notice must include a statement informing shareholders of their rights under this section.

(3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.

(4) Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who -
   (a) gave the company a written notice of objection in terms of subsection (3); and
   (b) has neither -
      (i) withdrawn that notice; or
      (ii) voted in support of the resolution.

(5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if -
   (a) the shareholder -
      (i) sent the company a notice of objection, subject to subsection (6); and
      (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
   (b) the company has adopted the resolution contemplated in subsection (2); and
   (c) the shareholder -
      (i) voted against that resolution; and
      (ii) has complied with all of the procedural requirements of this section.

(6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting, or failed to include in that notice a statement of the shareholders' rights under this section.

(7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within -
   (a) 20 business days after receiving a notice under subsection (4); or
   (b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.

(8) A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state -
   (a) the shareholder's name and address;
   (b) the number and class of shares in respect of which the shareholder seeks payment; and
   (c) a demand for payment of the fair value of those shares.

(9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless -
   (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);

(b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand;

or

(c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.

(10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.

(11) Within five business days after the later of -

(a) the day on which the action approved by the resolution is effective;

(b) the last day for the receipt of demands in terms of subsection (7)(a); or

(c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.

(12) Every offer made under subsection (11) -

(a) in respect of shares of the same class or series must be on the same terms; and

(b) lapses if it has not been accepted within 30 business days after it was made.

(13) If a shareholder accepts an offer made under subsection (12) -

(a) the shareholder must either in the case of -

(i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or

(ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and

(b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and -

(i) tendered the share certificates; or

(ii) directed the transfer to the company of uncertificated shares.

(14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has -

(a) failed to make an offer under subsection (11); or

(b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.

(15) On an application to the court under subsection (14) -

(a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;

(b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and

(c) the court -

(i) may determine whether any other person is a dissenting shareholder who should be joined as a party;

(ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);

(iii) in its discretion may -

(aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or

(bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until

the date of payment;

(iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and

(v) must make an order requiring -

(aa) the dissenting shareholders to either withdraw their respective demands, or to comply with subsection (13)(a); and

(bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.

(15A) At any time before the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case -

(a) that shareholder must comply with the requirements of subsection 13(a); and

(b) the company must comply with the requirements of subsection 13(b);

(16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.

(17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pays its debts as they fall due and payable for the ensuing 12 months -

(a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and

(b) the court may make an order that -

(i) is just and equitable, having regard to the financial circumstances of the company; and

(ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.

(18) If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.

(19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to -

(a) the provisions of that section; or

(b) the application by the company of the solvency and liquidity test set out in section 4.

(20) Except to the extent -

(a) expressly provided in this section; or

(b) that the Panel rules otherwise in a particular case, a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.