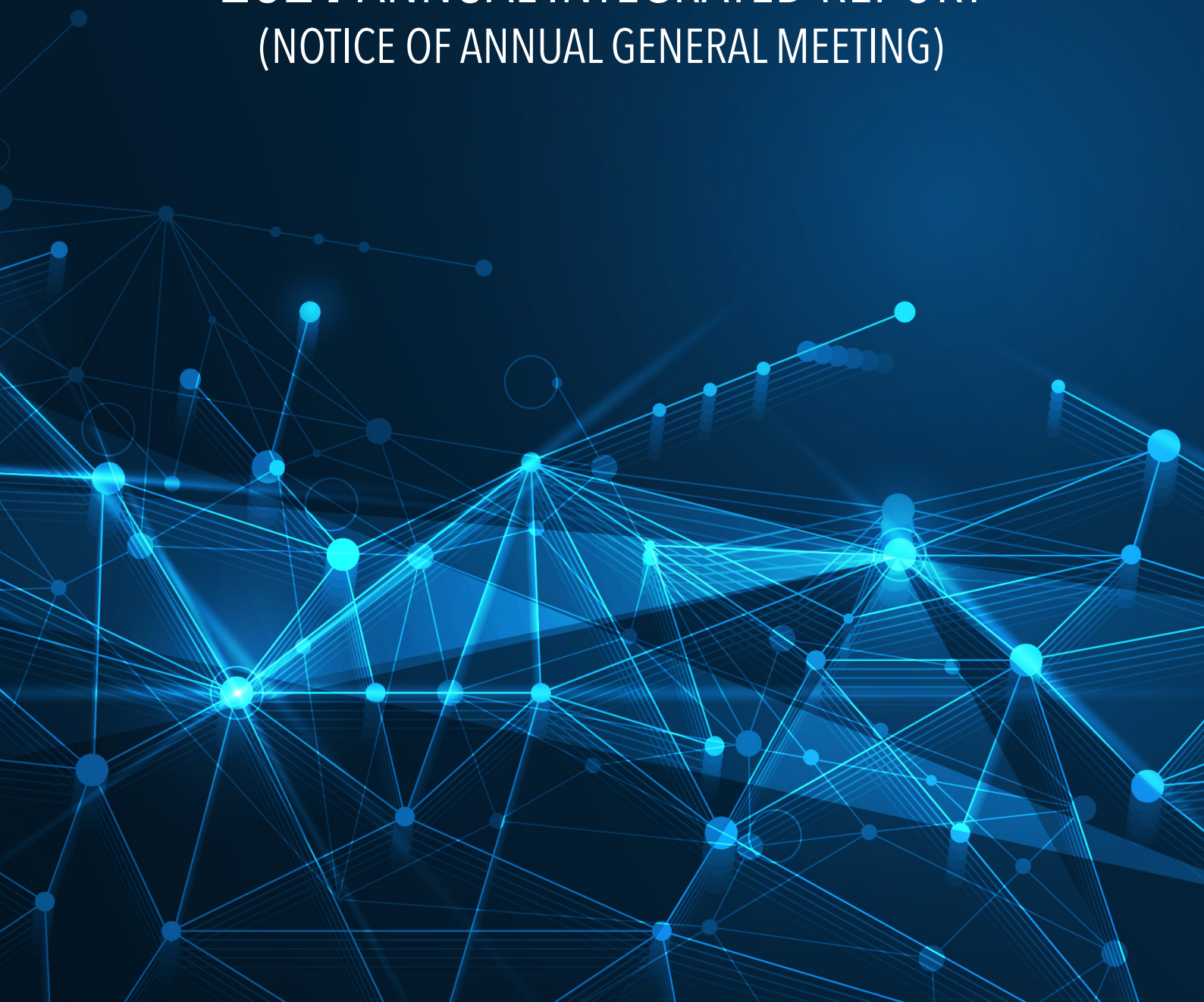




INNOVATIVE SOLUTIONS • ENDLESS POSSIBILITIES

# **2021** ANNUAL INTEGRATED REPORT (NOTICE OF ANNUAL GENERAL MEETING)



# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN to shareholders recorded in the securities register of Santova Limited ("the Company") on Friday, 16 July 2021 that the Annual General Meeting ("AGM") of the shareholders of the Company will be held in the Boardroom, Level 3 West, Umhlanga Arch, 1 Ncondo Place, Umhlanga Ridge, 4319 on Monday, 26 July 2021 at 12 noon for the purposes of considering and, if deemed fit, passing with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Companies Act, No. 71 of 2008 ("the Companies Act"), as read with the Johannesburg Stock Exchange ("JSE") Listings Requirements.

If circumstances relating to the COVID-19 pandemic change and the Company has to resort to holding the meeting by virtual means, the Company will release a Stock Exchange News Service ("SENS") announcement and circular to shareholders advising them of the alternative arrangements.

## **PRESENTATION OF ANNUAL FINANCIAL STATEMENTS**

The Annual Financial Statements ("AFS") of the Company and the Group for the year ended 28 February 2021, as approved by the Board of Directors of the Company ("Board") and including the Report of the Directors, the Report of the Independent Auditors, and the Reports of the Audit and Risk Committee and the Social and Ethics Committee, are to be presented to shareholders.

The percentage of voting rights required for ordinary resolutions numbers 1 to 9 to be adopted is 50% (fifty percent) or more of the voting rights exercisable on these resolutions.

## **1. RE-ELECTION OF DIRECTORS**

The Board has assessed the performance and independence of each of the directors retiring at this AGM and believes each of them exercises objective judgement, is independent, is a valuable member of the Board and the Board recommends to shareholders the re-election of each of the retiring directors as set out in ordinary resolutions 1.1.1 and 1.1.2 below.

Brief profiles of each of the retiring directors may be found on pages 26 to 27 of the Annual Integrated Report ("AIR").

### **1.1 RETIREMENT DUE TO LENGTH OF SERVICE**

The following 2 (two) non-executive directors, who have served for longer than 9 (nine) years, retire in terms of the Company's Board Charter, which requires that any director who has been on the Board for more than 9 (nine) years shall retire every year at the AGM but if eligible, may offer themselves for re-election. Being eligible, both directors have offered themselves for re-election. Each director must be re-appointed by way of a separate resolution:

#### **1.1.1 ORDINARY RESOLUTION NUMBER 1 – ESC GARNER**

"Resolved that Edward Sephton Clayton Garner, who has served for longer than 9 (nine) years and retires in terms of the Company's Board Charter and, being eligible, offers himself for re-election, be and is hereby re-elected as a non-executive director of the Company."

#### **1.1.2 ORDINARY RESOLUTION NUMBER 2 – WA LOMBARD**

"Resolved that Warwick Adrian Lombard, who has served for longer than 9 (nine) years and retires in terms of the Company's Board Charter and, being eligible, offers himself for re-election, be and is hereby re-elected as a non-executive director of the Company."

## **2. ELECTION OF AUDIT AND RISK COMMITTEE MEMBERS**

"That the shareholders re-elect, each by way of a separate resolution, the following independent non-executive directors as members of the Company's Audit and Risk Committee to remain members until the conclusion of the next AGM of the Company."

2.1 ORDINARY RESOLUTION NUMBER 3 – Edward Sephton Clayton Garner

2.2 ORDINARY RESOLUTION NUMBER 4 – Warwick Adrian Lombard

2.3 ORDINARY RESOLUTION NUMBER 5 – Ernest Mbusowenkosi Ngubo

### **Explanatory note to ordinary resolutions numbers 3 - 5**

Section 94(2) of the Companies Act requires that a company that is required to have an audit committee must elect an audit committee at each AGM. The 3 (three) members standing for re-election meet the conditions of eligibility set out in Sections 94(4) and (5) of the Companies Act and Regulation 42 of the Companies Regulations 2011 and are recommended to shareholders for re-election.

The profiles of the Committee members standing for re-election as outlined in ordinary resolutions numbers 3 to 5 above, appear on pages 26 to 27 of the AIR.

### **3. ORDINARY RESOLUTION NUMBER 6 - APPOINTMENT OF MOORE JOHANNESBURG INC AS INDEPENDENT AUDITORS AND THE APPOINTMENT OF CA WHITEFIELD AS REGISTERED AUDIT PARTNER OF THE COMPANY**

"That the appointment of Moore Johannesburg Inc. as independent auditors of the Company, and the appointment of CA Whitefield as the registered partner to hold office until the conclusion of the next AGM of the Company, as recommended by the Company's Audit and Risk Committee, be and are hereby approved."

### **4. NON-BINDING ADVISORY VOTES ON THE COMPANY'S REMUNERATION POLICY AND IMPLEMENTATION REPORT**

Principal 14 and sub-practice 37 of the King IV™ Report on Corporate Governance for South Africa, 2016, ("King IV™") recommends that companies present their Remuneration Policy and Implementation Report every year to shareholders at the AGM for a non-binding advisory vote. This vote enables shareholders to express their views on the remuneration policy adopted and on its implementation. These resolutions are of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements. However, the Board of the Company will take the outcome of the vote into consideration when reviewing the Company's Remuneration Policy.

Shareholders are reminded that in terms of King IV™, should 25% (twenty-five percent) or more of the votes cast be against one or both of the non-binding ordinary resolutions, the Company is required to undertake to engage with shareholders as to the reasons why they have voted in this manner. The Company undertakes to make recommendations to the Remuneration Committee based on the feedback received from shareholders.

#### **4.1 ORDINARY RESOLUTION NUMBER 7 – REMUNERATION POLICY**

"That the Company's Remuneration Policy for the financial year ended 28 February 2021, as set out in the Remuneration Report on pages 38 to 40 of the AIR, be and is hereby approved through a non-binding advisory vote in accordance with the JSE Listings Requirements and the recommendations of King IV™."

#### **4.2 ORDINARY RESOLUTION NUMBER 8 – IMPLEMENTATION REPORT**

"That the Company's Implementation Report, as set out in the Remuneration Report on page 41 of the AIR, be and is hereby approved through a non-binding advisory vote in accordance with the JSE Listings Requirements and the recommendations of King IV™."

### **5. ORDINARY RESOLUTION NUMBER 9 - UNISSUED SHARES TO BE PLACED UNDER THE CONTROL OF THE DIRECTORS**

"That the authorised but unissued ordinary shares in the capital of the Company be and are hereby placed under the control and authority of the directors of the Company. Subject to the provisions of any applicable legislation and the JSE Listings Requirements, the directors are hereby authorised and empowered to allot and issue all or any of such ordinary shares to such person or persons on such terms and conditions and at such times as the directors may, from time to time, in their discretion deem fit."

#### **Motivation for ordinary resolution number 9**

In terms of the Company's Memorandum of Incorporation, the shareholders of the Company are required to approve any placement of the unissued ordinary shares under the control of the directors.

# NOTICE OF ANNUAL GENERAL MEETING continued

The percentage of voting rights required for ordinary resolution number 10 and special resolutions numbers 1 to 4 to be adopted is 75% (seventy-five percent) or more of the voting rights exercisable on these resolutions.

## 6. ORDINARY RESOLUTION NUMBER 10 - GENERAL AUTHORITY TO ISSUE SHARES, AND TO SELL TREASURY SHARES, FOR CASH

"That the directors of the Company and/or any of its subsidiaries, from time to time, be and they are hereby authorised, by way of a general authority, to:

- + Allot and issue equity securities or options in respect of the authorised but unissued ordinary shares in the capital of the Company up to a number that equates to 15% (fifteen percent) of the issued share capital or 21 130 946 ordinary shares; and/or
- + Sell or otherwise dispose of, or transfer, or issue any share or options in respect of, equity securities in the capital of the Company purchased by subsidiaries of the Company for cash, to such person/s on such terms and conditions and at such times as the directors in their discretion deem fit, subject to the requirements of the Companies Act, the Memorandum of Incorporation of the Company, the JSE Listings Requirements and the following limitations:
  - the equity securities and/or options which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
  - any such issue may only be made to public shareholders as defined by the JSE Listings Requirements and not to related parties;
  - securities which are the subject of a general issue for cash may not exceed 15% (fifteen percent) of the applicant's listed equity securities as at the date of the Notice of AGM seeking the general issue for cash authority, provided that:
    - (i) this general authority shall be valid until the earlier of the Company's next AGM or expiry of a period of 15 (fifteen) months from the date that this authority is given;
    - (ii) the calculation of the applicant's listed equity securities must be a factual assessment of the applicant's listed equity securities as at the date of the Notice of AGM, excluding treasury shares;
    - (iii) the specific number of shares representing the number up to 15% (fifteen percent) of the applicant's listed equity securities as at the date of the Notice of AGM must be included as a number in the resolution seeking the general issue for cash authority;
    - (iv) any equity securities issued under the authority during the period from the date of granting of the authority until the date of the next AGM or 15 (fifteen) months from the granting of the authority, whichever period is shorter, must be deducted from such number referred to in (iii) above; and
    - (v) in the event of a sub-division or consolidation of issued equity securities during the period contemplated in (iv) above, the existing authority must be adjusted accordingly to represent the same allocation ratio.
  - the maximum discount at which equity securities may be issued is 10% (ten percent) of the weighted average traded price of such equity securities measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the applicant's securities have not traded in such 30 (thirty) business-day period;
- + A SENS announcement giving full details, including in the case of options/convertible securities the impact on the net asset value per share, tangible net asset value per share, earnings per share and headline earnings per share, will be published when the Company has issued ordinary shares representing, on a cumulative basis within 1 (one) financial year, 5% (five percent) or more of the number of ordinary shares in issue prior to the issue;
- + Whenever the Company wishes to use ordinary shares, held as treasury stock by a subsidiary of the Company, such use must comply with the JSE Listings Requirements as if such use was a fresh issue of ordinary shares; and
- + Approval of the general issue for cash resolution is achieved by a 75% (seventy-five percent) majority of the votes cast in favour of such resolution by all equity securities holders present or represented by proxy at the general meeting convened to approve such resolution. The resolution must be worded in such a way as to include the issue of any options/convertible securities that are convertible into an existing class of equity securities, where applicable."

## 7. SPECIAL RESOLUTION NUMBER 1 - REMUNERATION OF INDEPENDENT AND NON-EXECUTIVE DIRECTORS

"That in terms of Section 66(9) of the Companies Act and with immediate effect and until the conclusion of the next AGM in 2022, the fees payable to the independent and non-executive directors of the Company for their services as directors be approved as follows:"

BOARD / COMMITTEE	Proposed
<b>Board of Directors</b>	
Chairman	R576 000 <sup>1</sup>
Non-executive directors	R20 000 <sup>2</sup>
<b>Audit and Risk Committee</b>	
Chairman	R36 000 <sup>2</sup>
Member	R17 000 <sup>2</sup>
<b>Remuneration Committee and Nominations Committee</b>	
Chairman	R22 000 <sup>2</sup>
Member	R13 000 <sup>2</sup>
<b>Social and Ethics Committee</b>	
Chairman	R22 000 <sup>2</sup>
Member	R13 000 <sup>2</sup>

<sup>1</sup> Annual fee that includes attendance at all Board and Committee meetings.

<sup>2</sup> Fees per meeting attended.

### Explanatory note to special resolution number 1

In terms of Sections 66(8) and 66(9) of the Companies Act, remuneration may only be paid to directors, for their services as directors, in accordance with a special resolution approved by the shareholders within the previous 2 (two) years and if not prohibited in terms of the Company's Memorandum of Incorporation.

Special resolution number 1 is required in order to obtain the approval of the Company in general meeting of the remuneration payable to the independent and non-executive directors for the period commencing immediately after this AGM and ending at the conclusion of the next AGM. Increases in remuneration are implemented only after formal approval has been obtained.

## 8. SPECIAL RESOLUTION NUMBER 2 - GENERAL AUTHORITY FOR THE PROVISION OF FINANCIAL ASSISTANCE IN TERMS OF SECTION 44

"To the extent required by Section 44 of the Companies Act, the Board may, subject to compliance with the provisions of the Company's Memorandum of Incorporation, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, as a general authority authorise the Company to provide direct or indirect financial assistance by way of a loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company, provided that the provision of financial assistance is pursuant to an employee share scheme that satisfies the provisions of Section 97 of the Companies Act; the Board has applied the solvency and liquidity tests as set out in Section 4 of the Companies Act and has concluded that the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company, for a period of 1 (one) year until the conclusion of the next AGM."

### Explanatory note to special resolution number 2

The reason for, and effect of this special resolution number 2 is to obtain the necessary approvals from shareholders to allow the Company to provide financial assistance in accordance with the provisions of Section 44 of the Companies Act, as and when required. This special resolution does not authorise the provision of financial assistance to a director and/or prescribed officer of the Company other than that necessary in terms of the approved Santova Share Option Schemes and other means of incentivising senior employees that fall within the ambit of the wording of the above special resolution.



# NOTICE OF ANNUAL GENERAL MEETING continued

## 9. SPECIAL RESOLUTION NUMBER 3 - GENERAL AUTHORITY FOR THE PROVISION OF FINANCIAL ASSISTANCE IN TERMS OF SECTION 45

"To the extent required by Section 45 of the Companies Act, the Board of the Company may, subject to compliance with the provisions of the Company's Memorandum of Incorporation, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, by way of a general authority, authorise the Company to provide at any time and from time to time any direct or indirect financial assistance to any one or more present or future related or inter-related companies or corporations of the Company in the ordinary course of business, for a period of 1 (one) year until the conclusion of the next AGM."

### **Explanatory note to special resolution number 3**

The reason for and effect of this special resolution number 3 is to obtain the necessary approvals from shareholders to **allow the Company to provide financial assistance to the Company's related or inter-related companies** in accordance with the provisions of Section 45 of the Companies Act, as and when required. This special resolution does not authorise the provision of financial assistance to a director and/or prescribed officer of the Company.

## 10. SPECIAL RESOLUTION NUMBER 4 - GENERAL AUTHORITY TO BUY OWN SHARES

"That the Company or any subsidiary of the Company may, subject to the Companies Act, the Company's Memorandum of Incorporation and the JSE Listings Requirements and any other stock exchange upon which the securities in the capital of the Company may be quoted or listed from time to time, repurchase ordinary shares issued by the Company, provided that this authority shall be valid only until the date of the next AGM of the Company or for 15 (fifteen) months from the date of the resolution, whichever is the shorter, and may be varied by a special resolution at any general meeting of the Company at any time prior to the AGM."

**It is recorded that the Company or any subsidiary of the Company may only make a general repurchase of ordinary shares if:**

- + Any such acquisition of ordinary shares is effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter-party;
- + The Company is so authorised by its Memorandum of Incorporation;
- + The Company is authorised thereto by its shareholders in terms of a special resolution of the Company in general meeting, which authorisation shall only be valid until the Company's next AGM or 15 (fifteen) months from the date of passing of this special resolution, whichever is the shorter;
- + The repurchases are made at a price no greater than 10% (ten percent) above the volume weighted average of the market value for such securities for the 5 (five) business days immediately preceding the date on which the repurchase is effected;
- + At any point in time, the Company may only appoint 1 (one) agent to effect any repurchases on the Company's behalf;
- + The Company or its subsidiaries do not repurchase securities during a prohibited period defined in terms of the JSE Listings Requirements, unless there is a repurchase programme as contemplated in terms of 5.72(h) of the JSE Listings Requirements;
- + A paid press announcement, containing full details of such repurchases is published as soon as the Company has repurchased ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of securities in issue prior to the repurchases and for each 3% (three percent), on a cumulative basis, thereafter; and
- + Acquisitions of the Company's securities by the Company or its subsidiaries in the aggregate in any 1 (one) financial year may not exceed 20% (twenty percent) of the Company's issued share capital or 28 174 595 ordinary shares from the date of the grant of this general authority.

**In terms of the general authority given under this special resolution, any acquisition of ordinary shares shall be subject to:**

- + The Companies Act;
- + The JSE Listings Requirements and any other applicable stock exchange rules, as may be amended from time to time;
- + The sanction of any other relevant authority whose approval is required in law; and
- + A resolution by the Board that they authorise the repurchase, that the Company passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the Company or the Group.

**After having considered the effect of any repurchases of ordinary shares pursuant to this general authority, the directors of the Company in terms of the Companies Act and the JSE Listings Requirements, confirm that they will not undertake such repurchase of ordinary shares unless at the time that the contemplated repurchase is to take place:**

- + The Company and its subsidiaries will be able to pay their debts as they become due in the ordinary course of business for a period of 12 (twelve) months after the date of the Notice of AGM;
- + The consolidated assets of the Company and its subsidiaries, fairly valued in accordance with the International Financial Reporting Standards ("the IFRS"), will be in excess of the consolidated liabilities of the Company and its subsidiaries for a period of 12 (twelve) months after the date of the Notice of AGM;
- + The Company and its subsidiaries will have adequate capital and reserves for the ordinary business purposes of the Company and its subsidiaries for a period of 12 (twelve) months after the date of the Notice of AGM; and
- + The working capital available to the Company and its subsidiaries will be sufficient for the Group's ordinary business purposes for a period of 12 (twelve) months after the date of the Notice of AGM.

There are no legal or arbitration proceedings (including any such proceedings that are pending or threatened, of which the Company is aware), which may or have had a material effect on the Company's financial position over the past 12 (twelve) months preceding the date of this Notice of AGM.

#### **Explanatory note to special resolution number 4**

The Company's Memorandum of Incorporation contains a provision allowing the Company or any subsidiary of the Company to repurchase securities issued by the Company. This is subject to the approval of the shareholders in terms of the Company's Memorandum of Incorporation and the JSE Listings Requirements. The existing general authority, granted by members at the 2020 AGM, is due to expire unless renewed.

The directors of the Company are of the opinion that it would be in the best interests of the Company to extend such general authority and thereby allow the Company or any subsidiary of the Company, to be in a position to repurchase the securities issued by the Company through the order book of the JSE, should the market conditions and price justify such action.

Repurchases will only be made after the most careful consideration, where the directors believe that an increase in earnings per share will result and where repurchases are, in the opinion of the directors, in the best interests of the Company and the Group.

The reason for the passing of the special resolution is to enable the Company or any of its subsidiaries, by way of a general authority from the shareholders, to repurchase ordinary shares issued by the Company.

The effect of passing the special resolution will be to permit the Company or any of its subsidiaries in the appropriate circumstances to repurchase such ordinary shares in terms of the Companies Act.

## **11. ORDINARY RESOLUTION NUMBER 11 - AUTHORITY TO EXECUTE REQUISITE DOCUMENTATION**

"That any director of the Company, or the Company Secretary where appropriate, be and hereby is authorised to do all such things and to sign all such documents issued by the Company required to give effect to ordinary resolutions numbers 1 to 10 and special resolutions numbers 1 to 4."

# NOTICE OF ANNUAL GENERAL MEETING continued

## PROXY AND VOTING PROCEDURE

In compliance with the provisions of Section 58(8)(b)(i) of the Companies Act, a summary of the rights of a shareholder to be represented by proxy, as set out in Section 58 of the Companies Act, is set out immediately below:

1. An ordinary shareholder entitled to attend and vote at the AGM may appoint any individual (or two or more individuals) as a proxy or as proxies to attend, participate in and vote at the AGM in the place of the shareholder. A proxy need not be a shareholder of the Company.
2. A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy and, subject to the rights of a shareholder to revoke such appointment (as set out below), remain valid only until the end of the AGM.
3. A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
4. The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.
5. The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.
6. If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's Memorandum of Incorporation to be delivered by the Company to the shareholder, must be delivered by the Company to (a) the shareholder, or (b) the proxy or proxies, if the shareholder has (i) directed the Company to do so in writing; and (ii) paid any reasonable fee charged by the Company for doing so.

Forms of proxy and/or letters of representation may be presented at the meeting, but to enable the Company to ensure prior to the meeting that a quorum will be present at the meeting, it would be helpful if proxy forms and/or letters of representation could be delivered to the Company's registered office, Santova House, 88 Mahatma Gandhi Road, Durban, 4001 (PO Box 6148, Durban, 4000) as early as possible prior to the meeting, or to the offices of the transfer secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132) 48 hours prior to the meeting. Attention is also drawn to the "Notes to the Form of Proxy", which appear on the reverse of the form.

## RECORD DATES

Shareholders are reminded to take note of the following dates:

- + The last day to trade in order to be eligible to vote at the AGM will be Tuesday, 13 July 2021.
- + The record date in order to be eligible to vote at the AGM will be Friday, 16 July 2021.

## IDENTIFICATION OF MEETING PARTICIPANTS

Kindly note that meeting participants (including shareholders and proxies) are required to provide reasonably satisfactory identification and the person presiding at the AGM must be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as a proxy for a shareholder) has been reasonably verified. Any shareholder having difficulty or queries with regard to the above may contact the Company Secretary on +27 31 765 4989.

## ELECTRONIC PARTICIPATION

Shareholders (or their proxies) may participate (but not vote) electronically in the AGM. Shareholders (or their proxies) wishing to participate in the AGM by electronic means should contact the Group Financial Manager on +27 31 521 0160 at least 5 (five) business days prior to the AGM. Access to the AGM by way of electronic participation will be at the shareholder's expense. Only persons physically present at the meeting or represented by a valid proxy, will be entitled to cast a vote on any matter put to shareholders for a vote.

By order of the Board

17 May 2021

**JA Lupton, FCG**  
Company Secretary

**Registered Office:**  
Santova House  
88 Mahatma Gandhi Road  
Durban  
4001



# SUPPLEMENTARY NOTICE OF ANNUAL GENERAL MEETING

Further to the notice of Annual General Meeting ("AGM") to be held in the Boardroom, Level 3 West, Umhlanga Arch, 1 Ncondo Place, Umhlanga Ridge, 4319 on Monday, 26 July 2021 at 12 noon as circulated to shareholders on 28 May 2021, notice is hereby given that to satisfy the requirements of section 115(1)(a) and (b) of the Companies Act, No. 71 of 2008 ("the Companies Act") the following additional Special Resolution will be added to the AGM notice for shareholder approval and ratification.

## 16. SPECIAL RESOLUTION NUMBER 5 - RATIFICATION OF REACQUISITION

THAT the Reacquisition by the Company of 20 608 070 ordinary shares of no par value, with a market value of R61 412 850,36, from its wholly owned subsidiary Santova Financial Services Proprietary Limited ("Reacquisition") be and it is hereby approved and ratified.

### Explanatory Note to Special Resolution No. 5:

#### 1. THE REACQUISITION

- 1.1. As at 19 May 2021 the Company's wholly-owned subsidiary Santova Financial Services Proprietary Limited ("SFS") held 20 608 070 ordinary shares of no par value in the Company ("Treasury Shares") with a market value of R61 412 048,60;
- 1.2. As the shareholding represented 12,76% of the issued share capital of the Company which exceeds the threshold of 5% of the issued share capital of the Company, the return of the shares by SFS to the Company for subsequent cancellation by the Company is subject to the requirements of sections 48(8)(b), 114 and 115 of the Companies Act.
2. The Board of Directors of the Company has confirmed and ratified the Reacquisition in terms of sections 46 and 48 of the Companies Act and has confirmed that it is satisfied that after the Reacquisition the Company will meet the solvency and liquidity test set out in section 4 of the Companies Act.
3. A specific requirement of Section 114(3) of the Companies' Act is to retain the services of an independent expert. Mr. Bashier Adam of NEXIA SAB&T was engaged and has provided an opinion that the terms of the arrangement are fair and reasonable to the shareholders of Santova. A copy of the full report is available for shareholders under this supplementary notice on the Company's website.

An amended Form of Proxy is attached to this Supplementary Notice for use by shareholders.

## RECORD DATES

Shareholders are reminded to take note of the following dates:

- + Last date to trade in order to be eligible to vote at the AGM will be Tuesday, 13 July 2021.
- + The record date in order to be eligible to vote at the AGM will be Friday, 16 July 2021.

By order of the Board

**JA Lupton, FCG**  
Company Secretary

1 July 2021

**Registered Office:**  
Santova House  
88 Mahatma Gandhi Road  
Durban  
4001

# FORM OF PROXY

## SANTOVA LIMITED

Incorporated in the Republic of South Africa (Registration number 1998/018118/06)  
 Share code: SNV. ISIN: ZAE000159711. ("Santova" or "the Company")

For use at the Annual General Meeting ("the AGM") of the Company to be held in the Boardroom, Level 3 West, Umhlanga Arch, 1 Ncondo Place, Umhlanga Ridge, 4319 on Monday, 26 July 2021 at 12 noon and at any adjournment thereof:

To be completed by holders of certificated shares and holders of dematerialised shares with own name registration only. Shareholders who have dematerialised their shares with a Central Securities Depository Participant ("CSDP") or broker, other than with "own name" registration, must arrange with the CSDP or broker concerned to provide them with the necessary authorisation to attend the AGM or the shareholders concerned must instruct their CSDP or broker as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the shareholder and the CSDP or broker concerned.

I/We \_\_\_\_\_ (BLOCK LETTERS please)

Of \_\_\_\_\_ (Address)

Telephone Home: \_\_\_\_\_ Telephone Work: \_\_\_\_\_

Cell Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

being the holder/custodian of \_\_\_\_\_ ordinary shares in the Company, hereby appoint

1. \_\_\_\_\_ or, failing him/her

2. \_\_\_\_\_ or, failing him/her

3. the Chairman of the meeting

as my/our proxy to act on my/our behalf at the AGM of the Company to be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat and at any adjournment thereof, and to vote for or against the ordinary and special resolutions or to abstain from voting in respect of the ordinary shares registered in my/our name/s in accordance with Note 2 of the "Notes to the Form of Proxy" on the reverse of this form.

		For	Against	Abstain
1.	Ordinary resolution number 1 – Re-election of ESC Garner retiring as a director due to length of service.			
2.	Ordinary resolution number 2 – Re-election of WA Lombard retiring as a director due to length of service.			
3.	Ordinary resolution number 3 – Re-election of ESC Garner as a member of the Audit and Risk Committee.			
4.	Ordinary resolution number 4 – Re-election of WA Lombard as a member of the Audit and Risk Committee.			
5.	Ordinary resolution number 5 – Re-election of EM Ngubo as a member of the Audit and Risk Committee.			
6.	Ordinary resolution number 6 – Re-election of Moore Johannesburg Inc as independent auditors and appointment of CA Whitefield as registered audit partner.			
7.	Ordinary resolution number 7 – Non-binding advisory vote on the Company's Remuneration Policy.			
8.	Ordinary resolution number 8 – Non-binding advisory vote on the Company's Remuneration Policy Implementation Report.			
9.	Ordinary resolution number 9 – Shares to be placed under control of the directors.			
10.	Ordinary resolution number 10 – General authority to issue shares for cash.			
11.	Special resolution number 1 – Approval of non-executive directors' remuneration.			
12.	Special resolution number 2 – General authority to provide financial assistance in terms of Section 44.			
13.	Special resolution number 3 – General authority to provide financial assistance in terms of Section 45.			
14.	Special resolution number 4 – General authority to buy back own shares.			
15.	Ordinary resolution number 11 – Authority to execute requisite documentation.			
16.	Special resolution number 5 - Ratification of reacquisition.			

(Indicate instruction to proxy by way of a cross in the spaces provided above.)

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

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021

Signature: \_\_\_\_\_

Please read the notes on the reverse of this form.

# NOTES TO THE FORM OF PROXY

1. A shareholder may insert the name of a proxy or the names of 2 (two) alternative proxies of the member's choice in the spaces provided, with or without deleting "the Chairman of the meeting", but any such deletion must be initialled by the member. The person whose name stands first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than the total number of shares that you own in the Company, insert the number of ordinary shares held in respect of which you desire to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's votes exercisable thereat. A member or his/her proxy is not obliged to use all the votes exercisable by the member or by his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
3. Forms of proxy and/or letters of representation may be presented at the meeting, but to enable the Company to ensure prior to the meeting that a quorum will be present at the meeting, it would be helpful if proxy forms and/or letters of representation could be delivered to the Company's registered office, Santova House, 88 Mahatma Gandhi Road, Durban, 4001 (PO Box 6148, Durban, 4000) as early as possible prior to the meeting, or to the offices of the transfer secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, (Private Bag X9000, Saxonwold, 2132) 48 hours prior to the meeting.
4. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries or waived by the Chairman of the AGM.
6. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
7. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of the Company.
8. The Chairman of the AGM may reject or accept a form of proxy, which is completed and/or received other than in accordance with these notes, if the Chairman is satisfied as to the manner in which the shareholder wishes to vote.

## **Certificated and "own name" registered dematerialised shareholders**

If you are unable to attend the AGM of Santova Limited to be held at 12 noon on Monday, 26 July 2021 in the Boardroom, Level 3 West, Umhlanga Arch, 1 Ncondo Place, Umhlanga Ridge, 4319 and wish to be represented thereat, you must complete and return this form of proxy in accordance with the instructions contained herein and lodge it with, or post it to the Company's registered office address or the transfer secretaries' address, both detailed in point 3 above.

## **Dematerialised shareholders**

If you hold dematerialised shares in Santova Limited through a CSDP or broker and do not have an "own name" registered dematerialised registration, you must timeously advise your CSDP or broker of your intention to attend and vote at the AGM or be represented by proxy thereat in order for your CSDP or broker to provide you with the necessary letter of representation to do so, or should you not wish to attend the AGM in person, you must timeously provide your CSDP or broker with your voting instructions in order for the CSDP or broker to vote in accordance with your instructions at the AGM.





**A Specialist Provider of Innovative  
Global Trade Solutions.**

- + Santova's diversification in terms of geographies, currencies, industries, products and services enables it to manage a global network of inter-connected activities for multinational organisations from origin to point-of-consumption.
- + This diversification also enables it to hedge against unexpected 'regional risks' whilst at the same time allowing it to capitalise on opportunities that may present themselves globally.

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