
Conduit Capital Limited
Incorporated in the Republic of South Africa
(Registration number 1998/017351/06)
Share code: CND ISIN: ZAE000073128
(“**Conduit Capital**” or “**the Company**” or “**the Group**”)

DISPOSAL OF SHARES IN ORACLEMED INVESTMENTS

1. Introduction

Shareholders are referred to the announcement released on SENS on 29 June 2021 (“**Initial Announcement**”) (and using the terms defined therein unless otherwise stated) wherein they were advised that Constantia Risk and Insurance Holdings Proprietary Limited (“**CRIH**”), a wholly-owned subsidiary of Conduit Capital, had entered into a Subscription Agreement with OracleMed Holdings and OracleMed Health Investments Proprietary Limited (“**OMHI**” or “**OracleMed Investments**”) in terms of which CRIH will, subject to certain conditions, subscribe for 30% of the total issued ordinary no par value shares in OMHI upon implementation of the Subscription Agreement and, provided that CRIH is a shareholder in OMHI on 1 September 2022, up to a further 45% shareholding in OMHI (“**the Acquisition**”).

The nature of the business of OracleMed Investments is set out in the Initial Announcement. The beneficial owners of OMHI are OracleMed Holdings (70)% and CRIH (30)%.

The Board hereby informs shareholders that on 28 September 2023 (“**Signature Date**”), CRIH entered into an agreement with OMHI (“**Agreement**”) in terms of which OMHI will abandon the OMHI Claims against CRIH, as described below, on condition that CRIH sells the Sale Interest to OMHI, as described below, for an amount of R9 million (“**Purchase Price**”) (“**the Disposal**”).

The “**OMHI Claims against CRIH**” comprise all and any claims owned by OMHI against CRIH including but not limited to claims arising from the alleged failure by CRIH to pay OMHI the balance of the Subscription Consideration to complete the acquisition by CRIH of 75% of the shareholding of OMHI as contemplated in the Subscription Agreement.

The “**Sale Interest**” comprises:

- the “**Sale Shares**”, being 30% of the issued ordinary shares of OMHI owned by CRIH as at the Signature Date and the “**Effective Date**”, being 1 October 2023 or the last day of the month in which the last of the suspensive conditions as set out in the Agreement is fulfilled or waived, as the case may be, whichever date is sooner; and
- the “**Sale Claims**”, being all claims, if any, of whatsoever nature and howsoever arising owned by CRIH against OMHI, whether on loan account or otherwise, as at the Effective Date.

The sale and purchase of the Sale Interest and abandonment of the OMHI Claims against CRIH constitute one indivisible transaction.

2. Rationale for the Disposal

As consideration for the abandonment by OMHI of the OMHI Claims against CRIH, CRIH wishes to sell the Sale Interest to OMHI for the Purchase Price subject to the terms and conditions of the Agreement.

3. Suspensive Conditions and Effective Date

All suspensive conditions to the Disposal have been met and accordingly, the Effective Date thereof is 30 September 2023.

4. Purchase Price

On the Effective Date OMHI will pay the Purchase Price into a trust bank account of the Company’s attorneys for release to CRIH in accordance with the Agreement. The proceeds of the Disposal will be utilised in settlement of CRIH’s obligations to creditors.

5. Warranties

The Agreement contains warranties that are normal for a transaction of this nature.

6. Financial Information

Due to the provisional liquidation of CICL, a wholly-owned subsidiary of CRIH, on 14 September 2022, Conduit Capital's auditors have not been able to complete the audit of the Group for the year ended 30 June 2022. Consequently, the results of the Group for the year ended 30 June 2022, and the results for six months ended 31 December 2022, are yet to be published.

The unaudited value of OMHI, as reflected in the Group's management accounts as at 30 June 2023, is R42.85 million. The Group's share of unaudited profit after tax for OMHI, as reflected in the Group's management accounts for the 12 months ended 30 June 2023, is R3.41 million.

The unaudited results have been prepared in accordance with International Financial Reporting Standards and the Companies Act, on the same basis as the audited annual financial statements for the year ended 30 June 2021.

7. Classification of the Disposal

The Disposal is classified as a Category 2 transaction in terms of the Listings Requirements of the JSE Limited.

Cape Town
29 September 2023

Sponsor
Merchantec Capital