
CONDUIT CAPITAL LIMITED
Incorporated in the Republic of South Africa
(Registration number 1998/017351/06)
Share code: CND ISIN: ZAE000073128
(“**Conduit Capital**”)

DISPOSAL OF CRIH AND CLL: ADDENDUM TO AGREEMENT

Shareholders are referred to the announcements released on SENS on:

- 24 May 2023 (“**Terms Announcement**”) (and using the terms defined therein unless otherwise stated) wherein shareholders were advised that Conduit Capital and its wholly-owned subsidiary, Copper Sunset Trading 186 Proprietary Limited (“**Copper Sunset**”), have entered into an Agreement with TMM Holdings Proprietary Limited (“**TMM**” or “**the Purchaser**”), an unrelated third party, to dispose of the “Sale Interest” to TMM for an aggregate cash purchase price of R55 million (“**Purchase Price**”) (“**Disposal**”); and
- 30 June 2023, 28 July 2023, 28 August 2023, 27 September 2023, 24 October 2023, 23 November 2023, 25 January 2024, 21 February 2024 and 25 March 2024 wherein shareholders were advised that the parties to the Agreement (“**Parties**”) entered into addenda thereto to extend the date of fulfilment of the suspensive conditions of the Disposal (“**Conditions**”).

Shareholders are hereby advised that further to the announcement released on SENS on 25 March 2024 regarding the extension of the date of fulfilment of the Conditions to 30 April 2024, and following a request by the Prudential Authority to further extend the date of fulfilment of the Conditions to accommodate a meeting with the Prudential Authority prior to such extended date for it to consider its approval of the implementation of the Agreement, and in order to present the Prudential Authority with a single document incorporating all amendments, the Parties have entered into a further addendum to the Agreement (“**Addendum #10**”) to, *inter alia*:

- extend the date of fulfilment of the Conditions to 31 May 2024; and
- delete, insert and vary certain clauses of the Agreement (“**Amendments**”).

The Amendments include, *inter alia*:

- the inclusion of a resolutive condition that should the CICL Liquidator issue any High Court proceedings against CRIH before the Effective Date then, and in such event, the Purchaser may within 14 Business Days of the institution of such proceedings, in writing elect (without being so obliged) to cancel the Agreement (“**Resolutive Condition**”).

If the Purchaser elects to invoke the Resolutive Condition and cancel the Agreement, the Agreement shall be void *ab initio* and no Party shall thereafter have any claim against another arising from such cancellation. The Purchaser will have the unfettered right to exercise the written election above in its sole, absolute, and binding discretion; and

- changes to the details set out in the ‘Purchase Price and Payment’ and ‘Excluded Claims’ paragraphs included in the Terms Announcement as set out below:

1. Purchase Price and Payment

- 1.1 The Purchaser, provided that the Resolutive Condition has not been invoked and the Sellers have, *inter alia*, not breached any of the Warranties, shall not later than 15 Business Days after the Effective Date pay the Purchase Price to the Sellers by way of electronic funds transfer, as follows:

- 1.1.1 R35 million into Copper Sunset's nominated bank account; and
- 1.1.2 R20 million ("**Escrow Amount**") into a trust account ("**Trust Account**") with Conduit Capital's attorneys ("**Attorneys**").
 - 1.1.2.1 The Escrow Amount will be held in the Trust Account and/or an interest-bearing trust account ("**Investment Account**") and shall only be released by the Attorneys to pay such amount(s), if any:
 - 1.1.2.1.1 to cover legal fees and disbursements relating to certain claims and legal proceedings instituted by CRIH during December 2022 ("**Litigation**"), when instructed by Copper Sunset to do so;
 - 1.1.2.1.2 to cover legal fees and disbursements relating to claims by the CICL Liquidator for the payment of all monies, due, owing and payable by CRIH in respect of, *inter alia*, (i) monies, if any, advanced by CICL to CRIH; and (ii) all and any money, if any, due, owing and payable to CRIH in consequence of the Litigation after the deduction of all legal fees and disbursements directly and/or indirectly incurred by Conduit Capital and/or Copper Sunset in relation to the Litigation ("**Litigation Proceeds**") (collectively the "**CICL Liquidator Claims**"), when instructed by Copper Sunset to do so;
 - 1.1.2.1.3 on account of monies due, owing and payable by CRIH to the CICL Liquidator; and
 - 1.1.2.1.4 to Copper Sunset, when instructed by Copper Sunset to do so, provided the CICL Liquidator Claims have before then been fully and finally resolved.

2. Excluded Claims

- 2.1 The claims not included in the Sale Claims include:
 - 2.1.1 undistributed dividends of whatsoever nature, if any, declared by CRIH prior to the Effective Date;
 - 2.1.2 any proceeds derived from pending litigation and claims successfully brought against the CICL Liquidator;
 - 2.1.3 all and any monies due, owing and payable by the CICL Liquidator to CRIH after the Effective Date whether the cause of action arose before or after the Effective Date;
 - 2.1.4 the Escrow Amount; and
 - 2.1.5 the right of recovery of all taxed legal fees and disbursements due, owing and payable to the Company arising from the CICL Liquidator Claims.

Shareholders will be provided with relevant updates on the Disposal, including the status of the circular containing full details thereof (which is still subject to finalisation), in due course.

Cape Town
24 April 2024

Sponsor
Merchantec Capital