

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 3 apply throughout this Circular, including this cover page, unless specifically defined otherwise, or the context indicates a contrary intention.

Action required by Shareholders

If you are in any doubt as to what action you should take, please consult your Broker, CSDP, banker, legal adviser or other professional adviser immediately.

Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration who are unable to attend the EGM to be held entirely by way of electronic communication at 09:00 on Monday, 21 October 2024 and wish to be represented thereat, must complete the attached Form of Proxy (*yellow*) in accordance with the instructions therein and return it to the Transfer Secretaries, to be received (for administrative purposes only) by no later than 09:00 on Thursday, 17 October 2024. The Form of Proxy (*yellow*) may also be submitted to the chairperson of the EGM at any time before the proxy exercises any rights of the Shareholder at the EGM by emailing it to the Company Secretary and copying the Transfer Secretaries at ssa-zakhelefuthi@Nedbank.co.za.

Dematerialised Shareholders without Own-Name Registration must instruct their CSDP or Broker to issue them with the necessary letter of representation to attend and participate at the EGM, in the manner stipulated in the agreement entered into between them and their CSDP or Broker. 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. Dematerialised Shareholders without Own-Name Registration must not return the attached Form of Proxy (*yellow*) to the Transfer Secretaries.

If you have disposed of all your MTNZF Shares or MTNZF Preference Shares, as the case may be, this Circular should be handed to the purchaser of such shares or to the Broker, CSDP, banker or other professional advisor through whom the disposal of your MTNZF Shares or MTNZF Preference Shares was effected.

MTNZF does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker, legal adviser, banker or other professional adviser, including, without limitation, any failure on the part of the CSDP or Broker, legal adviser, banker or other professional adviser of any beneficial owner of MTNZF Shares, to notify such beneficial owner of the transactions set out in this Circular or to take any action on behalf of such beneficial owner.



MTN ZAKHELE FUTHI (RF) LIMITED

(Incorporated in South Africa)
(Registration number: 2016/268837/06)
(Share code: MTNZF)
(ISIN: ZAE000279402)
(LEI: 378900429C4F73B1BE74)
("MTNZF" or the "Company")

CIRCULAR TO SHAREHOLDERS

regarding, amongst other things:

- **approval of the proposed extension of the 2016 MTN BEE Transaction (as operated through MTNZF) and the consequential amendments to the Relevant Transaction Documents,**

and incorporating:

- **a Notice of EGM, setting out the resolutions to be proposed at the EGM, together with explanatory notes;**
- **guidance notes on how to attend, participate in and vote at the EGM electronically;**
- **a Form of Proxy (*yellow*) for use by Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration only; and**
- **an extract of section 164 of the Companies Act dealing with Dissenting Shareholders' Appraisal Rights.**

Financial Adviser and Sponsor



Legal and Tax Adviser

WEBBER WENTZEL

in alliance with > **Linklaters**

Date of issue: Friday, 20 September 2024

This Circular is only available in English. Copies of this Circular may be obtained from the registered offices of MTNZF, the details of which are set out in the "Corporate Information and Advisers" section of this Circular, from the date of posting of this Circular on Friday, 20 September 2024, up to and including the date of the EGM. A copy of this Circular will also be available on the MTNZF website at: <https://www.mtnzakhelefuthi.co.za/Home/AGM>.

CORPORATE INFORMATION AND ADVISERS

MTN Zakhele Futhi (RF) Limited

135 Rivonia Road
Sandton, 2196
South Africa
(PO Box 1144, Johannesburg, Gauteng, 2000)

Registration number: 2016/268837/06

Place of incorporation: South Africa

Legal and Tax Adviser

Webber Wentzel Attorneys
90 Rivonia Road
Sandton
Johannesburg, 2196
South Africa
(PO Box 61771, Marshalltown, 2107)

Transfer Secretaries, Scheme Administrator and BEE Verification Agent

Nedbank Limited, acting through its Share Scheme Administration business unit
(Registration number 1951/000009/06)
135 Rivonia Road
Sandton, 2196
South Africa
(PO Box 1144, Johannesburg, 2000)

Auditor

SizweNtsalubaGobodo Grant Thornton Inc.
Chartered Accountants (SA)
Registered Accountants and Auditors
(Registration number 2005/034639/21)
Building 4, Summit Place Office Park,
221 Garsfontein Road,
Menlyn, 0063
South Africa
(Private bag, 2008, Menlyn, 0063)

Financial Adviser and Sponsor

Tamela Holdings Proprietary Limited
(Registration number 2008/011759/07)
First Floor, Golden Oak House, Ballyoaks Office Park,
35 Ballyclare Drive
Bryanston, 2021
South Africa
(PO Box 379, Morningside, 2057)

Facilitated Trading and Custody Entity (through a nominee) and BEE Verification Agent

Singular Systems Proprietary Limited
(Registration number 2002/001492/07)
25 Scott Street
Waverly
Johannesburg, 2090
South Africa
(PO Box 785261, Sandton, 2146)

Company Secretary

Nedbank Limited, acting through its Group Secretariat division
(Registration number 1951/000009/06)
135 Rivonia Road
Sandton, 2196
South Africa
(PO Box 1144, Johannesburg, 2000)

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IMPORTANT LEGAL NOTES

The definitions and interpretations commencing on page 3 of this Circular shall apply, *mutatis mutandis*, to this section on Important Legal Notes (unless the context indicates otherwise).

APPLICABLE LAWS

This Circular has been prepared for the purposes of complying with the Companies Act and the Listings Requirements, and the information disclosed may not be the same as that which would have been disclosed if this Circular had been prepared in accordance with the laws and regulations of any jurisdiction outside of South Africa or the listings requirements of any other stock exchange. The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than South Africa should inform themselves about, and observe, any applicable requirements or restrictions. Any failure to comply with the applicable requirements or restrictions may constitute a violation of the securities laws of any such jurisdiction. This Circular is not intended to, and does not constitute, or form part of, an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval, including in any jurisdiction where such offer, invitation or solicitation would be unlawful. Shareholders are advised to read this Circular with care. Any decision to approve the Proposed Scheme Extension and to vote in favour of the Resolutions or other response to the proposals should be made only on the basis of the information in this Circular. The Proposed Scheme Extension, which is the subject of this Circular, may be affected by the laws of the relevant jurisdictions of non-resident Shareholders. Such non-resident Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions. It is the responsibility of any non-resident Shareholders to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Proposed Scheme Extension, which is the subject of this Circular, including the obtaining of any governmental, exchange control or other consents or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any issue, transfer or other taxes or other requisite payments due to such jurisdiction.

The Proposed Scheme Extension and the Resolutions proposed herein are governed by the laws of South Africa and are subject to any applicable laws and regulations, including the Companies Act.

Any Shareholder who is in doubt as to their position should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

FORWARD-LOOKING STATEMENTS

This Circular contains statements about MTN, its subsidiaries and/or MTNZF that are, or may be, forward-looking statements. All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; production; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or similar words and phrases. Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditures, acquisition strategy, expansion prospects or future capital expenditure levels and other economic factors, such as, *inter alia*, interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. MTNZF cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industries in which MTN, its subsidiaries and/or MTNZF operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular. All these forward-looking statements are based on estimates and assumptions, as regards MTN, its subsidiaries and/or MTNZF, as communicated in publicly available documents by MTN, its subsidiaries and/or MTNZF, where appropriate, all of which estimates and assumptions, although MTNZF believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to MTNZF or not currently considered material by MTNZF.

Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of MTN, its subsidiaries and/or MTNZF not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements are not known. MTNZF has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 3 of this Circular shall apply, *mutatis mutandis*, to this section on Salient Dates and Times (unless the context indicates otherwise).

2024

Joint terms announcement by MTN and MTNZF regarding the Proposed Scheme Extension released on SENS	Monday, 19 August
Record date for posting the Circular, being the date by which a Shareholder is required to be recorded as such in the Register in order to be eligible to receive this Circular and Notice of EGM	Friday, 13 September
Circular and Notice of EGM posted to Shareholders and announced on SENS	Friday, 20 September
Last day to trade in MTNZF Shares in order to be recorded in the Register on the Voting Record Date in order to be eligible to vote at the EGM (see note (b) below) on	Tuesday, 8 October
Voting Record Date to be eligible to participate in and vote at the EGM by close of trading on	Friday, 11 October
Forms of Proxy for the EGM to be lodged (for administrative purposes only) by no later than 09:00 on	Thursday, 17 October
Last date and time for MTNZF Ordinary Shareholders to give notice to MTNZF objecting, in terms of section 164(3) of the Companies Act, to the MOI Amendment Resolution to be able to invoke Appraisal Rights (to the extent such arise) by 09:00 on	Monday, 21 October
EGM to be held at 09:00 on	Monday, 21 October
Publication of results of the EGM on SENS on or about	Monday, 21 October

Notes:

- (a) All dates and times may be changed by mutual agreement between MTN and MTNZF. Any change to the above salient dates and times will be announced on SENS.
- (b) MTNZF Ordinary Shareholders should note that as transactions in MTNZF 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 MTNZF Shares on the JSE after the last day to trade in MTNZF Shares so as to be recorded in the Register on the Voting Record Date will not be entitled to participate in and vote at the EGM in respect of such MTNZF Shares.
- (e) All times referred to in this Circular are references to South African Standard Time.
- (f) MTNZF Shares may not be Dematerialised or rematerialised between Wednesday, 9 October and Friday, 11 October, both days inclusive.
- (g) MTNZF Ordinary Shareholders who wish to exercise their Appraisal Rights (to the extent such arise) are referred to paragraph 7 and **Annexe A** of this Circular for further details.
- (h) If the EGM is adjourned or postponed, Forms of Proxy submitted for the initial EGM will remain valid in respect of any adjournment or postponement of the EGM, unless stated otherwise in the relevant form.

DEFINITIONS AND INTERPRETATIONS

In this Circular and its attachments, unless otherwise stated or the context indicates otherwise, the words and expressions in the first column shall have the meanings stated opposite them in the second column, and words and expressions in the singular shall include the plural and *vice versa*, words importing natural persons shall include juristic persons and unincorporated associations of persons and *vice versa*, and any reference to one gender shall include the other genders.

“Act” or “Companies Act”	the Companies Act, No. 71 of 2008, as amended;
“Appraisal Rights”	to the extent such arise pursuant to the approval of the MOI Amendment Resolution, the appraisal rights afforded to MTNZF Ordinary Shareholders in terms of section 164 of the Companies Act, a copy of which is contained in Annexe A to this Circular;
“BEE”	black economic empowerment;
“BEE Act”	the Broad-Based Black Economic Empowerment Act, No. 53 of 2003 and any regulations and codes of good practice published thereunder (including any codes of good practice and/or any transformation charters issued under sections 9 and/or 12 of the BEE Act), as amended;
“BEE Contract”	the contract which each Shareholder is required to enter into with, amongst others, MTN and each Relevant Market Participant should such Shareholder wish or choose to hold, purchase and/or transfer MTNZF Shares in accordance with the Independent Trading Process;
“BEE Legislation”	each and all of: (i) the BEE Act; (ii) any codes of good practice and/or any transformation charters issued under sections 9 and/or 12 of the BEE Act applicable to the MTN group or a material member thereof; (iii) any communications sector legislation and any regulations published under such legislation and any licence conditions made pursuant to such legislation from time to time, as may be applicable to MTN or the MTN group (or a material member of the MTN group); and (iv) any other charter, law, condition of a material licence, regulation or (mandatory or voluntary) practice pursuant to which ownership and/or control by Black People in MTN or the MTN group (or a material member thereof) is measured or a requirement relating thereto is imposed on it, or its rights, interests and/or obligations are affected thereby whether directly or through its customers;
“BEE Listing”	the admission to listing of the MTNZF Shares as asset backed securities (being specialist securities under Section 19 of the Listings Requirements) on the BEE Segment of the main board of the JSE;
“BEE Listing Period”	the period commencing on 25 November 2019, being the date on which the BEE Listing occurred and ending on the earlier of: (i) the Scheduled Maturity Date (which date is proposed to be extended pursuant to the Proposed Scheme Extension as contemplated in this Circular); and (ii) the date on which the BEE Listing permanently terminates for any reason;
“BFC2”	Jabisan 04 (RF) Proprietary Limited, registration number 2014/021122/07, a private company incorporated in accordance with the laws of South Africa, and as an SPV set up to facilitate the third-party preference share funding to MTNZF. The BFC2 Owner Trust holds the ordinary shares in BFC2 and FirstRand Bank Limited (acting through its Rand Merchant Bank division) (as to 40%), Momentum Metropolitan Life Limited (as to 20%) and United Towers Proprietary Limited (as to 40%) hold the BFC2 Pref Shares;
“BFC2 MOI”	the memorandum of incorporation of BFC2 as amended from time to time;
“BFC2 Pref Holders”	the registered and/or, where applicable in the context, beneficial holders of the BFC2 Pref Shares;
“BFC2 Pref Shares”	the cumulative, redeemable, non-participating preference shares in the issued share capital of BFC2 carrying such terms as are provided for in the BFC2 MOI;

“Black Company”	a company incorporated in accordance with the laws of South Africa, and which is both a Black Majority Owned Company and a Black Majority Controlled Company, and a reference to “company” in this definition shall include a reference to a close corporation;
“Black Entities”	(i) a vesting trust; (ii) a broad-based ownership scheme; and (iii) an unincorporated entity or association, including a partnership, joint venture, syndicate or stokvel, in each case under (i) to (iii) as may be determined from time to time (generally or in relation to any particular Black Entity or category of Black Entities) by MTNZF in its sole discretion as an entity which qualifies under the BEE Legislation (and any codes of good practice and/or any transformation charters issued under sections 9 and/or 12 of the BEE Act) for recognition and measurement of ownership, economic interest and control by Black People;
“Black Group”	Black Companies and Black Entities;
“Black Majority Controlled Company”	a “B-BBEE Controlled Company” (or comparable term) as defined from time to time under the BEE Legislation, provided that where the BEE Legislation contains more than one definition of a “Black Majority Controlled Company” and such definitions are not the same, then the term “Black Majority Controlled Company” shall mean (and be restricted to) the class of persons who satisfy the relevant criteria in every such definition;
“Black Majority Owned Company”	a “B-BBEE Owned Company” (or comparable term) as defined from time to time under the BEE Legislation, provided that where the BEE Legislation contains more than one definition of a “Black Majority Owned Company” and such definitions are not the same, then the term “Black Majority Owned Company” shall mean (and be restricted to) the class of persons who satisfy the relevant criteria in every such definition;
“Black People” or “Black Person”	“black people” (or comparable term) as defined from time to time under the BEE Legislation;
“Black Public”	Black People and Black Groups;
“Board”, “MTNZF Board” or “Directors”	the board of directors of MTNZF as constituted from time to time;
“Broker”	any person registered as a broking member (equities) in terms of the rules of the JSE made in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“Central Securities Depository”	a person who is licensed as a central securities depository under section 29 of the Financial Markets Act;
“Certificated Shareholders”	all holders of Certificated Shares;
“Certificated Shares”	as the context requires, MTNZF Shares or MTNZF Preference Shares represented by a share certificate or other Document(s) of Title, which are not Dematerialised Shares;
“CIPC”	the Companies and Intellectual Property Commission, established in terms of section 185 of the Companies Act, or its successor body;
“the/this Circular” or “this Document”	this bound document dated Friday, 20 September 2024, including the Notice of EGM and the Form of Proxy;
“Company Secretary”	MTNZF’s company secretary, as at the Last Practicable Date being Nedbank, acting through its Group Secretariat division, whose contact details are contained in the “ <i>Corporate Information and Advisers</i> ” section of this Circular;
“CSDP”	a person that holds in custody and administers securities or an interest in securities, and that has been accepted in terms of section 31 of the Financial Markets Act by a Central Securities Depository as a participant in that Central Securities Depository;
“Dematerialised Shareholders”	all holders of Dematerialised Shares;
“Dematerialised Shares”	as the context requires, MTNZF Shares or MTNZF Preference Shares that have been dematerialised through a CSDP or Broker and are held in a sub-register in electronic form through Strate;

“Dissenting Shareholders”	MTNZF Ordinary Shareholders who: (i) to the extent such arise pursuant to the approval of the MOI Amendment Resolution, validly exercise their Appraisal Rights by giving written notice to MTNZF objecting to the MOI Amendment Resolution, voting against the MOI Amendment Resolution and making a demand, in accordance with sections 164(5), 164(7) and 164(8) of the Companies Act, that MTNZF pay to them the fair value of their MTNZF Shares; and (ii) have not withdrawn that demand or allowed an offer by MTNZF to lapse as contemplated in section 164(9)(a) or (b), or section 164(15)(c)(v)(aa) of the Companies Act;
“Documents of Title”	a share certificate, certified transfer deed, balance receipts or any other proof of ownership of MTNZF Shares acceptable to MTNZF;
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of Shareholders, to be held entirely by way of electronic communication as contemplated in section 63(2)(a) of the Companies Act at https://mtnzakhelefuthi.vagm.africa on Monday, 21 October 2024 at 09:00 (South African time), to consider and, if deemed fit to pass, with or without modification, the Resolutions;
“Extension and Amendment Agreement”	the written agreement titled “Extension and Amendment Agreement” entered into between MTNZF, MTN and MTN Holdings on or about 19 August 2024, recording the terms and conditions of the Proposed Scheme Extension, the proposed amendments to the Relevant Transaction Documents and matters ancillary thereto;
“Facilitated Trading and Custody Entity”	the person designated and appointed by MTNZF from time to time to act in such capacity on behalf of each MTNZF Ordinary Shareholder who elects to use the Facilitated Trading Process, the Facilitated Trading and Custody Entity as at the Last Practicable Date being Singular;
“Facilitated Trading Process”	the process of purchasing, holding and/or transferring MTNZF Shares from time to time and in terms of which a Shareholder is required to sign a mandate with the Facilitated Trading and Custody Entity (pursuant to which the Facilitated Trading and Custody Entity will provide custody and trading services to the Shareholder and act, through its nominee, as the registered holder of such Shareholder’s MTNZF Shares);
“Facilitated Trading Process Verification Terms and Conditions”	the terms, conditions, restrictions and limitations applicable to Shareholders wishing or who have chosen to purchase, hold and/or transfer any MTNZF Shares in terms of the Facilitated Trading Process. These terms and conditions are set out in the document titled “ <i>MTN Zakhele Futhi (RF) Limited: Facilitated Trading Process Verification Requirements, Terms and Conditions</i> ” which may be obtained from the MTNZF website or by phoning the MTNZF Call Centre (Singular);
“Finance Documents”	has the meaning given thereto in the MTNZF MOI;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“Form of Proxy”	the form of proxy (<i>yellow</i>) for use at the EGM by Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration only, enclosed with and forming part of this Circular;
“Funding Obligations”	has the meaning given thereto in paragraph 1.4, and is briefly summarised in paragraph 3.2, of this Circular;
“Independent Trading Process”	the process of purchasing, holding and/or transferring MTNZF Shares from time to time, other than through the Facilitated Trading Process;
“Independent Trading Process Verification Terms and Conditions”	the terms, conditions, restrictions and limitations applicable to Shareholders wishing or who have chosen to purchase, hold and/or transfer any MTNZF Shares in terms of the Independent Trading Process. These terms and conditions are set out in the document titled “ <i>MTN Zakhele Futhi (RF) Limited: Independent Trading Process Verification Requirements, Terms and Conditions</i> ” which may be obtained from the MTNZF website or by phoning the MTNZF Call Centre (SSA);

“JSE”	as the context requires, either the JSE Limited, registration number 2005/022939/06, a public company incorporated in accordance with the laws of South Africa and licensed to operate an exchange under the Financial Markets Act, or the securities exchange operated by such company;
“Last Practicable Date”	Friday, 13 September 2024, being the last practicable date prior to finalisation of this Circular;
“Listings Requirements”	the listings requirements of the JSE, as amended from time to time;
“Longstop Date”	12 November 2024, being the date by which the Scheme Extension Conditions must be fulfilled or waived, or such later date/s as MTNZF and MTN may agree in terms of the Extension and Amendment Agreement;
“Maximum NVF Call Option Shares”	at any particular date, the number of MTN Shares (fractions rounded down) equal to the NVF Balance as at the day immediately preceding the relevant date divided by the market value of the MTN Shares as at that date. For this purpose, the ‘market value’ being the volume weighted average price of an MTN Share for the 30 days immediately preceding the relevant date and as further calculated in accordance with the provisions of the MTN Tranche 1 Subscription and Call Option Agreement;
“MOI Amendment Resolution”	the special resolution required to be adopted by Shareholders in order to approve the proposed amendments to the MTNZF MOI, details of which are contained in the Notice of EGM;
“MTN”	MTN Group Limited, registration number 1994/009584/06, a public company incorporated in accordance with the laws of South Africa, the ordinary shares of which are listed on the JSE;
“MTN Board”	the board of directors of MTN as constituted from time to time;
“MTN Holdings”	Mobile Telephone Networks Holdings Limited, registration number 1993/001411/06, a public company incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of MTN;
“MTN Shareholders”	holders of MTN Shares from time to time;
“MTN Shares”	ordinary shares with a par value of R0.0001 each in the issued share capital of MTN (and includes any class of shares, including no par value shares, into which such shares may be converted in the future);
“MTN Tranche 1 Subscription and Call Option Agreement”	the subscription and call option agreement titled “MTN 2016 Tranche 1 Subscription and Call Option Agreement” entered into between MTN and MTNZF on or about 21 August 2016 in terms of which, <i>inter alia</i> , MTNZF subscribed for, and MTN issued and allotted to MTNZF, the MTN Tranche 1 Subscription Shares (as defined therein) and MTNZF granted to MTN the NVF Call Option, as amended;
“MTNZF” or “the Company”	MTN Zakhele Futhi (RF) Limited, registration number 2016/268837/06, a public company incorporated in accordance with the laws of South Africa, as an SPV created to facilitate the implementation of the Scheme, the ordinary shares of which are listed on the BEE Segment of the main board of the JSE;
“MTNZF Call Centre”	the MTNZF Call Centre (Singular) or the MTNZF Call Centre (SSA), as the case may be;
“MTNZF Call Centre (Singular)”	the call centre with multiple language optionality, operated by Singular, and through which Singular agents provide information and assistance to Shareholders (and respond to related queries) and attend to general queries relating to MTNZF, and which can be contacted on 010 476 2012;
“MTNZF Call Centre (SSA)”	the call centre with multiple language optionality, operated by the Scheme Administrator, and through which the Scheme Administrator agents provide information and assistance to Shareholders (and respond to related queries) and attend to general queries relating to MTNZF, and which can be contacted on 083 900 6863;

“MTNZF MOI”	the memorandum of incorporation of MTNZF, as amended from time to time;
“MTNZF Ordinary Shareholders”	the registered and/or, where applicable in the context, beneficial holders of the MTNZF Shares from time to time;
“MTNZF Preference Shares”	the cumulative, redeemable, non-participating preference shares in the authorised and/or issued share capital of MTNZF carrying such terms as are provided for in the MTNZF MOI;
“MTNZF Pref Holders”	the registered and/or, where applicable in the context, beneficial holders of the MTNZF Preference Shares from time to time;
“MTNZF Pref Share Terms”	the terms and conditions applicable to the MTNZF Preference Shares which are provided for in the MTNZF MOI;
“MTNZF Shares”	ordinary shares of no par value in the authorised and/or issued share capital of MTNZF;
“Nedbank”	Nedbank Limited, registration number 1951/000009/06, a public company incorporated in accordance with the laws of South Africa;
“Notice” or “Notice of EGM”	the notice convening the extraordinary general meeting of Shareholders, which is attached to and forms part of this Circular;
“NVF” or “Notional Vendor Finance”	the notional vendor funding provided by MTN to MTNZF in connection with the Scheme in terms of the MTN 2016 Tranche 1 Subscription and Call Option Agreement;
“NVF Balance”	an amount calculated in accordance with the provisions of the MTN Tranche 1 Subscription and Call Option Agreement representing the notional outstanding balance of the NVF from time to time, which, as at the Last Practicable Date, is approximately R6.0 billion;
“NVF Call Option”	the call options granted to MTN (and/or its nominee/s and/or its cessionaries, as applicable) by MTNZF in terms of the MTN Tranche 1 Subscription and Call Option Agreement, pursuant to which MTN (and/or its nominee/s and/or its cessionaries, as applicable) have the right to acquire a variable number of MTN Shares held by MTNZF during the life of the Scheme, subject to the further terms of the Transaction Documents;
“Own-Name Registration” or “Dematerialised Shareholders with Own-Name Registration”	Dematerialised Shareholders who/which have elected to hold their Dematerialised Shares in their own name on the sub-register (being the list of Shareholders maintained by the CSDP and forming part of the Register);
“Preference Share Agent”	the entity appointed as such from time to time as the agent of the holders of the MTNZF Preference Shares pursuant to the terms of the Transaction Documents, as at the Last Practicable Date being FirstRand Bank Limited, registration number 1929/001225/06, acting through its Rand Merchant Bank division;
“Prime Rate”	the quoted prime lending rate (per cent, per annum, compounded monthly in arrear and calculated on a 365-day year) from time to time of the Preference Share Agent, as certified (save for manifest error) by any manager of the Preference Share Agent whose appointment, designation or authority need not be proved;
“Proposed MOI Amendments”	the amendments proposed to the MTNZF MOI and BFC2 MOI in the form of the amended and restated memorandum of incorporation of each of MTNZF and BFC2 (in the form agreed between MTN and MTNZF in the manner contemplated in the Extension and Amendment Agreement), giving effect, <i>inter alia</i> , to the changes required to be made to the MTNZF MOI and the BFC2 MOI, as the case may be, pursuant to, and/or giving effect to, the Proposed Scheme Extension;
“Proposed Scheme Extension”	the extension of the scheduled maturity date of the Scheme by three years, from 23 November 2024 to 23 November 2027, as further set out in this Circular and as contemplated in the Resolutions;
“R” or “Rand”	South African rand, the official currency of South Africa;

“Register”	the register of Certificated Shareholders maintained by the Transfer Secretaries and the uncertificated securities register maintained by the relevant CSDPs in accordance with section 50 of the Companies Act;
“Registered Office”	the registered office of MTNZF, the details of which are set out in the “ <i>Corporate Information and Advisers</i> ” section of this Circular;
“Relationship Agreement”	the agreement titled “Relationship Agreement” concluded between MTNZF and MTN on 9 August 2016, as amended by an agreement dated 2 July 2019 and to which each Shareholder is or becomes a party, which agreement regulates, amongst other things, the rights and obligations of these parties relating to the holding of MTN Shares by MTNZF and the holding of MTNZF Shares by the Shareholders;
“Relevant Market Participants”	a JSE member, registered holder, CSDP and/or relevant intermediary, as the context may require, that each Shareholder identifies pursuant to the Independent Trading Process and which is required to enter into the BEE Contract with such Shareholder;
“Relevant Transaction Documents”	the MTNZF MOI, the BFC2 MOI, the Relationship Agreement and the MTN Tranche 1 Subscription and Call Option Agreement;
“Resolutions”	the resolutions to be proposed at the EGM as set out in the Notice of EGM, which resolutions will, amongst other things, authorise the Proposed Scheme Extension and the consequential amendments to the Relevant Transaction Documents to extend the Scheduled Maturity Date;
“Scheduled Maturity Date”	the scheduled maturity date of the Scheme, being 23 November 2024;
“Scheme” or “2016 MTN BEE Transaction”	the BEE transaction implemented by MTN in 2016 pursuant to which, amongst other things, (i) MTNZF issued the MTNZF Shares to qualifying members of the Black Public and (ii) MTN issued MTN Shares to MTNZF, comprising in aggregate c.4% of MTN’s issued share capital;
“Scheme Administrator”	Nedbank, acting through its Share Scheme Administration business unit;
“Scheme Extension Conditions”	the suspensive conditions to the Proposed Scheme Extension, as set out in the Extension and Amendment Agreement and summarised in paragraph 4.5 of this Circular, and “Scheme Extension Condition” means any one of them as the context may require;
“Scheme Extension Period”	a period of three years commencing on the Scheduled Maturity Date and ending on 23 November 2027;
“SENS”	the Securities Exchange News Service, the news service operated by the JSE;
“Service Provider Agreements”	has the meaning given to this term in the MTNZF MOI and includes (i) transaction platform agreements entered into between MTNZF and one or more other parties in relation to the establishment and implementation of the BEE Listing (as such term is defined in the Relationship Agreement); and (ii) professional adviser agreements entered into between MTNZF and one or more other parties in relation to professional advisory services provided to MTNZF from time to time, and which includes the Share Scheme Administration Services Agreement and the Singular Services Agreement;
“Share Scheme Administration Services Agreement”	the agreement titled “Share Scheme Administration Services Agreement”, originally dated 13 September 2016, between Nedbank (acting through its Share Scheme Administration business unit), MTN and MTNZF, as amended and restated pursuant to the first amendment and restatement agreement dated 15 October 2019, and as further amended pursuant to the amendment agreement dated 28 March 2024;
“Shareholders”	as the context may require, collectively and individually, the MTNZF Ordinary Shareholders and MTNZF Pref Holders;
“Singular”	Singular Systems Proprietary Limited, registration number 2002/001492/07, a private company incorporated in accordance with the laws of South Africa;

“Singular Services Agreement”	the agreement titled “Services Agreement”, originally dated 27 March 2024, between Singular, MTN and MTNZF, as amended from time to time;
“South Africa”	the Republic of South Africa;
“SPV”	special purpose vehicle;
“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 and which is responsible for the share settlement and clearing system used by the JSE;
“Trading Platform Documents”	the documents and agreements to which MTNZF is a party, which regulate trading in MTNZF Shares and which are required to be amended as a result of the implementation of the proposed Scheme Extension, and which includes the BEE Contract;
“Transaction Documents”	has the meaning given thereto in the MTNZF MOI;
“Transfer Secretaries”	MTNZF’s transfer secretaries, as at the Last Practicable Date being Nedbank Limited, acting through its Share Scheme Administration business unit, details of which are contained in the “ <i>Corporate Information and Advisers</i> ” section of this Circular;
“Unwind” or “Unwinding”	has the meaning given thereto in paragraph 4.3.1 of this Circular;
“Verification Terms and Conditions”	as applicable, the Facilitated Trading Process Verification Terms and Conditions and the Independent Trading Process Verification Terms and Conditions; and
“Voting Record Date”	the date on which Shareholders must be recorded in the Register in order to attend, speak at and vote at the EGM, which date is expected to be on Friday, 11 October 2024.



MTN ZAKHELE FUTHI (RF) LIMITED

(Incorporated in South Africa)
(Registration number: 2016/268837/06)
(Share code: MTNZF)
(ISIN: ZAE000279402)
(LEI: 378900429C4F73B1BE74)
("MTNZF" or the "Company")

Directors

Independent Non-executive Directors

Belinda Linda Mapongwana (Chairperson)
Edward Tebatso Morudi Pitsi
Grant Gelink

Non-executive Directors

Sindisiwe Ntombenhle Mabaso-Koyana

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND BACKGROUND

- 1.1 In November 2016, MTN implemented a BEE transaction in line with its commitment to driving transformation and contributing to the development of South Africa for the future benefit of all South Africans. This gave rise to MTNZF, a ring-fenced SPV that enabled qualifying members of the Black Public (including retail investors) to invest in and hold shares in MTN through MTNZF.
- 1.2 The Scheme was funded by a combination of (i) vendor facilitation, Notional Vendor Finance and a transaction discount (all provided by MTN); (ii) equity funding from qualifying black investors who subscribed for MTNZF Shares; and (iii) third-party finance raised through the issue of MTNZF Preference Shares to BFC2 (an SPV set up to facilitate the third-party preference share funding to MTNZF) and the back-to-back issue of the BFC2 Pref Shares to a consortium of participating institutions.
- 1.3 MTNZF applied these proceeds to subscribe for MTN Shares, in aggregate comprising c.4% of MTN's issued share capital, at an effective 20% discount to MTN's share price as at the Scheme's implementation date in November 2016. The agreed transaction price per MTN Share was R128.50, with an effective entry price of R102.80 per MTN Share after application of the c.20% discount.
- 1.4 MTNZF was incorporated for the specific purpose of facilitating the implementation and operation of the Scheme. The Scheme was structured to last for a period of eight years, commencing on 23 November 2016 and maturing on 23 November 2024. On the Scheduled Maturity Date, MTNZF will, amongst other things, and unless agreed otherwise with BFC2, the BFC2 Pref Holders and MTN, be required and obliged to settle in full:
 - 1.4.1 its third-party preference share funding, provided by BFC2; and
 - 1.4.2 the Notional Vendor Financing from MTN,(together, the "**Funding Obligations**").
- 1.5 Considering the following:
 - 1.5.1 the impact of the significant devaluation of the Naira over the last 14 months on reported earnings and valuation of the MTN group;
 - 1.5.2 based on the MTN Share price (as at close of business on the Last Practicable Date) being R93.75 per MTN Share, MTNZF's c.4% shareholding in MTN has a value of approximately R7.2 billion before considering, *inter alia*, MTNZF's Funding Obligations, the cost of selling the MTN Shares and any other costs and expenses in connection with and Unwind and the liquidation of MTNZF;
 - 1.5.3 the MTN Shares are MTNZF's only material asset and the underlying asset that informs the value of the MTNZF Shares; and

- 1.5.4 the Scheme is projected to owe approximately R640 million to the preference share funders and R6.1 billion to MTN (being the NVF plus accrued notional interest thereon) as at the present Scheduled Maturity Date, which is only capable of full settlement when the 30-day volume weighted average price, and the spot price, net of taxes and costs, of the MTN Share is at or above approximately R88,

the MTNZF Board and the MTN Board believe it is merited, for MTNZF Ordinary Shareholders, to extend the Scheduled Maturity Date and have engaged BFC2 and the BFC2 Pref Holders and proposed that the term of the Scheme (i.e., the Scheduled Maturity Date) be extended for a further period of three years, from 23 November 2024 to 23 November 2027, together with related extensions to the scheduled repayment dates of the NVF and preference share funding, MTNZF's continued listing on the BEE Segment of the JSE, and related amendments to certain transaction agreements and documents. The MTN Board is fully supportive of the extension.

- 1.6 MTNZF, MTN and MTN Holdings have accordingly entered into the Extension and Amendment Agreement, which sets out the terms and conditions of the Proposed Scheme Extension, proposed amendments to certain Relevant Transaction Documents and matters ancillary thereto.
- 1.7 For a full understanding of the Proposed Scheme Extension and the proposed amendments to the Relevant Transaction Documents, this Circular should be read in its entirety.

2. PURPOSE OF THIS CIRCULAR

- 2.1 The purpose of this Circular is to:
- 2.1.1 provide Shareholders with information regarding the Proposed Scheme Extension, including the consequential amendments proposed to the Relevant Transaction Documents, in order to enable them to make an informed decision as to whether or not they should vote in favour of the Resolutions to be proposed at the EGM;
- 2.1.2 provide Shareholders with guidance notes on how to attend, participate in and vote at the EGM electronically, which can be found on page 33; and
- 2.1.3 convene the EGM to consider and, if deemed fit, approve the Resolutions as set out in the Notice of EGM.
- 2.2 In addition, this Circular is intended to inform MTNZF Ordinary Shareholders of their Appraisal Rights and the manner in which they should exercise these rights should they wish to do so.

3. OVERVIEW OF THE SCHEME AND THE FUNDING OBLIGATIONS

3.1 The 2016 MTN BEE Transaction

- 3.1.1 MTN implemented the Scheme in 2016 through the following core elements:
- 3.1.1.1 MTNZF issuing MTNZF Shares to qualifying members of the Black Public pursuant to a public offer ("**MTNZF Public Offer**");
- 3.1.1.2 shareholders of the predecessor scheme, MTN Zakhele, reinvesting the value of some or all of their MTN Zakhele shares in consideration for MTNZF Shares ("**MTN Zakhele Reinvestment Offer**");
- 3.1.1.3 MTNZF raising third-party finance through the issue of the MTNZF Preference Shares (and the back-to-back issuance by BFC2 of the BFC2 Pref Shares); and
- 3.1.1.4 MTN providing MTNZF with funding and vendor facilitation through, amongst other things, the NVF and the transaction discount provided by it.
- 3.1.2 To implement the Scheme, MTNZF applied the proceeds of the subscription price of the MTNZF Preference Shares (i.e., the preference share funding raised by it), the equity raised in the MTNZF Public Offer, the Notional Vendor Finance from MTN and the proceeds from the MTN Zakhele Reinvestment Offer, to subscribe for new MTN Shares, comprising c.4% of MTN's issued share capital, at an aggregate effective 20% discount to MTN's share price as at the Scheme implementation date. The agreed transaction share price at that time of implementation was R128.50 per MTN Share, with an effective entry price of R102.80 per MTN Share after application of the c.20% discount.
- 3.1.3 After the expiration of an initial 3-year lock-in period, MTNZF listed on the BEE Segment of the main board of the JSE on 25 November 2019 (thereby commencing the BEE Listing), which allowed MTNZF Ordinary Shareholders to trade their MTNZF Shares on the BEE Segment of the JSE, during the BEE Listing Period.

3.2 The Funding Obligations

- 3.2.1 Key elements of the Proposed Scheme Extension involve the amendment of the maturity dates of the NVF and the MTNZF Preference Shares. For further context, the operation of these funding facilitations is briefly summarised below:

MTNZF Preference Shares

- 3.2.1.1 At the inception of the Scheme, BFC2 issued the BFC2 Pref Shares to the BFC2 Pref Holders. The proceeds of the BFC2 Pref Shares were then applied by BFC2 to subscribe for the MTNZF Preference Shares, with the terms of the MTNZF Preference Shares being substantially the same as those of the BFC2 Pref Shares (the BFC2 Pref Shares and the MTNZF Preference Shares together, hereinafter being referred to as the “**Scheme Pref Shares**”).
- 3.2.1.2 As part of a short-term refinancing in December 2020, the scheduled redemption date of the Scheme Pref Shares was extended to 23 November 2022. In addition, during September 2021, the Scheme Pref Shares were refinanced in terms of which: (i) the scheduled redemption date was moved to 23 November 2024 (in line with the Scheduled Maturity Date); and (ii) the dividend rate on the Scheme Pref Shares were revised from 75% to 72.5% of the Prime Rate.

Notional Vendor Finance

- 3.2.1.3 Indivisibly with and as a condition for the subscription by MTNZF for the MTN Shares (at a 20% discount), MTNZF irrevocably granted to MTN the NVF Call Option to purchase from it (and to require MTNZF to sell and deliver to MTN) at a price of R0.0001 per MTN Share a variable number of MTN Shares equal in number to the Maximum NVF Call Option Shares with reference to the then outstanding NVF Balance (as calculated from time to time under the MTN Tranche 1 Subscription and Call Option Agreement) (fractions rounded down).
- 3.2.1.4 It was intended that, save for limited circumstances which allow for the earlier exercise, the NVF Call Option would be exercised by MTN on the Scheduled Maturity Date. On the Scheduled Maturity Date MTN will be entitled to, amongst other things, exercise its rights under the NVF Call Option (in whole or part) through one or more nominees. The number of MTN Shares which can be repurchased under the NVF Call Option is driven by a formula, in essence tracking a notional loan extended to MTNZF by MTN, with a commencement balance equal to the value of the MTN Shares acquired by MTNZF under the NVF funding, which is credited as settled in an amount equal to the market value of the MTN Shares at the time the NVF Call Option is exercised.
- 3.2.2 In terms of the Transaction Documents, upon maturity of the Scheme on the Scheduled Maturity Date, MTNZF will, amongst other things, be required and obliged to discharge all its obligations in respect of the Funding Obligations as described above.
- 3.2.3 Full terms of the MTNZF Preference Share funding and the NVF are set out in the MTNZF MOI and the MTN Tranche 1 Subscription and Call Option Agreement, respectively, which documents are available on the MTNZF website at: <https://www.mtnzakhelefuthi.co.za/Home/AGM>.

4. OVERVIEW OF THE PROPOSED SCHEME EXTENSION

4.1 Rationale for the Proposed Scheme Extension

- 4.1.1 Transformation is integral to the ethos of MTN and MTN believes that broad-based BEE participation is important to the future success of the MTN group. The Proposed Scheme Extension gives effect to the terms and spirit of the BEE codes and relevant industry transformation charters and their requirements for the broad-based empowerment of the MTN group's South African businesses.
- 4.1.2 As noted above, given the current MTN Share price, the MTNZF Board has determined that it is unlikely that MTNZF will be able to provide a return on investment to MTNZF Ordinary Shareholders after discharging MTNZF's Funding Obligations on the Scheduled Maturity Date.
- 4.1.3 Accordingly, and although MTNZF Ordinary Shareholders' attention is specifically drawn to the fact there can be no guarantee that the MTN Share price will recover sufficiently or at all during the three-year Scheme Extension Period, the MTN Board and the MTNZF Board wish to implement the Proposed Scheme Extension and so provide an opportunity for the MTN Share price to recover to a level where, taken together with dividends received by MTNZF from MTN during the Scheme Extension Period, MTNZF may be in a position to settle its Funding Obligations and unwind the Scheme, and return value to MTNZF Ordinary Shareholders.

- 4.1.4 MTN has agreed to pay MTNZF's approved costs in relation to the Proposed Scheme Extension. These costs are presently estimated to be approximately R38 million (including VAT).

4.2 Overview of the Proposed Scheme Extension

- 4.2.1 The Proposed Scheme Extension is intended to extend the Scheduled Maturity Date of the Scheme by three years to 23 November 2027. The Scheme (as well as MTNZF's Funding Obligations and the BEE Listing) is currently scheduled to mature and/or come to an end on the Scheduled Maturity Date.
- 4.2.2 To extend the Scheduled Maturity Date, the Relevant Transaction Documents entered into at the inception of the Scheme (as well as all other Scheme-related documents where reference is made to the Scheduled Maturity Date, including the BEE Contract, the Verification Terms and Conditions and the MTNZF Pref Share Terms, where reference is made to the Scheduled Maturity Date) need to be amended to reflect and give effect to the Proposed Scheme Extension. Additionally, at the time of MTNZF's listing on the JSE in 2019, the JSE requested that if any amendments are made to the Relationship Agreement, these should include an amendment to increase the approval threshold by MTNZF Ordinary Shareholders, for amendments to the Relationship Agreement, from 65% to 66.67%.
- 4.2.3 The details of the amendments required to be made to the Relevant Transaction Documents, and which require the approval of Shareholders, are set out in the Explanatory Notes to the Notice of EGM commencing on page 27 of this Circular.

4.3 Ability to unwind the Scheme during the Scheme Extension Period

- 4.3.1 The MTNZF Board has a discretion to realise or lock in value during the Scheme Extension Period by either partially or fully unwinding the Scheme and/or settling its Funding Obligations (together, "**Unwind**") and/or by entering into derivative transactions in respect of the MTN Shares held by MTNZF. While the Funding Obligations remain outstanding, MTNZF will require the consent of the relevant funders, including MTN, to implement an Unwind or any derivative transaction.
- 4.3.2 MTNZF will proactively monitor the MTN Share price during the Scheme Extension Period to determine if it is an opportune time to commence an Unwind at an earlier date, subject to receiving the applicable consents at that time. MTN may assist in expediting any Unwind of the Scheme during the Scheme Extension Period through a specific repurchase(s) of the MTN Shares held by MTNZF. MTN will seek MTN Shareholder approval to afford MTN the authority, but not the obligation, to repurchase the remainder of the MTN Shares held by MTNZF which are not already covered by the NVF Call Option from MTNZF.

4.4 Implementation of the Proposed Scheme Extension

- 4.4.1 The Proposed Scheme Extension contemplates the extension of three key milestone dates that have significance to the overall Scheme and the relevant parties, funders and/or participants to whom those milestone dates apply. These are:
- 4.4.1.1 the date until when the MTNZF Ordinary Shareholders are required to meet the BEE eligibility criteria in order to acquire, and to continue to hold, MTNZF Shares;
- 4.4.1.2 the date on, and from which, MTN has the right to exercise the NVF Call Option (in whole or in part) and to thus effect a corresponding settlement of the NVF Balance, to be settled in the manner as summarised in paragraph 3.2; and
- 4.4.1.3 the last date by when the third-party preference share funding must be settled by MTNZF and BFC2.
- 4.4.2 To implement the Proposed Scheme Extension, certain amendments are required to be made to some of the transaction documents entered into at the inception of the Scheme, as well as other documents which govern the terms of trading in MTNZF Shares and the continuation of MTNZF's BEE Listing. These amendments include, but are not limited to, amendments to:
- 4.4.2.1 the MTNZF MOI (including the MTNZF Pref Share Terms), which, subject to MTNZF obtaining the requisite consents from BFC2, the BFC2 Pref Holders and MTN, can be implemented pursuant to a special resolution of Shareholders;
- 4.4.2.2 the BFC2 MOI (including the terms applicable to the BFC2 Pref Shares) which, subject to BFC2 obtaining the requisite consents from the BFC2 Pref Holders, can be implemented pursuant to a special resolution of the BFC2 shareholders;
- 4.4.2.3 the Relationship Agreement which, subject to the requisite approval of MTNZF Ordinary Shareholders and the consent of BFC2 and the BFC2 Pref Holders, may be effected by a written agreement between MTN and MTNZF; and

- 4.4.2.4 the MTN Tranche 1 Subscription and Call Option Agreement, which, subject to the consent of BFC2 and the BFC2 Pref Holders, may be effected by a written agreement between MTN and MTNZF.
- 4.4.3 In addition, and in order to ensure continued compliance by MTNZF with Section 4.32 of the Listings Requirements and to maintain the BEE Listing (including the trading systems and platforms required to facilitate the trading of MTNZF Shares on the JSE) during the Scheme Extension Period, MTNZF needs to make corresponding amendments to the BEE Contract, the Verification Terms and Conditions and certain Service Provider Agreements.
- 4.4.4 Furthermore, to give effect to a request made by the JSE to align the Relationship Agreement with the Listings Requirements, the amendments to the Relationship Agreement include an amendment that raises the threshold stipulated in the Relationship Agreement in respect of changes to the Relationship Agreement from a 65% majority approval of MTNZF Ordinary Shareholders to a 66.67% majority approval of MTNZF Ordinary Shareholders.

4.5 **Conditions to the Proposed Scheme Extension**

- 4.5.1 The implementation of the Proposed Scheme Extension is subject to the fulfilment (or deemed fulfilment) or waiver (where required, with the prior consent of BFC2 and the BFC2 Pref Holders) of the following Scheme Extension Conditions on or before the Longstop Date:
 - 4.5.1.1 the entry into and implementation by MTNZF of the Extension and Amendment Agreement having been approved by or on behalf of the MTNZF Pref Holders and the BFC2 Pref Holders and, to the extent such approval is subject to any conditions, the MTNZF Pref Holders and the BFC2 Pref Holders having confirmed in writing to MTN and MTNZF the fulfilment or waiver by the MTNZF Pref Holders and the BFC2 Pref Holders, as the case may be, of the conditions applicable to such approval;
 - 4.5.1.2 the amendment to each of the Share Scheme Administration Services Agreement and the Singular Services Agreement to extend the services provided thereunder for an additional three years having been executed by the parties to each of those agreements;
 - 4.5.1.3 the resolutions tabled to MTN Shareholders to approve the implementation of the Extension and Amendment Agreement, and matters related thereto, as identified by MTN in writing, having been approved by MTN Shareholders in general meeting in accordance with the approval thresholds set out in the relevant notice of meeting;
 - 4.5.1.4 the proposed amendments to the Relationship Agreement (as contemplated in the Extension and Amendment Agreement) having been approved by the requisite majority of MTNZF Ordinary Shareholders at the EGM;
 - 4.5.1.5 the Proposed MOI Amendments:
 - 4.5.1.5.1 in relation to MTNZF, having been approved and adopted by the requisite majority of Shareholders at the EGM (including, as applicable, pursuant to any resolution required to be passed separately by the holders of any class of shares in MTNZF), and MTNZF having filed a Notice of Amendment in Form CoR15.2 (together with the prescribed fee and a copy of the amended MTNZF MOI) thereof with the CIPC; and
 - 4.5.1.5.2 in relation to BFC2, having been approved and adopted by the requisite majority of BFC2 shareholders, and BFC2 having filed a Notice of Amendment in Form CoR15.2 (together with the prescribed fee and a copy of the amended BFC2 MOI) thereof with the CIPC;
 - 4.5.1.6 the Proposed MOI Amendments having become effective in accordance with the Companies Act; and
 - 4.5.1.7 either:
 - 4.5.1.7.1 no MTNZF Ordinary Shareholder having exercised its Appraisal Rights by: (i) delivering a written notice to MTNZF objecting to the MOI Amendment Resolution as contemplated in section 164(3) of the Companies Act; (ii) voting against the MOI Amendment Resolution; and (iii) delivering a valid demand, as contemplated in sections 164(5) to 164(8) of the Companies Act, within the time periods prescribed in sections 164(3) and (7) of the Companies Act; or
 - 4.5.1.7.2 if Appraisal Rights are validly exercised as aforesaid, they are not exercised in respect of more than 10% of the MTNZF Shares,

provided that if at any time there exists matters, facts, events or circumstances which, but for this proviso, would have caused a Scheme Extension Condition to fail, such Scheme Extension Condition will fail only if, and then when, either (i) MTN or MTNZF gives written notice to the other that it will not waive the Scheme Extension Condition; or (ii) the matters, facts, events or circumstances remain in existence as at the Longstop Date and the Scheme Extension Condition (or relevant part thereof) has not been waived or become *pro non scripto*.

- 4.5.2 MTNZF and MTN shall, where it is within their respective power and control to do so, use their reasonable endeavours to procure the fulfilment of the Scheme Extension Conditions as soon as reasonably practicable on or before the Scheduled Maturity Date but in each case without an obligation to waive a condition or to incur costs or liabilities (other than any non-material or customary costs or liabilities which are reasonably or necessarily required to be defrayed or assumed by either MTNZF or MTN in order for it to discharge its obligations in respect of the fulfilment of the Scheme Extension Conditions).
- 4.5.3 MTNZF and MTN shall be entitled to waive, in whole or in part, fulfilment of any or all of the Scheme Extension Conditions in paragraphs 4.5.1.2, 4.5.1.3, 4.5.1.4, 4.5.1.6 and 4.5.1.7 by written agreement concluded between them on or before the Longstop Date. MTNZF and MTN shall not be entitled to waive, in whole or in part, fulfilment of any or all of the Scheme Extension Conditions in paragraphs 4.5.1.1 and 4.5.1.5 unless BFC2 and the BFC2 Pref Holders have provided their prior written consent to such waiver.
- 4.5.4 MTNZF and MTN may from time to time extend the period or date/s stipulated for the fulfilment or waiver of any or all of the Scheme Extension Conditions by agreement in writing concluded by no later than the then-applicable date stipulated for the fulfilment or waiver thereof.
- 4.5.5 MTNZF will release an announcement on SENS as soon as possible after: (i) the fulfilment, or waiver, as the case may be, of all of the Scheme Extension Conditions; or (ii) the non-fulfilment of any Scheme Extension Condition which results in the Proposed Scheme Extension not being implemented, in which event the MOI Amendment Resolution (if approved) will be treated as a nullity with immediate effect.

4.6 **Extension of Trading Platform Documents**

In terms of the Extension and Amendment Agreement, MTNZF has undertaken to use its reasonable endeavours to procure – by no later than the Longstop Date – the amendment of each applicable Trading Platform Document to which it is a party, to extend the operation of such documents for an additional period of three years to align with the Scheme Extension Period and will keep MTN and MTN Holdings apprised on an ongoing basis of the steps taken and progress made. Should any Trading Platform Document not be amended by the Longstop Date, MTNZF will continue thereafter to use its reasonable endeavours to procure its amendment, or a replacement thereto.

5. **AMENDMENT TO THE BEE CONTRACT**

- 5.1 MTNZF Ordinary Shareholders who wish to or who have chosen to hold, purchase and/or transfer MTNZF Shares in accordance with the Independent Trading Process are required to enter into a BEE Contract with, amongst others, MTN, MTN Holdings and the Relevant Market Participants pursuant to which each such Shareholder and the Relevant Market Participant give certain undertakings and corresponding indemnities to MTNZF, MTN, MTN Holdings and the JSE in relation to the purchase, holding and/or transfer of MTNZF Shares in accordance with the Independent Trading Process. MTNZF Ordinary Shareholders holding MTNZF Shares through the Independent Trading Process and who have signed the BEE Contract and have otherwise met the conditions for verification under the Independent Trading Process, are verified MTNZF Ordinary Shareholders (“**Verified Shareholders**”) and are eligible to hold, purchase and/or transfer MTNZF Shares through the Independent Trading Process.
- 5.2 The term of the BEE Contract is defined with reference to the BEE Listing Period and, therefore, if the Proposed Scheme Extension is not approved and/or implemented, the BEE Contract will terminate and be of no force and effect, with effect from the Scheduled Maturity Date. If the BEE Contract terminates, all MTNZF Ordinary Shareholders holding MTNZF Shares through the Independent Trading Process will cease to be Verified Shareholders and will no longer be eligible to hold, purchase and/or transfer MTNZF Shares through the Independent Trading Process.
- 5.3 It is therefore proposed that the term of the BEE Contract be extended for a further period of three years corresponding to the Scheme Extension Period, on the same terms and conditions. The proposed amendment to the BEE Contract will not affect the status of a Verified Shareholder, all of whom will continue to be verified and eligible to hold, purchase and/or transfer MTNZF Shares through the Independent Trading Process, unless otherwise indicated and communicated by a Verified Shareholder to the BEE Verification Agent, in terms of the Verification Terms and Conditions.
- 5.4 All Relevant Market Participants participating in the Scheme, as at the Last Practicable Date, have been approached for their written consent to the proposed extension of the term of the BEE Contract on similar terms and conditions as described in this paragraph 5 and, accordingly, subject to these consents being obtained and the Proposed Scheme Extension being approved at the EGM and all other Scheme Extension Conditions being satisfied or waived, all Verified

Shareholders will be deemed to have consented to the proposed extension of the term of the BEE Contract pursuant to the proposed amendments to the Relevant Transaction Documents becoming effective. Should the consent of any Relevant Market Participants not be obtained, Shareholders will be notified on SENS on or prior to the Scheduled Maturity Date in order to make the necessary arrangements to appoint a new Relevant Market Participant. In terms of the Extension and Amendment Agreement, MTN and MTN Holdings have provided their consent to the proposed extension of the term of the BEE Contract on these terms.

6. CONSEQUENCES IF THE PROPOSED SCHEME EXTENSION IS NOT IMPLEMENTED

- 6.1 The Proposed Scheme Extension provides a potential opportunity for MTNZF Ordinary Shareholders to realise a return on their investment rather than Unwinding the Scheme on the presently Scheduled Maturity Date, which would likely result in a capital loss for MTNZF Ordinary Shareholders.
- 6.2 If the Proposed Scheme Extension is not approved or otherwise not implemented for whatsoever reason, MTNZF will – unless otherwise agreed with MTN and BFC2 at the time – be required and obliged to unwind and settle the Funding Obligations in full, in accordance with the terms of the Transaction Documents, on and with effect from the Scheduled Maturity Date.
- 6.3 Subject to the consent of BFC2 and the BFC2 Pref Holders, this may require the liquidation in the open market, in one or more tranches, of some or all of the MTN Shares held by MTNZF in order to realise sufficient cash to settle the third-party preference share funding and related obligations and to pay or provide for related taxes and costs of the Unwind. MTNZF will also then need to engage with the JSE in respect of its BEE Listing given that the BEE eligibility criteria would cease to apply to the MTNZF Ordinary Shareholders. Depending on that engagement with the JSE, MTNZF's BEE Listing may be suspended or terminated – either temporarily or indefinitely.
- 6.4 Based on the MTN Share price (as at close of business on the Last Practicable Date) being R93.75 per MTN Share, MTNZF's c.4% shareholding in MTN has a value of approximately R7.2 billion before considering, *inter alia*, MTNZF's Funding Obligations, the cost of selling the MTN Shares and any other costs and expenses in connection with an Unwind and the liquidation of MTNZF.
- 6.5 The Scheme is projected to owe approximately R640 million to the preference share funders and R6.1 billion to MTN (being the NVF plus accrued notional interest thereon) as at the present Scheduled Maturity Date, which is only capable of full settlement when the 30-day volume weighted average price, and the spot price, net of taxes and costs of the MTN Share is at or above approximately R88. For illustrative purposes only and using the MTN Share price as at the Last Practicable Date as a proxy to determine MTNZF's gross asset value, after settling MTNZF's anticipated Funding Obligations as at the present Scheduled Maturity Date, this would result in a balance of c. R432 million. This residual amount would leave only approximately R3.51 per MTNZF Share available for distribution to MTNZF Ordinary Shareholders before taking the following, *inter alia*, into account: the cost of selling the MTN Shares and any other costs, taxes and expenses in connection with an Unwind and the liquidation of MTNZF, which would further reduce the amount available for distribution to MTNZF Ordinary Shareholders.
- 6.6 Should the Proposed Scheme Extension not be implemented, MTNZF will provide further details to Shareholders by way of a SENS announcement regarding its intention for the continuation or termination and Unwind of the Scheme, as the case may be.

7. APPRAISAL RIGHTS

- 7.1 In terms of section 164 of the Companies Act, a company must include a statement in a notice of meeting informing shareholders of their rights under that section if a company has given notice to shareholders of a meeting to consider adopting a resolution to, amongst other things, amend its memorandum of incorporation by altering the preferences, rights limitations or other terms of any class of shares in a manner materially adverse to the rights or interests of holders of that class of shares. In those circumstances, and having complied with the detailed procedural requirements of section 164 of the Companies Act, a person holding shares in such class can then demand that the company pay the shareholder the fair value for all of the shares of the company held by that person.
- 7.2 MTNZF does not consider the Proposed Scheme Extension and, consequently, the proposed amendments to the MTNZF MOI to be materially adverse to the rights or interests of holders of any class of shares in MTNZF (including the MTNZF Shares) and, therefore, does not consider Appraisal Rights to apply to any matter contained in the Notice of EGM, including the Proposed MOI Amendments.
- 7.3 To the extent, however, that Appraisal Rights arise, Shareholders are advised of their rights in terms of section 164 of the Companies Act, the full provisions of which are contained in **Annexe A** to this Circular. In those circumstances, if the MOI Amendment Resolution is adopted and the Proposed Scheme Extension becomes effective, any Shareholder who is a Dissenting Shareholder as at the date of the EGM and who has subsequently sent a demand in terms of section 164(5) to (8) will, subject to the provisions of section 164 of the Companies Act, cease to have any further rights in

respect of its MTNZF Shares, other than to be paid their fair value, unless (i) such Shareholder withdraws that demand before MTNZF makes an offer; or (ii) allows an offer made by MTNZF to lapse.

7.4 Shareholders wishing to exercise their Appraisal Rights are strongly advised to take professional advice in connection with such decision and should have regard to:

7.4.1 *the rationale for the Proposed Scheme Extension:* as discussed more fully above in this Circular, the Scheme is proposed to be extended given the current financial position of MTNZF, and its reliance on the MTN Share price (which is currently low compared to the MTN Share price at the inception of the Scheme), and the consequences for MTNZF Ordinary Shareholders should MTNZF be required to fully settle its Funding Obligations as they fall due on the Scheduled Maturity Date. For purposes of illustration, using the MTN Share price as at the Last Practicable Date and given MTNZF's anticipated Funding Obligations as at the Scheduled Maturity Date, MTNZF's net asset value per MTNZF Share was in the order of R3.51 before taking the following, *inter alia*, into account: the cost of selling the MTN Shares and any other costs and expenses in connection with an Unwind and the liquidation of MTNZF, and this will be a key factor for any determination of fair value in terms of section 164 of the Companies Act (which value must be determined as at the date on which the resolution giving rise to the Appraisal Rights was adopted) and will inform any offer by MTNZF in respect of an Appraisal Rights demand. This value should be compared with the traded share price of an MTNZF Share on the JSE, which was R8.13 as at close of business on the Last Practicable Date, and is a means of liquidity readily available to Shareholders without the procedural complexities, costs and risk associated with section 164; and

7.4.2 *the risk of an adverse cost order:* in appropriate circumstances as detailed in section 164 of the Companies Act, the court is empowered to grant a costs order against a Dissenting Shareholder.

8. NOTICE OF EXTRAORDINARY GENERAL MEETING

The EGM will be held entirely by way of electronic communication as contemplated in section 63(2)(a) of the Companies Act at: <https://mtnzakhelefuthi.vagm.africa> on Monday, 21 October 2024 at 09:00 (South African time) (or any adjourned or postponed date in accordance with the provisions of section 64(11) of the Companies Act and the MTNZF MOI, read with the Listings Requirements) to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in the Notice of EGM. The Notice of EGM is attached to and forms part of this Circular.

9. DIRECTORS RECOMMENDATION AND VOTING INTENTION

9.1 The Board has evaluated the rationale for the Proposed Scheme Extension and the Resolutions and recommends that Shareholders vote in favour of the Resolutions at the EGM to be convened for the purposes of considering, and if deemed fit, passing, with or without modification, the Resolutions required to give effect to the Proposed Scheme Extension.

9.2 Directors who hold or otherwise control MTNZF Shares intend to vote all such MTNZF Shares in favour of the Resolutions required to give effect to the Proposed Scheme Extension.

10. ADVISORS' CONSENTS

All the parties listed in the section titled "Corporate Information and Advisers" have consented in writing to act in the capacities stated and to their names being stated in this Circular and have not withdrawn their consents prior to publication of this Circular.

11. DIRECTORS' RESPONSIBILITY STATEMENTS

The Directors, whose names and details are provided on page 10 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement contained in this Circular false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listings Requirements.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the registered office of MTNZF at the address found in the "Corporate Information and Advisers" section of this Circular and on the MTNZF website at: <https://www.mtnzakhelefuthi.co.za/Home/AGM>, from the date of issue of this Circular on Friday, 20 September 2024, up to and including the date of the EGM:

12.1 a signed copy of this Circular;

12.2 a signed copy of the Extension and Amendment Agreement;

- 12.3 a complete copy of the amended MTNZF MOI reflecting the amendments proposed to be made pursuant to Special Resolution Number 1 as contemplated in the Notice of EGM (including a full version which, for ease of reference, identifies the amendments in tracked text format in the existing MTNZF MOI, including Annexe A (Rights, terms and privileges attaching to the MTNZF Preference Shares) and, subject to the passing of Ordinary Resolution Number 1 as contemplated in the Notice of EGM, Annexe E (which reflects the consolidated amended Relationship Agreement));
- 12.4 a complete copy of the amended MTN Tranche 1 Subscription and Call Option Agreement reflecting the amendments proposed to be made pursuant to Ordinary Resolution Number 1 as contemplated in the Notice of EGM (including a full version which, for ease of reference, identifies the amendments in tracked text format in the existing MTN Tranche 1 Subscription and Call Option Agreement); and
- 12.5 the letters of consent referred to in paragraph 10 of this Circular.

By order of the Board



Grant Gelink (Independent Non-Executive Director)

Friday, 20 September 2024

SECTION 164 OF THE COMPANIES ACT: 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,
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 pay 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.



MTN ZAKHELE FUTHI (RF) LIMITED

(Incorporated in South Africa)
(Registration number: 2016/268837/06)
(Share code: MTNZF)
(ISIN: ZAE000279402)
(LEI: 378900429C4F73B1BE74)
("MTNZF" or the "Company")

NOTICE OF EXTRAORDINARY GENERAL MEETING

This Document is important and requires your immediate attention.

All terms used in this Notice of Extraordinary General Meeting ("Notice") shall, unless the context otherwise requires or they are otherwise defined herein, have the meanings attributed to them in the Circular to which this Notice is attached.

If you are in any doubt about what action you should take, consult your Broker, CSDP, legal adviser, banker, financial adviser, accountant or other professional adviser immediately.

If you have disposed of all your MTNZF Shares or MTNZF Preference Shares, as the case may be, please forward this Document (including this Notice and the Form of Proxy (*yellow*)) to the purchaser of such shares or the Broker, CSDP, banker or other professional adviser through whom the disposal was done.

Shareholders are reminded that:

- a Shareholder entitled to attend and vote at the EGM is entitled to appoint a proxy to attend, speak and vote in its stead at the EGM in the place of that Shareholder, and Shareholders are referred to the attached Form of Proxy (*yellow*) in this regard;
- a proxy need not also be a Shareholder; and
- in terms of section 63(1) of the Companies Act and the MTNZF MOI, any person attending or participating in a meeting of Shareholders must present reasonably satisfactory identification, and the chairperson must be reasonably satisfied that the right of any person to participate in and vote (whether as shareholder or as proxy for a shareholder) has been reasonably verified. Accordingly, all Shareholders will be required to provide identification reasonably satisfactory to the chairperson of the EGM in order to participate in and vote at the EGM.

Included in this Notice are the Resolutions to be proposed at the EGM, guidance notes on how to attend, participate and vote at the EGM (including by proxy) and a Form of Proxy (*yellow*) for use by Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration.

Shareholders are advised that as the EGM will be held virtually, physical attendance will not be possible, and the EGM will only be accessible through electronic communication, as permitted by the Listings Requirements and the provisions of the Companies Act and the MTNZF MOI.

NOTICE OF EGM

Notice is hereby given that an EGM of Shareholders will be held entirely by way of electronic communication as contemplated in section 63(2)(a) of the Companies Act at: <https://mntzakhelefuthi.vagm.africa> on Monday, 21 October 2024 at 09:00 (South African time) (or any adjourned or postponed date determined in accordance with the provisions of section 64(11) of the Companies Act and the MTNZF MOI, read with the Listings Requirements) to consider and, if deemed fit, to pass, with or without modification, the following Resolutions, in the manner required by the Companies Act, the MTNZF MOI and the Listings Requirements.

RESOLUTIONS

ORDINARY RESOLUTION NUMBER 1: APPROVAL OF THE PROPOSED SCHEME EXTENSION AND THE COMPANY'S ENTRY INTO AND IMPLEMENTATION OF THE EXTENSION AND AMENDMENT AGREEMENT

“RESOLVED THAT the Proposed Scheme Extension (as more fully set out in the Circular to which this Notice is attached) and the proposed amendments to the Relevant Transaction Documents as contemplated in the Extension and Amendment Agreement (and which includes the Relationship Agreement) be and is hereby approved in all respects and for all purposes, and the Company is hereby authorised to enter into and implement the amendments contemplated by the Extension and Amendment Agreement.”

Ordinary Resolution Number 1 authorises the Company to extend the Scheduled Maturity Date of the Scheme by three years to 23 November 2027 (being the Proposed Scheme Extension) and authorises the Board to implement the amendments required to the Relevant Transaction Documents which, notably includes the Relationship Agreement. Details of the amendments required to the Relevant Transaction Documents are set out in the explanatory notes to the resolutions contained in this Notice, commencing on page 27.

In terms of clause 18.1.2 of the Relationship Agreement, the percentage of voting rights required for Ordinary Resolution Number 1 to be adopted is at least 65% of the voting rights exercised on Ordinary Resolution Number 1 by MTNZF Ordinary Shareholders. It is noted that the contractual consent of the Preference Share Agent is required as one of the Scheme Extension Conditions (and is currently expected to be received shortly after the date of this EGM) for the purposes of the proposed amendments to the Relevant Transaction Documents. In terms of the Extension and Amendment Agreement, MTN has provided its consent to these amendments.

Ordinary Resolution Number 1 will be effective immediately once approved by MTNZF Ordinary Shareholders. If Ordinary Resolution Number 1 is not approved, Special Resolution Number 1 and Special Resolution Number 2 will not be put to Shareholder vote.

SPECIAL RESOLUTION NUMBER 1: PROPOSED AMENDMENTS TO THE MTNZF MOI

“RESOLVED THAT, subject to the passing of Special Resolution Number 2 and Ordinary Resolution Number 1, the existing memorandum of incorporation of the Company (“**MOI**”) be and is hereby amended and substituted in its entirety with a new MOI (“**New MOI**”), being an amended version of the existing MOI which has been approved by a resolution of the Board and initialled by the chairperson of the Board for purposes of identification, and which reflects (for reference purposes only) the effective amendments to the existing MOI in tracked text format, with this resolution taking effect in accordance with the provisions of the Companies Act but not earlier than the conclusion of the meeting in which this resolution is passed, provided that the Proposed Scheme Extension and, consequently, the proposed amendments contained in the New MOI, will not be implemented or effected and this Special Resolution Number 1 will be treated as a nullity with immediate effect upon MTN and MTNZF's determination in accordance with the Extension and Amendment Agreement, that any or all of the Scheme Extension Conditions have not been fulfilled (or waived, to the extent possible) on or before the relevant date for fulfilment (or waiver, to the extent possible).”

The salient features of the New MOI are set out in the explanatory notes to this Notice of EGM commencing on page 27. The complete New MOI reflecting the amendments made pursuant to this Special Resolution Number 1 (including a full version which, for ease of reference, identifies the amendments in tracked text format in the existing MOI, including Annexe A (Rights, terms and privileges attaching to the MTNZF Preference Shares) and, subject to the passing of Ordinary Resolution Number 1, Annexe E (which reflects the consolidated amended Relationship Agreement)) is available for inspection on the Company's website at <https://www.mtnzakhelefuthi.co.za/Home/AGM> and titled “*MTN Zakhele Futhi MOI - 2024 Amendments*”. This version of the MOI is also available for inspection at the Company's registered office at Nedbank, 135 Rivonia Road, Sandown, Johannesburg, 2193 or from the Sponsor's offices at Tamela Holdings, First Floor, Golden Oak House, Ballyoaks Office Park, 35 Ballyclare Drive, Bryanston, 2021.

The percentage of voting rights required for Special Resolution Number 1 to be adopted shall be (i) as a special resolution under the Companies Act, 75% of the voting rights exercised on Special Resolution Number 1 by all Shareholders (all classes voting), and additionally (ii) at least 75% of the voting rights exercised on Special Resolution Number 1 by MTNZF Ordinary Shareholders. It is noted that the contractual consent of the MTNZF Pref Holders and the BFC2 Pref Holders is required as one of the Scheme Extension Conditions for the purposes of these amendments to the MOI. The MTNZF Pref Holders and the BFC2 Pref Holders have provided their contractual consent to the MOI amendments subject to certain conditions being satisfied and which are currently expected to be satisfied shortly after the date of this EGM. In terms of the Extension and Amendment Agreement, MTN has provided its consent to these amendments. The JSE has also approved the proposed amendments to the MOI.

The Proposed Scheme Extension and, consequently, the proposed amendments contained in the New MOI, will not be implemented or effected and this Special Resolution Number 1 will be treated as a nullity with immediate effect upon MTN and MTNZF's determination that any or all of the Scheme Extension Conditions have not been fulfilled (or waived, to the extent possible) on or before the relevant date for fulfilment (or waiver, to the extent possible), in terms of the Extension and Amendment Agreement.

SPECIAL RESOLUTION NUMBER 2: APPROVAL OF FINANCIAL ASSISTANCE PURSUANT TO SECTION 44 OF THE COMPANIES ACT

“**RESOLVED THAT**, subject to the passing of Special Resolution Number 1 and Ordinary Resolution Number 1, and subject to compliance with the requirements of the Companies Act and the MOI, the Board may authorise the Company to provide any and all financial assistance required to be provided by the Company pursuant to or in connection with the Proposed Scheme Extension (including the corresponding proposed extension of the scheduled redemption date of the MTNZF Preference Shares and the BFC2 Pref Shares under the Finance Documents and/or the transactions contemplated therein and the consequential amendments to the Transaction Documents to effect the Proposed Scheme Extension), to any person, for all purposes required under section 44 of the Companies Act, including 44(3)(a)(ii) of the Companies Act, such authority to endure for a period of two years from the date of this resolution.”

Special Resolution Number 2 authorises the Board to grant security and/or other financial assistance to any person, including but not limited to the MTNZF Pref Holders, BFC2, the BFC2 Pref Holders, MTN Holdings and MTN in connection with the Proposed Scheme Extension (including the corresponding proposed extension of the scheduled redemption date of the MTNZF Preference Shares and the BFC2 Pref Shares under the Finance Documents and/or the consequential amendments to the Transaction Documents pursuant to the Proposed Scheme Extension), which may result in the Company providing direct or indirect financial assistance within the meaning of section 44 of the Companies Act. Special Resolution Number 2 authorises the Board to grant such potential financial assistance, subject to compliance with the requirements of the MOI and the Companies Act.

The percentage of voting rights required for Special Resolution Number 2 to be adopted shall be, as a special resolution under the Companies Act, 75% of the voting rights exercised on Special Resolution Number 2 by all Shareholders (all classes voting).

ELECTRONIC PARTICIPATION

The Board has determined that, due to the Shareholder accessibility of an electronic EGM, the EGM will be held entirely by way of electronic participation as contemplated in section 63(2)(a) of the Companies Act, and not by way of a physical meeting. Accordingly, the EGM will only be accessible through electronic communication, as permitted by the JSE and in accordance with the provisions of the Companies Act and the MOI. Shareholders will have the opportunity to cast their votes electronically through the iProxy platform prior to the EGM, or send in their completed Forms of Proxy, or to participate and/or vote online, using their smartphone, tablet or computer, subject to the provisions applicable to Dematerialised Shareholders without Own-Name Registration. Please refer to page 33 of this Notice for details on how to participate in the EGM. The iProxy platform will be available from 09:00 (South African time) on 1 October 2024.

Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the EGM. Any such charges will not be for the account of the JSE, the Company or any service provider retained for purposes of hosting and/or facilitating the electronic EGM. None of the JSE, the Company or any such service provider can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such shareholder from participating in and/or voting at the EGM.

VOTING PROCEDURES

Voting at the EGM will be undertaken electronically. An electronic voting service will be available that will enable all eligible Shareholders who attend to vote at the EGM, subject to the provisions applicable to Dematerialised Shareholders without Own-Name Registration. Voting on all Resolutions will be conducted by way of a poll. The registrars will identify each Shareholder's individual shareholding as at the Voting Record Date for the EGM so that the number of votes that each Shareholder has at the EGM will be linked to the number of votes which each Shareholder will be able to exercise at the EGM. Shareholders who have completed and returned Forms of Proxy, including any Form of Proxy (*yellow*) completed and returned via the online proxy platform will not need to vote at the EGM.

The voting process for Shareholders who elect to participate electronically is detailed in the online shareholder's guide on page 33. Shareholders are encouraged to participate and use the Form of Proxy (*yellow*) or the online voting service to ensure all Shareholders' votes are counted, subject to the provisions applicable to Dematerialised Shareholders without Own-Name Registration.

PROXIES

Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration entitled to attend and vote at the EGM may appoint one or more individuals as proxies to attend, participate and vote in their stead. A proxy does not have to be a Shareholder but must be an individual. The appointment of a proxy will not preclude the Shareholder who appointed that proxy from attending the EGM and participating and voting in person thereat to the exclusion of any such proxy. A Form of Proxy (*yellow*) for use at the EGM is attached and must be submitted by all individuals attending as proxies, together with a certified copy of the SA ID of the Shareholder and the proxy.

The duly completed instrument appointing a proxy and the authority, if any, under which it is signed must be lodged by Shareholders with the Transfer Secretaries, at 135 Rivonia Road, Sandown, Johannesburg, 2193 or by email at email address: ssa-zakhelefuthi@Nedbank.co.za prior to the commencement of the meeting to be held at 09:00 (South African time) on Monday, 21 October 2024 and for administrative purposes Shareholders are requested to lodge all such documents with the Transfer Secretaries by no later than 09:00 (South African time) on Thursday, 17 October 2024.

The attention of Shareholders is directed to the additional notes contained in the Form of Proxy (*yellow*) included in this Notice on page 34. The Form of Proxy (*yellow*) is provided to Shareholders for their convenience. Shareholders are not obliged to use the attached Form of Proxy (*yellow*) and may appoint a proxy in writing under section 58 of the Companies Act. A summary of the provisions of this section is included in the appendix to this Notice.

Dematerialised Shareholders without Own-Name Registration must instruct their CSDP, Broker or nominee as to how they wish to vote. The voting instructions must reach the CSDP, Broker or nominee in sufficient time to allow the CSDP, Broker or nominee to advise the Company or the Transfer Secretaries of their instructions by no later than 09:00 (South African time) on Thursday, 17 October 2024, for administrative purposes.

Dematerialised Shareholders without Own-Name Registration who wish to attend, participate electronically in and/or vote at the EGM are required to first contact and/or instruct their CSDP, Broker or nominee to issue them with the necessary letters of representation in terms of the custody agreement entered into between the Dematerialised Shareholder and their CSDP, Broker or nominee to do so and following the procedure above. For administrative purposes, Shareholders are requested to lodge the letters of representation with the Transfer Secretaries by no later than 09:00 (South African time) on Thursday, 17 October 2024.

APPRAISAL RIGHTS FOR DISSENTING SHAREHOLDERS

In terms of section 164 of the Companies Act, a company must include a statement in a notice of meeting informing shareholders of their rights under that section if a company has given notice to shareholders of a meeting to consider adopting a resolution to, amongst other things, amend its memorandum of incorporation by altering the preferences, rights limitation or other terms of any class of shares in a manner materially adverse to the rights or interests of holders of that class of shares. In those circumstances, and having complied with the detailed procedural requirements of section 164 of the Companies Act, a person holding shares in such class can then demand that the company pay the shareholder the fair value for all of the shares of the company held by that person.

MTNZF does not consider Appraisal Rights to apply to any matter contained in the Notice, including the Proposed MOI Amendments. However, should any Shareholder wish to exercise their Appraisal Rights (to the extent such arise pursuant to the approval of the MOI Amendment Resolution), then in terms of section 164 of the Companies Act, at any time before the MOI Amendment Resolution as set out in this Notice (per Special Resolution Number 1) is voted on, a Shareholder may give MTNZF a written notice objecting to the MOI Amendment Resolution.

To the extent that Appraisal Rights arise, a Shareholder may demand that MTNZF pay the Shareholder the fair value for all of the MTNZF Shares held by that person if:

- the Shareholder has sent MTNZF a notice of objection in terms of section 164(3) of the Companies Act;
- MTNZF has adopted the MOI Amendment Resolution as set out in this Notice (per Special Resolution Number 1) and the Proposed Scheme Extension becomes wholly unconditional and is implemented; and
- such Shareholder voted against the MOI Amendment Resolution (Special Resolution Number 1) and has complied with all of the procedural requirements of section 164 of the Companies Act.

The right to receive such fair value is subject to the provisions of the Circular and the Companies Act, including section 164(9).

Shareholders are referred to paragraph 7 of the Circular to which this Notice is attached for more information regarding Appraisal Rights. A copy of section 164 of the Companies Act is set out in **Annexe A** to the Circular to which this notice is attached.

By order of the Board



Grant Gelink

Independent Non-Executive Director: Board of directors

20 September 2024

Business address and registered office

135 Rivonia Road
Sandton, 2196
South Africa
(PO Box 1144, Johannesburg, 2000)

Transfer Secretaries

Nedbank Limited, acting through its Share Scheme
Administration business unit
Registration number 1951/000009/06
Telephone: +27 83 900 6863
E-mail: ssa-zakhelefuthi@Nedbank.co.za

EXPLANATORY NOTES TO THE RESOLUTIONS PROPOSED AT THE EGM OF THE COMPANY

Ordinary Resolution Number 1 – Proposed amendments to the Relationship Agreement and the MTN Tranche 1 Subscription and Call Option Agreement as contemplated by the Extension and Amendment Agreement

Ordinary Resolution Number 1 would have the effect of amending the relevant provisions of the Relationship Agreement and the MTN Tranche 1 Subscription and Call Option Agreement such that the Scheduled Maturity Date of the Scheme is extended by three years to 23 November 2027 (being the Proposed Scheme Extension). Additionally, at the time of MTNZF's listing on the JSE in 2019, the JSE requested that if any amendments are made to the Relationship Agreement, these should include an amendment to increase the approval threshold by MTNZF Ordinary Shareholders, for amendments to the Relationship Agreement, from 65% to 66.67%. The affected clauses and the content of the proposed amendments to the Relationship Agreement and the MTN Tranche 1 Subscription and Call Option Agreement are set out in the table below (with the proposed amendments reflected in tracked text format).

Item No.	Relevant Clause	Proposed Amendment
Relationship Agreement		
1.	Clause 1.1.24	“ “BIC2 Empowerment Compliance Period” or “Empowerment Period” - a period of eight eleven years commencing on the Effective Date and ending on the Termination Date;”
2.	Clause 1.1.94	“ “Termination Date” - the eighth eleventh anniversary of the Effective Date;”
3.	Clause 11.3.6.4	“the Call Reference Price calculated as at or with reference to the Call Trigger Date discounted by 25%, if the Call Event occurs during the seventh, or eighth , ninth , tenth or eleventh years following the Effective Date;”
4.	Clause 18.1.2	“BIC2 and MTN signing a document incorporating any amendment approved by resolution passed at a separate meeting of the BIC2 Shareholders at which BIC2 Shareholders present or represented at the meeting and exercising not less than 65% 66.67% of the votes exercisable in respect of the BIC2 Ordinary Shares at that meeting (or such higher percentage or basis as MTN and BIC2 may agree to in writing from time to time), voted in favour of such resolution, which amendments will, subject to MTN and BIC2 signing the document referred to above, bind all BIC2 Shareholders as from the date specified in the amending resolution;”
5.	Clause 22.1	“The Parties note that the funding provided to BIC2 under the BIC2 Pref Shares (and the related liabilities and obligations under the Finance Documents) have a scheduled maturity on or about the fifth anniversary of the Effective Date (“Initial Scheduled Maturity Date”), and are required to be settled at such time, whereas the BIC2 Empowerment Compliance Period of the scheme and the scheduled maturity of the notional vendor finance from MTN (and related liabilities and obligations in respect thereof) are both 8 11 years after the Effective Date.”
MTN Tranche 1 Subscription and Call Option Agreement		
6.	Clause 1.2.10	“ “BIC2 Empowerment Compliance Period” a period of eight eleven years commencing on the date on which BIC2 Ordinary Shares are allotted and issued to Black Participants under the BIC2 Public Offer and ending on the eight eleventh anniversary of such date;”
7.	Clause 1.2.44.1	“the first Business Day after the eighth eleventh anniversary of the New Empowerment Transaction Closing Date or such later date and/or dates as (a) MTN may from time to time notify BIC2 in writing prior to such eighth eleventh anniversary (or the then current NVF Call Option Trigger Date, if later than the eighth eleventh anniversary), such date notified by MTN however not being later than the later of (i) 6 months from the eighth eleventh anniversary of the New Empowerment Transaction Closing Date and (ii) 6 months after the BIC2 Discharge Date and/or (b) MTN and BIC2 may agree in writing; and”

Item No.	Relevant Clause	Proposed Amendment
8.	Clause 12.1.2 (which is replaced in its entirety with the following)	<p>“at such time or times prior to the NVF Call Option Trigger Date as (i) the New Preference Share Agent may, in its sole discretion, permit; provided that such date may not be earlier than the eighth anniversary of the New Empowerment Transaction Closing Date without the written consent of BIC2 and/or (ii) as may be permitted pursuant to the provisions of clause 15 (read with clause 18) and/or clause 17.”</p> <p>“12.1.2 at any time or times prior to the NVF Call Option Trigger Date:</p> <p style="padding-left: 40px;">12.1.2.1 with the prior written consent of:</p> <p style="padding-left: 80px;">12.1.2.1.1 (subject to clause 12.1.2.1.3) BIC2, if the NVF Call Option Exercise Date is prior to the eleventh anniversary of the New Empowerment Transaction Closing Date;</p> <p style="padding-left: 80px;">12.1.2.1.2 (subject to clause 12.1.2.1.3) the New Preference Share Agent, if the NVF Call Option Exercise Date is prior to the BIC2 Discharge Date; and/or</p> <p style="padding-left: 80px;">12.1.2.1.3 both BIC2 and the New Preference Share Agent where clauses 12.1.2.1.1 and 12.1.2.1.2 both apply; or</p> <p style="padding-left: 40px;">12.1.2.2 as may be permitted pursuant to the provisions of clause 15 (read with clause 18) and/or clause 17.”</p>
9.	Clause 16.1	<p>“The Parties note that the funding provided to BIC2 under the BIC2 Pref Shares (and the related liabilities and obligations under the Finance Documents) have a scheduled maturity on or about the fifth anniversary of the Effective Date (“Initial Scheduled Maturity Date”), and are required to be settled at such time, whereas the BIC2 Empowerment Compliance Period of the scheme and the scheduled maturity of the NVF (and related liabilities and obligations in respect thereof) are both 8 11 years after the Effective Date.”</p>

Ordinary Resolution Number 1 will be effective immediately once approved by MTNZF Ordinary Shareholders. If Ordinary Resolution Number 1 is not approved, Special Resolution Number 1 and Special Resolution Number 2 will not be put to Shareholder vote.

Special Resolution Number 1 – Proposed amendments to the MTNZF MOI

Special Resolution Number 1 would have the effect of amending the MTNZF MOI and substituting the New MOI in its place. The proposed amendments set out in the New MOI form part of a broader suite of amendments required to the Transaction Documents for purposes of extending the Scheduled Maturity Date of the Scheme by three years to 23 November 2027 (the Proposed Scheme Extension), which proposed amendments includes amendments required to the Relationship Agreement and the MTN Tranche 1 Subscription and Call Option Agreement, as contemplated in the Extension and Amendment Agreement, and which are being put to MTNZF Ordinary Shareholders for approval as Ordinary Resolution Number 1.

The salient features of the proposed amendments to the MTNZF MOI include, amongst other things, (i) the extension of the Scheduled Maturity Date of the Scheme; and (ii) the increase of the approval threshold by MTNZF Ordinary Shareholders, for amendments to the Relationship Agreement, from 65% to 66.67%, as requested by the JSE. The affected clauses and the content of the proposed amendments are set out in the table below (with the proposed change reflected in tracked text format).

Item No.	Affected Clause	Proposed Amendment
1.	Cover Page	<p>“This Memorandum of Incorporation (“MOI”) was adopted by Special Resolution passed on 17 May 2019 (“2019 MOI”), a copy of which was filed, together with the notice of amendment, in substitution for the Company’s then existing MOI. The MOI was subsequently amended by (i) two further Special Resolutions passed on or about 15 June 2020 and 3 August 2020, respectively (together, the “2020 Amending Special Resolutions”), a copy of which amended MOI (the “2020 MOI”) was filed, together with the notice of amendment, in substitution for the 2019 MOI (for the avoidance of doubt, as amended by the 2020 Amending Special Resolutions); and (ii) one a further Special Resolution passed on [7 September 2021] (the “2021 Amending Special Resolutions”), a copy of which amended MOI (the “2021 MOI”) was filed, together with the notice of amendment, in substitution for the 2020 MOI (for the avoidance of doubt, as amended by the 2021 Amending Special Resolutions); and (iii) a further Special Resolution passed on [•] 2024 (the “2024 Amending Special Resolution”), a copy of which amended MOI (“2024 MOI”) was filed, together with the notice of amendment, in substitution for the 2021 MOI (for the avoidance of doubt, as amended by the 2024 Amending Special Resolution).”</p>
2.	Clause 1.2.47	<p>““MTN Zakhele Futhi Empowerment Compliance Period” means a period of eight eleven years commencing on the Effective Date and ending on the Termination Date;”</p>

Item No.	Affected Clause	Proposed Amendment
3.	Clause 1.2.64	“ Termination Date ” the eighth eleventh anniversary of the Effective Date;”
4.	Clause 10.4.2	“a Special Resolution has been passed by the Holders of that adversely affected class of Shares with the support of more not less than 75% (seventy five per cent) of the voting rights exercised on the Special Resolution at a separate meeting of the Holders of that class;”
5.	Clause 10.4.3	“in relation to clause 2 (and any consequential provisions of any other clause which refers to or incorporates the provisions of such clause 2), by any agreement between MTN and the Company which is approved by a Special Resolution passed by the Holders of MTN Zakhele Futhi Ordinary Shares with the support of more not less than 65% 66.67% (sixty five six point six seven per cent) of the Voting Rights exercised on the Special Resolution (or such higher percentage or basis as MTN and the Company may agree to in writing from time to time), at a separate meeting of the Holders of the MTN Zakhele Futhi Ordinary Shares at that meeting.”
6.	Annexe A, clause 1.3.60	“ BIC2 Empowerment Compliance Period ” means a period of 8 (eight) 11 (eleven) years commencing on the Effective Date and ending on the fifth eleventh anniversary of the Effective Date;”
7.	Annexe A, clause 1.3.90	“ BIC2 Scheduled Redemption Date ” means: 1.3.90.1 if the Refinancing is implemented on 30 September 2021 in accordance with the terms of the Refinancing Agreement, 23 November 2024 (or such later date or dates as agreed to in Writing by the Preference Share Agent); or 1.3.90.2 if the Refinancing is not implemented on 30 September 2021 in accordance with the terms of the Refinancing Agreement, 23 November 2022 (or such later date or dates as agreed to in Writing by the Preference Share Agent); or 1.3.90.2 if the Preference Share Agent confirms to the Company in writing that the Extension and Amendment Agreement Condition referred to in clause 3.1.1 of the Extension and Amendment Agreement has been fulfilled to its satisfaction (or waived by the Preference Share Agent in writing), 23 November 2027 (or such later date or dates agreed to in writing by the Preference Share Agent);”
8.	Annexe A, a new clause 1.3.133A (immediately after existing clause 1.3.133)	“1.3.133A Extension and Amendment Agreement ” means the extension and amendment agreement entered into or to be entered into between the Company, MTN and MTN Holdings pursuant to which, amongst other things, the parties thereto agree to extend the BIC2 Empowerment Compliance Period by a period of 3 (three) years, ending on the eleventh anniversary of the Effective Date;”
9.	Annexe A, a new clause 1.3.133B (immediately after the new clause 1.3.133A referred to above)	“1.3.133B Extension and Amendment Agreement Conditions ” means the conditions precedent set out in clause 3 (Amendment Conditions Precedent) in the Extension and Amendment Agreement;”
10.	Annexe A, clauses 1.3.169.12 and 1.3.169.13 and a new clause 1.3.169.14	“1.3.169.12 the Implementation Agreement; and 1.3.169.13 the BIC2 Ords Subscription Agreement; and 1.3.169.14 the Extension and Amendment Agreement,”
11.	Annexe E	The existing Annexe E (Relationship Agreement) is replaced with the consolidated current version of the Relationship Agreement, including the amendments set out above.

The Proposed Scheme Extension and, consequently, the proposed amendments contained in the New MOI, will not be implemented or effected and this Special Resolution Number 1 will be treated as a nullity with immediate effect upon MTN and MTNZF’s determination that any or all of the Scheme Extension Conditions have not been fulfilled (or waived, to the extent possible) on or before the relevant date for fulfilment (or waiver, to the extent possible), in terms of the Extension and Amendment Agreement.

As required by the MTNZF MOI, the contractual consent of the MTNZF Pref Holders and the BFC2 Pref Holders is required as one of the Scheme Extension Conditions for the purposes of these amendments to the MOI. The MTNZF Pref Holders and the BFC2 Pref Holders have provided their contractual consent to the MOI amendments subject to certain conditions being satisfied and which are currently expected to be satisfied shortly after the date of this EGM. In terms of the Extension and Amendment Agreement, MTN has provided its consent to these amendments. The JSE has also approved the proposed amendments to the MOI.

Please note that the full version of the amendments to the MOI (ie the New MOI) should be read in its entirety for a full appreciation of the contents thereof. A complete copy of the New MOI, including all such amendments (including a version which, for ease of reference, identifies such amendments in tracked text format in the existing MOI), is available on the Company's website at <https://www.mtnzakhelefuthi.co.za/> and titled "MTN Zakhele Futhi MOI - 2024 Amendments". This version of the MOI is also available at the Company's registered office at Nedbank, 135 Rivonia Road, Sandown, Johannesburg, 2193 or from the Sponsor's offices at Tamela Holdings, First Floor, Golden Oak House, Ballyoaks Office Park, 35 Ballyclare Drive, Bryanston, 2021.

Special Resolution Number 2 – Financial Assistance pursuant to section 44 of the Companies Act

The Company has granted security and other financial assistance within the meaning of section 44 of the Companies Act to various parties, including but not limited to the MTNZF Pref Holders, BFC2, the BFC2 Pre Holders, MTN Holdings and MTN, in connection with the Finance Documents and other Transaction Documents. For purposes of facilitating the Proposed Scheme Extension, corresponding amendments are required to the Finance Documents (including the extension of the scheduled redemption date of the MTNZF Preference Shares thereunder) and other Transaction Documents which may result in the Company providing financial assistance within the meaning of section 44 of the Companies Act. Special Resolution Number 2 is to authorise the Board to grant such financial assistance.

Section 44 of the Companies Act provides, amongst other things, that such direct or indirect financial assistance must be provided only pursuant to a special resolution of shareholders, adopted within the previous two years, which approved such financial assistance either for the specific recipient or generally for a category of potential recipients and the specific recipient falls within that category and the board must be satisfied that (i) immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test provided for section 4 of the Companies Act, as amended; and (ii) the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

APPENDIX TO THE EGM NOTICE

Important notes about the EGM

Date and Time

The EGM will be held virtually on Monday, 21 October 2024 at <https://mtnzakhelefuthi.vagm.africa> and will begin promptly at 09:00 (South African time).

Shareholders can attend the EGM by accessing the online facility and will need to register prior to the EGM, subject to the provisions applicable to Dematerialised Shareholders without Own-Name Registration. Details on how to attend through electronic means can be found on page 33 of this Notice.

Translation services

Kindly note that the proceedings at the EGM will be translated into Zulu and Sotho. This Document will only be available in English on the Company's website at: <https://www.mtnzakhelefuthi.co.za/Home/AGM> and under the section titled "*Notice to Extraordinary General Meeting*" from the date of posting of this Circular on Friday, 20 September 2024, up to and including the date of the EGM.

SUMMARY OF APPLICABLE RIGHTS ESTABLISHED IN SECTION 58 OF THE COMPANIES ACT

For purposes of this summary, the term “shareholder” shall have the meaning ascribed thereto in section 57(1) of the Companies Act.

1. At any time, a shareholder of a company is entitled to appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, speak and vote at a shareholders’ meeting on behalf of the shareholder.
2. A proxy appointment must be in writing, dated and signed by the relevant shareholder.
3. Except to the extent that the memorandum of incorporation of a company provides otherwise –
 - a shareholder of the relevant company 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 such shareholder; and
 - a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders meeting.
4. Irrespective of the form of instrument used to appoint a proxy –
 - the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company; and
 - should the instrument used to appoint a proxy be revocable, a shareholder may revoke the proxy appointment by 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 the relevant company.
5. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy’s authority to act on behalf of the relevant shareholder as of the later of the date –
 - stated in the revocation instrument, if any; or
 - upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act 71 of 2008, as amended.
6. Should the instrument appointing a proxy or proxies have been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act 71 of 2008, as amended, or the relevant company’s memorandum of incorporation to be delivered by such company to the shareholder must be delivered by such company to –
 - the shareholder, or
 - the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
7. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the memorandum of incorporation of the relevant company or the instrument appointing the proxy provides otherwise.
8. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy –
 - such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
 - the company must not require that the proxy appointment be made irrevocable; and
 - the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act 71 of 2008, as amended.

HOW TO PARTICIPATE IN THE EGM

Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration may follow the process outlined below.

Dematerialised Shareholders without Own-Name Registration who wish to attend, participate electronically in and/or vote at the EGM are required to first contact and/or instruct their CSDP, Broker or nominee to issue them with the necessary letters of representation in terms of the custody agreement entered into between the Dematerialised Shareholder and their CSDP, Broker or nominee to do so before accessing the online facility and following the procedure below. For administrative convenience, Shareholders are requested to lodge the letters of representation with the Transfer Secretaries by no later than 09:00 (South African time) on Thursday, 17 October 2024.

Dematerialised Shareholders without Own-Name Registration who do not wish to attend the EGM must instruct their CSDP, Broker or nominee as to how they wish to vote. The voting instructions must reach the CSDP, Broker or nominee in sufficient time to allow the CSDP, Broker or nominee to advise the Company or the Transfer Secretaries of their instructions by no later than 09:00 (South African time) on Thursday, 17 October 2024, for administrative purposes. Dematerialised Shareholders without Own-Name Registration who do not wish to attend the EGM must not complete the Form of Proxy (*yellow*).

We encourage Shareholders to make use of the iProxy service to cast their votes prior to the EGM, or to participate in and/vote during the online EGM using their smartphone, tablet or computer.

Shareholders who are unable to attend the EGM can, through the online facility, prior to the commencement of the EGM, vote on the resolutions set out in the Notice by:

- completing and returning the Form of Proxy (*yellow*) attached to this Notice; or
- appointing a proxy to attend in their stead; or
- casting their votes electronically through the iProxy platform or USSD platform.

Shareholders are referred below for details on how to register for the EGM and submit their Form of Proxy (*yellow*).

Submit their Form of Proxy (*yellow*) by using the easy-to-operate online facility to appoint a proxy to vote at the EGM on their behalf.

EGM



<https://mtnzakhelefuthi.vagm.africa>

The online guide is available to download and may be accessed at

<https://www.mtnzakhelefuthi.co.za/Home/AGM>

The online facility will be available from 09:00 (South African time) on 1 October 2024; or



Complete the Form of Proxy (*yellow*) using their mobile device by dialling *120*0130# or appoint a proxy to attend the EGM

The USSD guide is available to download and may be accessed at

<https://www.mtnzakhelefuthi.co.za/Home/AGM>

The USSD facility will be available from 09:00 (South African time) on 1 October 2024; or

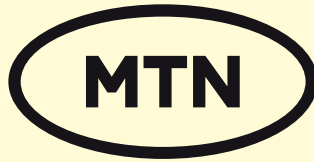


Complete the Forms of Proxy that are contained in the Notice of EGM

These forms appear on page 34 of the Notice of EGM

Shareholders can also attend the EGM by accessing the online facility and will need to log on at <https://mtnzakhelefuthi.vagm.africa> using their SA ID number and the One Time Pin that has been provided to them.

To be completed by Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration only.



MTN ZAKHELE FUTHI (RF) LIMITED

(Incorporated in South Africa)
(Registration number: 2016/268837/06)
(Share code: MTNZF)
(ISIN: ZAE000279402)
(LEI: 378900429C4F73B1BE74)
("MTNZF" or the "Company")

FORM OF PROXY

All terms used in this Form of Proxy ("Form") shall, unless the context otherwise requires or they are otherwise defined herein, have the meanings attributed to them in the Circular to which this Form is attached.

To be completed by Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration only.

For use at the extraordinary general meeting of Shareholders of the Company ("EGM") to be held entirely by way of electronic communication as contemplated in section 63(2)(a) of the Companies Act at <https://mtnzakhelefuthi.vagm.africa> on Monday, 21 October 2024, at 09:00 (South African time). For assistance in completing the Form, please contact the MTNZF Call Centre on 083 900 6863/010 476 2012. A Shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend, vote and speak in his/her/its stead at the EGM. A proxy need not be a Shareholder but must be an individual.

I/We _____
ID number/registration number _____
of _____
being a shareholder/shareholders of the above-named Company do hereby appoint _____
of _____
or failing him/her _____
of _____

or failing him/her the chairperson of the Company or failing her the chairperson of the EGM as my/our proxy to vote for me/us and on my/our behalf at the EGM to be held by way of electronic communication as contemplated in section 63(2)(a) of the Companies Act at <https://mtnzakhelefuthi.vagm.africa> on Monday, 21 October 2024 at 09:00 (South African time), for the purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the Company registered in my/our name (see note 2 overleaf) as follows:

Ordinary Resolution Number 1	For	Against	Abstain
Approval of the Proposed Scheme Extension and the Company's entry into and implementation of the Extension and Amendment Agreement			
Special Resolution Number 1	For	Against	Abstain
Proposed amendments to the MTNZF MOI			
Special Resolution Number 2	For	Against	Abstain
Approval of financial assistance pursuant to section 44 of the Companies Act			

** Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast. If no indication is given, the proxy will be entitled to vote or abstain as he/she deems fit. The proxy may also vote or abstain in respect of any other business proposed at the EGM as he/she thinks fit.

Any Shareholder entitled to attend and vote at the EGM is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. The proxy so appointed need not also be a Shareholder but must be an individual.

Please read the notes on the reverse side hereof.

Signed at _____ on _____ 2024
Full name(s) _____
(in block letters)
Signature(s) _____
Address _____
Telephone number: (_____) Cell phone number _____
E-mail address: _____
Assisted by (guardian) _____ Date _____

If signing in a representative capacity, see notes to proxy on the next page.

NOTES TO FORM OF PROXY

1. Only Shareholders who are registered in the Register, or in the sub-register of the Company with Own-Name Registration on the Voting Record Date may complete a proxy form or alternatively attend the EGM. Beneficial owners who are not the registered holder and who wish to attend the EGM in person may do so by requesting the registered holder, being their CSDP, Broker or nominee, to issue them with a letter of representation in terms of the custody agreements entered into with the registered holder. Letters of representation must be lodged with the Transfer Secretaries by no later than 09:00 (South African time) on Thursday, 17 October 2024.
2. Beneficial owners who are not the registered holder and who do not wish to attend the EGM in person must provide the registered holder, being the CSDP, Broker or nominee, with their voting instructions. The voting instructions must reach the registered holder in sufficient time to allow the registered holder to advise the Company or the Transfer Secretaries of their instructions by no later than 09:00 (South African time) on Thursday, 17 October 2024 for administrative convenience.
3. A Shareholder may insert the name of a proxy or the names of two alternative proxies of his/her/its choice in the space/s provided, with or without deleting "the chairman of the EGM", but any such deletion or insertion must be initialled by the Shareholder. Any insertion or deletion not complying with the foregoing will be declared not to have been validly effected. The person whose name stands first on the Form of Proxy and who is present at the EGM will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are indicated, the proxy shall be exercised by the chairman of the EGM.
4. A Shareholder's instructions to the proxy must be indicated by the insertion of an "X" or the relevant number of votes exercisable by that Shareholder in the appropriate box provided. An "X" in the appropriate box indicates the maximum number of votes exercisable by that Shareholder. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the EGM as he/she/it deems fit in respect of the entire Shareholder's votes exercisable thereat. A Shareholder or his/her proxy is not obliged to use all the votes exercisable by the Shareholder or by his/her/its proxy, but the total of the votes cast and in respect of which abstention is recorded, may not exceed the maximum number of votes exercisable by the Shareholder or by his/her proxy. The proxy may also vote or abstain in respect of any other business proposed at the EGM as he/she/it thinks fit.
5. The proxy shall (unless this sentence is struck out and countersigned) have the authority to vote, as he/she deems fit, on any other resolution which may validly be proposed at the EGM, including in respect of any proposed amendment to the above Resolutions. If the foregoing sentence is struck out, the proxy shall be deemed to be instructed to vote against any such proposed additional resolution and/or proposed amendment to an existing Resolution as proposed in the Notice to which this form is attached.
6. To be effective, completed Forms of Proxy and the authority, if any, under which it is signed must be lodged with the Transfer Secretaries at the address stipulated below prior to the time appointed for the holding of the EGM and Shareholders are requested to lodge all such documents by no later than 09:00 (South African time) on Thursday, 17 October 2024.
7. The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the EGM and speaking and voting in person thereat instead of any proxy appointed in terms hereof.
8. The chairman of the EGM may reject or accept any Form of Proxy which is completed and/or received other than in compliance with these notes.
9. Any alteration to this proxy form, other than a deletion of alternatives, must be initialled by the signatory.
10. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative or other legal capacity must be attached to this Form of Proxy, unless previously recorded by the Company or waived by the chairperson of the EGM.
11. Where there are joint holders of MTNZF Shares:
 - 11.1 any one holder may sign the proxy form; and
 - 11.2 the vote of the senior Shareholder (for which purpose seniority will be determined by the order in which the names of the Shareholders appear in the Register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint Shareholders.
12. A minor must be assisted by his/her parent or legal guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Transfer Secretaries.
13. A proxy may not delegate his/her authority to act on behalf of the Shareholder, to another person.



MTN ZAKHELE FUTHI (RF) LIMITED