

## Transformational Investment Portfolio One Limited

(Incorporated in the Republic of South Africa)

(Registration number 2017/458073/06)

CTSE share code: "ZXTIP"

ISIN: ZAEZ00000042

("TIP One" or "the Company")



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## ACQUISITION OF SHARES AND WAIVER OF MANDATORY OFFER

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### 1. Introduction

Shareholders are advised that TIP One has entered into an asset-for-share agreement ("**the Agreement**") with PNInvest Proprietary Limited ("**PNInvest**"), in terms of which TIP One will acquire 200 400 shares in Phuthuma Nathi Investmets (RF) Limited ("**Phuthuma Nathi**") (the "**Phuthuma Nathi Shares**") from PNInvest in exchange for 26 052 000 newly issued TIP One shares (the "**Consideration Shares**") by way of an asset-for-share transaction in terms of section 42 of the Income Tax Act, 58 of 1962 (the "**Proposed Transaction**"). The Proposed Transaction assumes a price of R130 per Phuthuma Nathi Share on an ex divided basis, representing an aggregate price of R26 052 000 for the Phuthuma Nathi Shares.

On implementation of the Proposed Transaction, PNInvest will hold c.76.77% of the issued share capital of TIP One, which would trigger a mandatory offer in terms of section 123(2) of the Companies Act, 71 of 2008 (the "**Companies Act**"). Accordingly, TIP One shareholders will be requested to waive the mandatory offer in accordance with Regulation 86(4) of the Companies Regulations, 2011 (the "**Takeover Regulations**").

### 2. Rationale for the Proposed Transaction

TIP One is a listed, permanently black-owned company that is focused on achieving long-term capital growth through the assembly of a diversified portfolio of securities in black economic empowerment schemes, which schemes are in turn invested into listed companies (or significant components of listed companies).

The Proposed Transaction is in line with TIP One's investment strategy which includes the ability to acquire assets via a swap.

### 3. Description of PNInvest

The Batlase Development Trust is the sole beneficial shareholder of PNInvest. PNInvest is a special purpose vehicle through which Batlase Development Trust purchased the Phuthuma Nathi Shares.

Duane D'Oliviera an executive director of TIP One, is one of three directors of PNInvest. PNInvest does not constitute a related party (as defined) for purposes of the Cape Town Stock Exchange ("**CTSE**") Listing Requirements.

### 4. Conditions precedent and effective date

The Proposed Transaction is conditional upon the fulfilment and/or waiver of the following conditions precedent:

- TIP One shareholders having passed all resolutions as may be required to approve and implement the Proposed Transaction including:
  - The issue of the Consideration Shares to PNInvest in accordance with section 41(3) of the Companies Act;
  - Approving the Proposed Transaction in accordance with the provisions of the CTSE Listing Requirements, to the extent required by the CTSE;
  - Waiving the benefit of requiring PNInvest to make a mandatory offer as contemplated in section 123 of the Companies Act as a result of the Proposed Transaction, in terms of regulation 86(4) of the Takeover Regulations (the “**Waiver**”);
- Obtaining the requisite ruling in relation to the Waiver from the Takeover Regulation Panel;
- Obtaining the approval, authorisation or consent for the implementation of the Proposed Transaction, as may be required, by the CTSE, Equity Express Securities Exchange Proprietary Limited and/or Phuthuma Nathi, including the approval by the CTSE of the listing of the Consideration Shares on the CTSE.

The effective date of the Proposed Transaction will be after the satisfaction of all outstanding conditions precedent.

## **5. Other significant terms**

The Phuthuma Nathi Shares are sole ‘ex’ all rights in and to the dividend to be declared and paid by Phuthuma Nathi to its shareholders on or about 5 September 2022, which is expected to be in the amount of R1 500 000 000.

## **6. Circular to shareholders**

A circular providing full details of the Proposed Transaction and containing a notice of the general meeting of TIP One shareholders, the report of the independent expert and the recommendations of the Board of Directors of TIP One (“**the Board**”) (“**the Circular**”), will be distributed to TIP One shareholders in due course.

## **7. Fair and reasonable opinion in respect of the Waiver**

In accordance with Regulation 86(7) of the Companies Regulations, an independent expert will be appointed to provide a fair and reasonable opinion in relation to the Waiver. The opinion will be included in the Circular.

## **8. Responsibility Statement**

The Board (including the independent members thereof (“**the Independent Board**”)), individually and collectively, accept full responsibility for the accuracy of the information contained in this announcement and certify that, to the best of their knowledge and belief, such information is true and this announcement does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this announcement.

The Independent Board and the Board have made all reasonable enquiries to ascertain that no facts have been omitted and this announcement contains all information required by law and the Companies Act.

Johannesburg  
6 July 2022

**Issuer Agent**



Questco Corporate Advisory Proprietary Limited