



OMAJOWA PROPERTIES LIMITED
(Incorporated in Namibia) (Registration number 2019/0840)
(Share Code: OMJ, ISIN: A2P951 / NA000A2P9513)
("Omajowa" or "the Company")

PRE-LISTING STATEMENT

The definitions and interpretations commencing on page 7 of this Pre-listing Statement apply to this cover page.

This Pre-listing Statement is prepared and issued in terms of the NSX Listings Requirements. This Pre-listing Statement is not an invitation to the public to subscribe for securities but is issued in compliance with the NSX Listings Requirements for the purpose of providing information to the NSX with regard to the Company. This Pre-listing Statement does not constitute, envisage or represent an offer to the public, as envisaged in the Companies Act, nor does it constitute a prospectus registered in terms of the Companies Act.

This Pre-listing Statement is issued in connection with:

1. Initial listing of the company as a Capital Pool Company or Cash Shell on the Development Capital Board of the NSX by issuing one (1) Linked Unit to each of the current directors and injecting N\$2,000,000 by the Promoter as initial capital; and
2. Subsequent issuing of circulars to raise capital by issuing Linked Units to invited investors as and when necessary at a price to be determined in the future.

| | 2020 |
|--|-------------|
| Opening Date of the Private Placement at 09:00 on | 30 July |
| Closing Date of the Private Placement at 10:00 on | 30 July |
| Results of the Private Placement released on SENS on | 30 July |
| Listing of initial Linked Units on the NSX on | 31 July |

The offer, in the form of the Private Placement, is being made to current directors only and will comprise a minimum of 8 Linked Units at the Issue Price.

Immediately prior to the Private Placement and the Listing:

1. the authorised share capital of the Company comprised of 500,000,000 Linked Units, each comprising one ordinary share of 1 cent and one unsecured variable rate debenture of 449 cents;
2. no Linked Units are in issue prior to listing; and
3. the Company had no treasury shares in issue.

Assuming that a minimum of 8 Linked Units are issued in terms of the Private Placement, immediately after the Private Placement and the Listing:

1. the authorised share capital of the Company will comprise 500,000,000 Linked Units, each comprising one ordinary share of 1 cent and one unsecured variable rate debenture of 449 cents;
2. the issued share capital of the Company will comprise 8 Linked Units, each comprising one ordinary share of 1 cent and one unsecured variable rate debenture of 449 cents. Units in issue are unsecured and bear interest at a variable rate. and
3. the Company will have no treasury shares in issue.

Upon Listing on the NSX, assuming that a minimum of 8 Linked Units are issued in terms of the Private Placement, the anticipated market capitalisation of the Company should be approximately N\$2,000,000.

On Listing and thereafter, all Shares in issue will rank *pari passu* in respect of all rights. Linked Units will only be issued in certificated form. The Private Placement will not be underwritten.

The Listing is conditional upon Omajowa injecting a minimum amount of N\$2,000,000 as initial capital in terms of the Private Placement. The proceeds of the Private Placement will be paid by Omajowa into an Escrow account.

Subject to Omajowa injecting the aforementioned minimum amount, the NSX has granted Omajowa a listing as a CPC on the Development Capital Board of the NSX of a minimum of 8 Linked Units under the abbreviated name: "Omajowa", NSX share code: OMJ and ISIN: A2P951 / NA000A2P9513, with effect from the commencement of trade on 31 July 2020.

The Directors, whose names are set out in paragraph 6.1.1 of this Pre-listing Statement, collectively and individually accept full responsibility for the accuracy of the information contained in this Pre-listing Statement which relates to Omajowa and, in this regard, certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Pre-listing Statement contains all information required by the NSX Listings Requirements.

The Auditors and Independent Reporting Accountants and each of the experts, whose names appear in the "Corporate Information" section of this Pre-listing Statement, have given and have not, prior to the formal approval of this Pre-listing Statement by the NSX, withdrawn their written consents to the inclusion of their names, and acting in the capacities stated and, where applicable, to their reports, being included in this Pre-listing Statement.

An abridged version of this Pre-listing Statement will be released on NENS on 30 July 2020.

Date of issue 29 July 2020.

Copies of this Pre-listing Statement are available in English only and may, from 30 July 2020 be obtained from the registered office of Omajowa, during normal business hours at the addresses set out in the "Corporate Information" section of this Pre-listing Statement.

CORPORATE INFORMATION

Registered Address

L&B Secretarial Services
Registration number: CC 2016/15344
Unit 3, 2nd Floor, Dr Agostinho Neto Road,
Ausspann Plaza, Ausspannplatz, Windhoek
Private Bag 12012, Ausspannplatz,
Windhoek, Namibia
Tel : +264-61-429850
Fax : +264-61-429855
E-mail: salome.claasen@lbcommserv.com

Company Secretary

L&B Secretarial Services
Registration number: CC 2016/15344
Unit 3, 2nd Floor, Dr Agostinho Neto Road,
Ausspann Plaza, Ausspannplatz, Windhoek
Private Bag 12012, Ausspannplatz,
Windhoek, Namibia
Tel : +264-61-429850
Fax : +264-61-429855
E-mail: salome.claasen@lbcommserv.com

Sponsor

IJG Securities (Pty) Ltd
Member of the NSX
Registration number: 95/505
4th Floor, 1@Steps, c/o Grove & Chassie
Streets, Windhoek
PO Box 186, Windhoek, Namibia
Att: Mr Lyndon Sauls
Tel: +264 61 383500
Fax: +264 61 304671
E-mail: lyndon@ijg.net

Advisor

IJG Advisory Services (Pty) Ltd
Registration number: 2008/0336
4th Floor, 1@Steps, c/o Grove & Chassie
Streets, Windhoek
PO Box 186, Windhoek, Namibia
Att: Mr Mark Späth
Tel: +264 61 383500
Fax: +264 61 304671
E-mail: mark@ijg.net

Legal Advisors

Engling, Stritter & Partners
12 Love Street, Windhoek West, Windhoek
PO Box 4343, Windhoek, Namibia
Att: Mr Axel Stritter
Tel: +264 61 38 330023 0011
E-mail: astritter@englinglaw.com.na

Auditors and Reporting Accountants

PricewaterhouseCoopers
Practice Number 9406
344 Independence Avenue, Windhoek, Namibia
P O Box 1571, Windhoek, Namibia
Att: Mr Louis van der Riet
Tel: +264 (61) 284 1000
Fax: +264 (61) 284 1001
E-mail: louis.van.der.riet@pwc.com

Transfer Secretaries

Transfer Secretaries (Pty) Ltd
Registration number: 93/713
4 Robert Mugabe Avenue (entrance Dr. Theo
Ben Gurirab street), Windhoek
PO Box 2401, Windhoek, Namibia
Att: Ms Alexandra Ullrich
Tel: +264 61 227647
Fax: +264 61 248531
E-mail: alexandrea@nsx.com.na

Commercial Bank

First National Bank of Namibia Limited
Registration number: 2002/0180
Parkside, 130 Independence Avenue, Windhoek
Private Bag 13239, Windhoek, Namibia
Tel: +264 61 299 8105

IMPORTANT LEGAL NOTES

This Pre-listing Statement is not an invitation to the public to subscribe for securities but is issued in compliance with the NSX Listings Requirements, for the purpose of providing information to the public with regard to the Company. This Pre-listing Statement does not constitute, envisage or represent an offer to the public, as envisaged in the Companies Act, nor does it constitute a prospectus registered in terms of the Companies Act.

FORWARD-LOOKING STATEMENT DISCLAIMER

This Pre-listing Statement includes statements about Omajowa that are, or may be deemed to be, forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. 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 such as “targets”, “believe”, “aim”, “expect”, “project”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “will”, “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, estimates of capital expenditures, acquisition strategy, or future capital expenditure levels, and other economic factors, such as, amongst other things, interest and exchange rates and public sector spend and resource allocation.

By their nature, forward-looking statements involve known and unknown uncertainties, assumptions and other important factors, because they relate to events and depend on circumstances that may or may not occur in the future, whether or not outside of the control of Omajowa. Such factors may cause Omajowa’s actual results, financial and operating conditions, liquidity and the developments within the industry in which Omajowa operates to differ materially from those made in, or suggested by, the forward-looking statements contained in this Pre-listing Statement. Omajowa cautions that forward-looking statements are not guarantees of future performance.

All these forward-looking statements are based on estimates and assumptions made by Omajowa, all of which estimates and assumptions, although Omajowa believes them to be reasonable, are inherently uncertain. Accordingly, no assurance can be given that any such forward-looking statements will prove to have been correct. Any forward-looking statement made in this Pre-listing Statement or elsewhere are applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Omajowa 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 statement is not known. Omajowa has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Pre-listing Statement after the date of this Pre-listing Statement, except as may be required by law or regulation.

OFFER IN NAMIBIA ONLY

This Pre-listing Statement has been issued in connection with the Private Placement in Namibia only and is addressed only to the NSX for purposes of the initial listing of Omajowa as a CPC on the DevX board of the NSX. The distribution of this Pre-listing Statement and the making of an offer by means of the Private Placement is hereby only restricted to the current directors of Omajowa. Persons into whose possession this Pre-listing Statement comes must inform themselves about and observe any and all such restrictions. This Pre-listing Statement does not constitute an offer of or invitation to subscribe for and/or purchase any Shares in any jurisdiction in which the offer would be unlawful.

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2.1 salient dates

The definitions and interpretations commencing on pages 7-10 of this Pre-listing Statement apply to these salient dates section.

| | 2020₁ |
|---|-------------------------|
| Abridged Pre-listing Statement published on NENS on | 30 July |
| Opening Date of the Private Placement at 09:00 on | 30 July |
| Closing Date of the Private Placement at 10:00 on | 30 July |
| Results of the Private Placement published on NENS on | 30 July |
| Listing of initial Linked Units on the NSX on | 31 July |
| Share certificates distributed to directors | 31 August |

Notes:

- All references to dates and times are to local dates and times in Namibia. These dates and times are subject to amendment. Any such amendment will be released on NENS.*

3 DEFINITIONS AND INTERPRETATION

In this Pre-listing Statement and annexures hereto, unless the context indicates otherwise, a word or an expression which denotes any gender includes the other genders, a natural person includes a juristic person and vice versa, the singular includes the plural and *vice versa* and the following words and expressions bear the meanings assigned to them below:

| | |
|--|---|
| “Auditors” and “Independent Reporting Accountants” | PwC Namibia, 344 Independence Avenue, Windhoek |
| “BON” | The Bank of Namibia; |
| “Board” or “Directors” | the board of directors of Omajowa at the Last Practicable Date; |
| “Broker” | a “stockbroker” as defined in the Stock Exchanges Control Act (Act 1 of 1985 as amended), or its nominee; |
| “Business Day” | a day which is not a Saturday, Sunday or official public holiday in Namibia; |
| “Common Monetary Area” | South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland; |
| “Companies Act” | Companies Act 2004, (No. 28 of 2004) as amended from time to time; |
| “CPI” | means the Consumer Price Index for all urban areas published by Namibia Statistics Agency from time to time; |
| “CPC” | Capital Pool Company (JSE equivalent Special Purpose Acquisition Company or “SPAC”), being a special purpose vehicle established for the purpose of facilitating the primary capital raising process to enable the acquisition of Viable Assets in pursuit of a listing on the Main Board or the DevX Board of the NSX; |
| “Custody Agreement” | a custody mandate agreement between a person and a Custodian or Broker, regulating their relationship in respect of Shares held on Omajowa’s certificated securities register and administered by a Custodian or Broker on behalf of that person; |
| “Certificated Shares” | Shares which are evidenced by certificates or other physical Documents of Title; |
| “DevX” | The Development Capital Board of the NSX; |
| “Debentures” | means any debentures governed by the Debenture Trust Deed; |
| “Debenture Trust Deed” | means the written trust deed of Omajowa further setting out the terms and conditions of, and generally governing, the debentures; |
| “Escrow Agent” | Engling Stritter and Partners; |

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| “Escrow Agreement” | the escrow agreement entered into between the Escrow Agent and the Company on or about 25 June 2020 as amended from time to time, which governs, <i>inter alia</i> , the terms on which the capital raised by the Company in terms of the Private Placement is held in escrow and invested in either (i) investment grade bonds (being debt securities with a rating of “BBB” or above as rated by Standard and Poor’s Corporation or an equivalent rating by any similar institution); or (ii) bank deposits with a recognised bank, by the Escrow Agent, and the terms of the release of such capital which is to be utilised to cover the Company’s operating expenses, acquire Viable Assets and/or be distributed to Security Holders, as envisaged in the NSX Listings Requirements; |
| “Exchange Control Regulations” | the Exchange Control Regulations, 1961 as promulgated by South African Government Notice R.1111 of 1 December 1961 and amended by the Namibian Government Notice No. 126 in Government Gazette No. 4767 of 1 August 2011, in terms of section 9 of the Currency and Exchanges Act, 9 of 1933 (“Namibian Exchange Control Regulations”) as amended from time to time; |
| “Founders” or “Promoters” | the founders and promoters of Omajowa; |
| “GC30” | The Namibian Government’s 10-year long-term bond maturing in 2030; |
| “GDP” | gross domestic product; |
| “Government” | the national government of Namibia; |
| “IFRS” | International Financial Reporting Standards; |
| “IJG Advisory” | IJG Advisory Services (Proprietary) Limited (reg. number 2008/0336), a private company incorporated under the laws of Namibia; |
| “Issue Price” | the price at which the Linked Units will be issued by Omajowa pursuant to the Private Placement, being N\$4.50 per Linked Unit; |
| “Sponsor” | IJG Securities (Proprietary) Limited (Registration number 95/505), a private company incorporated under the laws of Namibia and a Member of the Namibian Stock Exchange; |
| Linked Units | Linked Units each comprising one ordinary share of 1 cent and one unsecured variable rate debenture of 449 cents; |
| “Namibia” | The Republic of Namibia |
| “Namcode” | the Corporate Governance Code for Namibia, as amended or replaced from time to time; |
| “Namfisa” | The Namibia Financial Institutions Supervisory Authority, established by the Namibia Financial Institutions Supervisory Authority Act, No.3 of 2001, to exercise supervision over the business of financial institutions and over financial services; |
| “Namibian Dollar” or “N\$” | Namibian Dollar, the official currency of Namibia; |
| “NENS” | the Stock Exchange News Service of the NSX; |

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|---|---|
| “Omajowa” or “the Company” | Omajowa Properties Limited (Registration number 2019/08400840), a public company incorporated under the laws of Namibia which was incorporated on 31 July 16 December 2019; |
| “NSX” | The Namibian Stock Exchange, licensed as an exchange under the Stock Exchanges Control Act (Act 1 of 1985 as amended); |
| “NSX Listings Requirements” | the Listings Requirements of the NSX, as amended from time to time; |
| “Last Practicable Date” | the last practicable date prior to the finalisation of this Pre-listing Statement, being 1 June 2020; |
| “Listing” | the listing of the entire issued share capital of Omajowa as a CPC on the Development Capital Board of the NSX, which listing is expected to occur with the commencement of trade on the Listing Date; |
| “Listing Date” | the proposed date of the Listing which is expected to be on or about 31 July 2020. |
| “Management Agreement” | the management agreement entered into and between Omajowa and the Manager on or about 25 June 2020 in terms of which the Manager provides the Services to Omajowa, details of which are set out in paragraph 12 and Annexure 4 of this Pre-listing Statement; |
| “the Manager” or “Oshivanda” | Oshivanda Asset Management (Proprietary) Limited (Registration number 2019/1295, a private company incorporated under the laws of Namibia which was incorporated on 13 December 2019; |
| “Pre-listing Statement” | this Pre-listing Statement dated 26 June 2020, including all annexures hereto; |
| “the press” | collectively the “Republikein” and the “Namibian”; |
| “Principles for Responsible Investment” | the principles for responsible investment as adopted by a United Nations supported initiative comprised of an international network of investors that aims to achieve sustainable global financial systems through fostering good governance, integrity and accountability; |
| “Private Placement” | the private placement by the Company to raise a minimum of N\$2,000,000.00 by the promoters to subscribe to 444,452 Linked Units, each comprising one ordinary share of 1 cent and one unsecured variable rate debenture of 449 cents; |
| “Private Placement Linked Units” | a minimum of 8 Linked Units to be offered and issued in terms of the Private Placement; |
| “Promoter” | Jacques Reyneke ID No: 720127 5005 087; |
| “the Register” | The register of Omajowa Security Holders as maintained by the transfer secretaries in terms of the Namibian Companies Act; |
| “Security Holders” | Includes both Security Holders and holders of debentures. |

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| “Services” | means the services to be provided by the Manager in terms of the Management Agreement, details of which are set out in Annexure 4 to this Pre-listing Statement; |
| “Security Holders” | registered holders of Shares; |
| “Shares” | ordinary shares of 1 cent each and one unsecured variable rate debenture of 449 cents in the share capital of Omajowa; |
| “South Africa” | the Republic of South Africa; |
| “Transfer Secretaries” | Transfer Secretaries (Proprietary) Limited (Registration number 93/713), a private company incorporated under the laws of Namibia; |
| “Viable Asset/s” | asset/s which meet the investment policy and acquisition criteria set out in paragraph 8.5 of this Pre-listing Statement, which, if acquired, will enable Omajowa to qualify for a listing, other than as a CPC, pursuant to the main board listing criteria of the NSX. |
| “Property Loan Stock Company” or “PLS” | Property Loan Stock Companies issue Linked Units which comprise of a share and a debenture. Since the majority of the capital structure of Property Loan Stock Companies comprises of debentures and the interest earned on the debentures is distributed before tax, Property Loan Stock Companies are able to distribute the majority of their income to investors before tax. |



OMAJOWA PROPERTIES LIMITED
(Incorporated in the Republic of Namibia)
(Registration number 2019/0840)
(Share Code: OMJ, ISIN XXX)
("Omajowa" or "the Company")

3.1 Directors (all executive unless stated otherwise)

| Directors Name | Nationality | Directorship (* Non-executive, # Independent) | Appointment |
|-------------------------------|--------------------|--|--------------------|
| Festus Hamukwaya | Namibian | *# Chairperson | 2020/06/01 |
| Tomas lindji | Namibian | *# | 2020/06/01 |
| Brian Katjaerua | Namibian | *# | 2020/06/01 |
| Dorethy Elizabeth Smit | Namibian | *# | 2020/06/01 |
| Pieter Willem Jacobus Reyneke | Namibian | * | 2020/06/01 |
| Adeline Beukes | Namibian | Executive Director | 2020/06/01 |
| Barend Christiaan Verhoef | South African | Executive Director | 2020/06/01 |
| Carel Fourie | Namibian | Executive Director | 2020/06/01 |

4 INFORMATION ON OMAJOWA

INTRODUCTION

- 4.1 The Property fund, Omajowa was formed and incorporated in Namibia, by the Founders for the purpose of assimilating real estate portfolios, adding efficient property and facility management skills and experience, and offering these portfolios to the investment market in Namibia. The Manager intends to introduce Omajowa to the public in order to facilitate exposure to property investments in Windhoek, Swakopmund, Walvisbay and Okahandja in Namibia. The Board is responsible for Omajowa's objectives and its business and investment strategies as well as its overall supervision.
- 4.2 Omajowa has outsourced the identification and assessment of Viable Assets, as well as the structuring and implementation of the acquisition and potential disposal of Viable Assets (which acquisitions and disposals must be approved by the Company), to the Manager in terms of the Management Agreement. The Manager has extensive expertise and knowledge of and experience in investments in and Management of income generating Real Estate Assets, focused on the affordable residential rental market as well as the Commercial and Retail Real Estate Sectors.
- 4.3 The Board intends to list Omajowa as a CPC on the DevX board of the NSX in order to, *inter alia*, raise capital to invest primarily in its strong pipeline of affordable residential rental stock, certain development projects and, to a limited extent, integrated commercial, retail and light industrial property.
- 4.4 It is the Directors' intention to pursue, in compliance with the NSX Listings Requirements pertaining to a CPC, a strategy of investing in Viable Assets in relation to the Real Estate sector, thereby aligning the interests of the vendors and investors, in pursuit of a listing on the main board of the NSX.
- 4.5 In accordance with its investment policy as stipulated in paragraph 3.3 of this Pre-listing Statement, the Company is targeting investments in Viable Assets with a benchmark gross investment return on initial investments of 9% and is targeting subsequent pre-tax interest distribution at a target GC30 or a minimum Cash Yield of 10% per annum, from operations year 2 onwards. Regular dividend distribution limited to optimum percentage of the free cash available from the developed and income generating assets in the portfolio are also projected. The Company believes the inflation-linkage inherent in the Real Estate sector, and offered by Omajowa's investment returns, will be attractive to investors.
- 4.6 The purpose of this Pre-listing Statement is to:
 - 4.6.1 List Omajowa as a CPC on the DevX board of the NSX and provide the NSX with relevant information relating to Omajowa, the Manager, the Private Placement and the proposed Listing on the NSX;
 - 4.6.2 communicate the strategy and the objectives of Omajowa; and
 - 4.6.3 set out the salient details of the Listing and the Private Placement.

5 INVESTMENT OPPORTUNITY

5.1. Namibian Real Estate Sector

- 5.1.1. Omajowa has been formed to invest in income generating assets in the Real Estate Sector. To achieve this goal, Omajowa will focus on utilising equity, but may also utilise debt finance, or a combination of both including quasi-equity. The primary focus will be on Namibia with a secondary focus on the SADC region in general.

The investment case is as follows:

- 5.1.1.1. Namibia enjoys an unusually high savings rate and a well-managed investment industry. However, the bulk of Namibia's savings continue to be channeled into the South African market. The local market remains handicapped by a lack of investment opportunities combined with limited liquidity;
- 5.1.1.2. There is ever growing regulatory pressure on Namibian institutional investors to channel more of Namibia's savings into the domestic economy. Many of the opportunities presented to investors are high risk and lack a risk/return profile appropriate for pension fund investors;
- 5.1.1.3. Namibia's Real Estate market has shown stable growth in the affordable residential rental space. With the well-priced assets currently available, as targeted by Omajowa, this demand is expected to provide a steady growth in the medium- to long term for the portfolio being acquired. This is supported by the fact that demand for well managed rental units far outstrips supply in this sector of the Namibian Real Estate market; and
- 5.1.1.4. Against this background the Manager has identified the opportunity for the creation of a dedicated, NSX listed, property investment company in the form of Omajowa. Omajowa will target property investment opportunities, as indicated in paragraph 3, driven by commercial considerations.

6 NAMIBIAN ECONOMY AND SAVINGS

- 6.1. Since Independence in 1990 Namibia has enjoyed a stable parliamentary democracy supported by a modern constitution. Property rights and the rule of law are entrenched in the Constitution, well respected and supported by a vibrant legal system.
- 6.2. Namibia has delivered a GDP Annual Growth Rate of 3.57% (CAGR) since 1990, with 2019 nominal GDP of N\$179 billion. GDP composition by sector are Primary Industries: 15.9%; Secondary Industries: 17.3% and Tertiary Industries: 59.3%. With Mining, a primary industry activity, accounting for 9.3% of nominal GDP and providing almost 50% of foreign exchange revenues. The main resources mined include diamonds, gold, coal, uranium, copper, and rare earth minerals. The primary sector in Namibia include the rearing of livestock, processing of meat products, crop farming and forestry, as well as fishing and fish processing activities, and mining. Namibia has one of the most productive fishing industries in the world based on the Benguela Current system. This system supports rich populations of fish, which form the basis for the Namibian marine fisheries. Fishing contributes over 17% of the primary sector activities. The secondary sector is also of importance to the Namibian economy as it generates a larger portion of GDP than does primary industries through manufacturing, construction and electricity and water supply. The tertiary sector contributes 59.3% to GDP – of which government, wholesale and retail, financial and insurance service activities, and real estate are the main components.
- 6.3. Namibia's traditionally strong fiscal discipline has showed signs of erosion since 2016. Budget deficits have been above expectations in recent years and debt to GDP, currently at approximately 51%, has breached the 35% self-imposed prudential limit. Current debt is approximately N\$99billion of which 62.7% is held domestically.

- 6.4. Overall Namibia's macro-economic management is reflected in comparatively favorable credit ratings with Fitch Ratings issuing a long-term foreign currency Issuer Default Rating (IDR) 'BB' with a Stable Outlook, long-term local currency IDR to 'BB' and short-term foreign currency IDR of 'B' with a Stable Outlook. Fitch noted, "The downgrade of Namibia's ratings reflects the mutually-reinforcing deterioration in economic growth and fiscal metrics. The macroeconomic environment has worsened further, and Fitch has lowered its assessment of Namibia's growth potential. Subdued economic prospects amid exceptionally elevated inequality and high unemployment will raise significant challenges for the government's plan to stabilise its debt by cutting back spending, particularly on high payroll costs." Moody's Investor Services recently downgraded the Namibian credit rating to Ba2 with a stable outlook. It stated, "The downgrade reflects further weakening in Namibia's debt position, despite ongoing fiscal consolidation, as growth remains weaker for longer than Moody's previously anticipated. The stable outlook is underpinned by Namibia's relatively robust institutions and governance strength that supports creditworthiness. Policymakers retain some capacity to respond to shocks, helped by moderate liquidity and external vulnerability risks".
- 6.5. Namibia enjoys an unusually high contractual savings rate (approximately 110% of GDP according to Namibia Financial Institutions Supervisory Authority ("Namfisa") / IJG estimates). There is approximately N\$223bn under management, through various asset managers and life, short-term, and medical insurance companies, in the form of pension and provident funds; collective investment schemes and asset management make up an additional +/- N\$60bn.

7 OMAJOWA INVESTMENT RATIONALE

- 7.1. The current slow recovery of the Namibian economy out of a few years of recession prompted the promoters to proceed with this listing, with a two-thirds (66.6%) plus Residential Rental component as a strategy. COVID-19 impact is still to be gauged and interrogated but, given the long-term view of the promoters, has the potential to enhance investor returns. The main reason is the competitive price at which the underlying income generating assets will be obtained.

Resultantly, some of the main motivators for the timing of this listing are:

- 7.1.1. The decision to proceed with the listing in these times is to ensure the investor enters this market segment at the low end of the recession. The promoters believe strongly that the growth prospects, particularly in the market segment focused on, will be positive in the medium to longer term. The competitive advantage here is that the portfolio acquisition price should be negotiable to a discount to the market given the relative size of the investment that Omajowa would be able to make. Based on current short-term negative sentiments and a general price correction in mainly the residential market segment, we believe this to be an achievable target.
- 7.2. The portfolio being acquired represents a fair spread in terms of both location and target market, adding to robust revenue drivers. The acquisition prices of the underlying properties are sensitive to and reflect the short-term impact of COVID-19 on both rental rates and occupancy. The strategy is to counter vacancies by offering short term rental discounts, ensuring assistance to tenants in distress in these times of economic hardship;
- 7.2.1. In general, the residential rental market is much more stable in the long term than the other Real Estate Sectors, mainly as a result of the broad-based revenue drivers. The sustainability of revenues in this sector is driven by management efficiencies and hands on facilities management with strict rental collection control systems, added to acquiring assets in quality locations. The portfolio is bulky enough to ensure economies of scale can be achieved by pooling property and facilities management expertise and systems in managing the underlying assets. Single party exposures are also much more limited than in large commercial real estate portfolios.
- 7.2.2. The increased credit criteria for home buyers are also continuously feeding the residential rental market as well as providing flexibility of tenure to users of the rental spaces

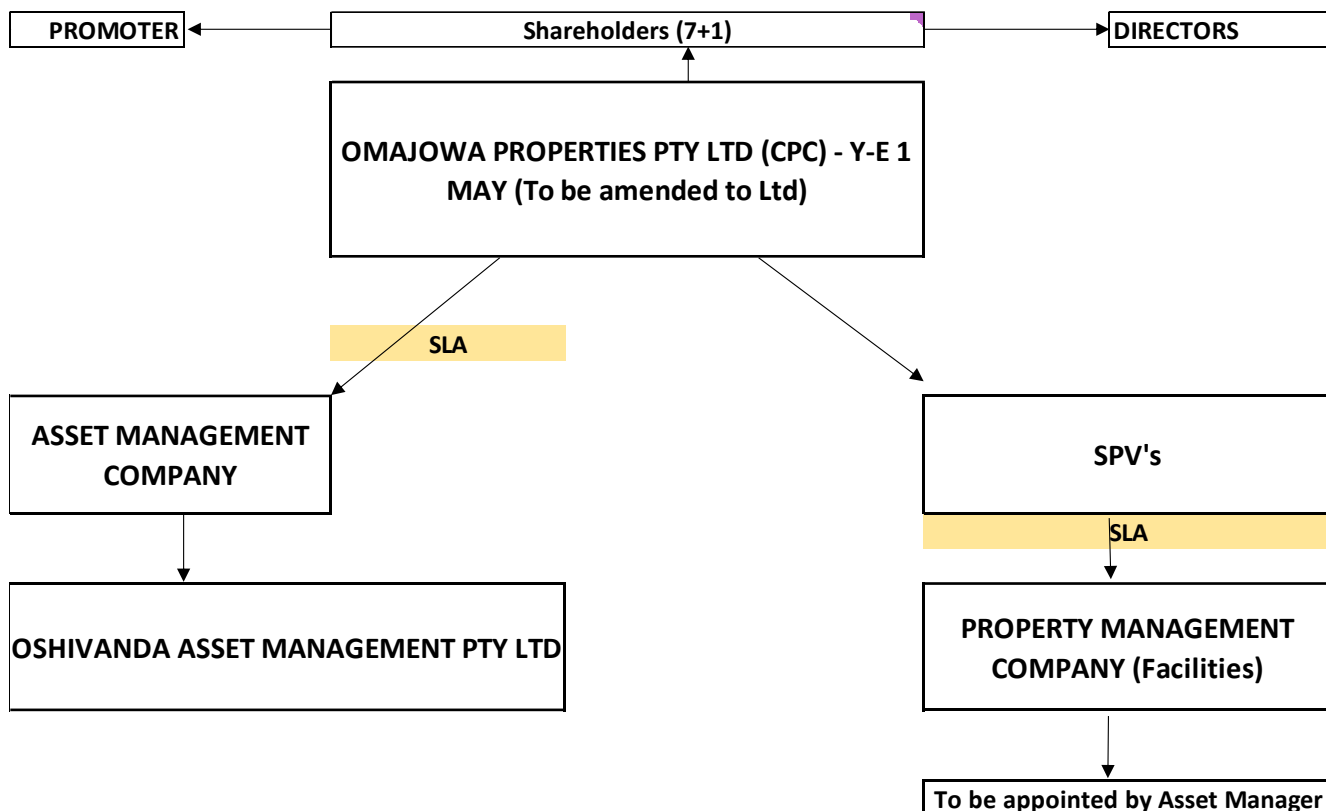
provided. There are enormous similarities with South Africa during the 2008 residential market decline, since then there was a sizeable move away from owning a property to rather rent. Rental is still more affordable and provide the required mobility for end-users of residential space in this market segment. This trend is already starting to happen in Namibia, with this listing in the fore front of making it possible for investors to enter into an asset class with tremendous growth potential. There is a strong pipeline of projects being completed, focused on the more affordable side of the residential rental market; and

- 7.2.3. The timing of this listing, against world and local market volatility, is perfect and allows the astute investor to spread his risk profile into an asset class which will provide steady unit returns through continuous interest payments and constant capital growth keeping pace with inflation.
- 7.3. There is clearly considerable potential for an affordable residential rental focused company, equipped with appropriate financial and risk management skills, to target this largely untapped sector in Namibia. Such a vehicle will play an important role in the Namibian economy by:
 - 7.5.3. Providing affordable rental opportunities close to amenities in the urban growth areas of Namibia, creating valuable new job opportunities on a sustainable basis while investing into the economy;
 - 7.5.3. Alleviating the current flow of capital into the South African market by offering local institutional investors an NSX listed vehicle through which to channel savings into infrastructure projects with medium to long term growth; and
 - 7.5.3. Offering investors liquidity, flexibility, scalability and governance safeguards provided by a listed vehicle.
- 7.4. As set out in its investment policy in paragraph 3.3 of this Pre-listing Statement, Omajowa will pursue investments where there is proven medium- and long-term demand for the rental space invested in.
- 7.5. Opportunities for institutional and retail investors:
 - 7.5.1. Investments in this subsector of the Real Estate market have various advantages for institutional and retail investors;
 - 7.5.2. The financial returns of the projects are attractive due to the following factors:
 - 7.5.2.1. cash flow security is spread over various rental units, providing an important risk mitigant to ensure sustainability of revenue. Demand in the correct location at the right cost will remain strong, a function of the high relative cost of direct home ownership in Namibia; and
 - 7.5.2.2. returns are in the form of regular tax efficient debenture interest distributions.
 - 7.5.3. The above factors are important elements in providing liability matched income streams to institutional investors that are pursuing liability driven investment strategies, such as pension funds.

8 INFORMATION RELATING TO OMAJOWA

8.1 Structure

Namibian Property Fund
CPC STRUCTURE
2020-06-01



8.2 Investment Strategy:

- 8.2.1. Omajowa aims to be listed initially as a CPC or Cash Shell and thereafter operate as a PLS Company and will directly invest in selected completed property portfolios and selected development projects in a responsible and transparent manner. In so doing, the Company will provide investors with predictable, inflation linked, liquid and long-term yielding investments whilst providing investors with liquidity to exit their investments. Such liquidity is provided through listed Linked Units which are tradeable on the open market. The Company will focus on making investments in various real estate projects through equity and debt instruments that meet the required returns;
- 7.5.3. Omajowa's primary focus will be residential property and to contribute around 67 of its entire asset base. Commercial property will contribute the balance;
- 7.5.3. Omajowa will adhere to the United Nations backed Principles for Responsible Investment; and
- 7.5.3. Omajowa will be advised by the Manager on all investment and potential investment decisions. Although the Board is responsible for the Company's objectives, business and investment strategies and its overall supervision, the Company has outsourced the identification, assessment, structuring, resultant acquisition and potential disposal of Viable Assets, to the Manager in terms of the Management Agreement. The Manager has extensive expertise and knowledge of and

experience in investments in the real estate sectors. The Manager will compile reports based on its analysis of the relevant factors and will present each proposed investment opportunity to the Company. Following the Board's in principle decision to acquire a Viable Asset (and all subsequent investments), the Manager shall ensure that the necessary due diligence investigations are carried out and the Manager will be responsible for negotiating the terms of investments. The Directors will at all times retain the final sanction over all investment and divesture decisions.

- 7.5.3. Omajowa will enter into a Management Agreement with the manager on a Cost-plus principle, based on an Omajowa Approved and Manager accepted annual budget. This will ensure alignment of investment strategy and execution there-off between Omajowa and the Manager. Refer to Annexure 7 dealing with an extract of the relevant Conditions of the Management Agreement below.

8.3 Investment policy

- 8.3.1. Omajowa will aim to meet the following investment criteria:

- 8.3.1.1. it will target investments which will generate a Cash Yield targeting either 10% per annum or GC30 long bond rate, whichever is the lowest.;
- 8.3.1.2. investments with visible environmental, social and governance policy appreciation;
- 8.3.1.3. it will target investments with low risk and attractively spread inflation-linked predictable revenue generation profiles;
- 8.3.1.4. it will make investments of not less than N\$1,000,000-00 per individual investment;
- 8.3.1.5. it will strive to ensure management value add and prudent directorship engagement to further optimise the underlying asset performance;
- 8.3.1.6. it will target investments in underlying projects which have a strong and well aligned management team with clear operational and corporate strategies;
- 8.3.1.7. it will acquire a minimum of 25.1% equity interest, with minority protections; and
- 8.3.1.8. it will make investments with acceptable third-party credit risk exposure, with a maximum senior debt gearing on rental stock of 65% to capitalized value of the underlying asset.

8.4 Investment risks

- 8.4.1. The risks of an investment in Real Estate may be generally divided into those specific to the subject Real Estate asset and those affecting the broader asset class;
- 8.4.2. The asset specific risks encompass risks pertaining to the condition, location and day to day management of the asset while the asset class risks include economic risk and regulatory and political risk;
- 8.4.3. Asset specific risks largely depend on the nature and the maturity of the particular asset; and
- 8.4.4. Of the more generic risks affecting the targeted asset class, perhaps the most pertinent is interest rate risk. The prevailing level of interest rates can have an impact on the discount rates applied to the valuation of the underlying investments, and on the debt portion of the funding structure; such that as interest rates rise, the valuation of a real estate investment will generally fall. This is generally a short-term phenomenon. Over the medium to longer-term, this initial fall in value is mitigated as revenue from the underlying asset grows. Generally, revenue increases are derived from CPI linked pricing increases (CPI generally increases in a higher growth environment) and the volume increases that occur in a growing economy.

- 8.4.5. The Government established Rent Boards on 30 November 2018 (Government Gazette No.6784), with regard to five regions of Namibia, with the aim to regulate the rental market to prevent exploitation of tenants by landlords. Despite the establishment, rent boards are not yet operational and their potential impact on real estate is difficult to quantify at this stage.

8.5 NSX approval of the acquisition of Viable Assets

- 8.5.1. In terms of paragraph 4.35 of the NSX Listings Requirements, the acquisition of Viable Assets must be approved by a majority of disinterested Directors and the majority of the Security Holders at a general meeting;
- 8.5.2. In the event that not all of the capital raised from the Private Placement is utilised for purposes of the acquisition of Viable Assets, Security Holders will be requested to approve a further resolution at the same general meeting dealing with the further use and retention of the balance of the capital (“**Residual Capital**”) after the acquisition of Viable Assets has been approved;
- 8.5.3. For NSX purposes, in conjunction with the completion of the acquisition of Viable Assets, Omajowa will be required to satisfy the NSX that it meets the criteria for a listing on the main board of the NSX. In terms of Omajowa’s investment policy it must acquire a minimum of a 25% plus 1 equity interest in new investments, however Omajowa is not restricted from acquiring a controlling interest, should the Board elect to do so. Accordingly, to the extent that Omajowa acquires a controlling interest in a new investment, Omajowa will need to comply with, *inter alia*, the criteria set out in section 4 of the NSX Listings Requirements applicable to operating entities and to the extent that Omajowa acquires a minority interest in a new investment, Omajowa will need to comply with, *inter alia*, the criteria set out in section 15 of the NSX Listings Requirements applicable to investment entities.
- 8.5.4. Once listed on the NSX, as a CPC or Cash Shell, Omajowa will be subject to the NSX Listings Requirements in all respects. Failure to meet those criteria once the acquisition of Viable Assets has been completed will result in the Company being delisted by the NSX;
- 8.5.5. Omajowa will initially be listed as a CPC in the “*Non-Equity Investment Instruments*” sector of the DevX board of the NSX. Following the acquisition of Viable Assets, Omajowa will be reclassified into the Real Estate sector.
- 8.5.6. In terms of the NSX Listings Requirements and subject to any extension granted by the NSX, should the Company not complete an acquisition of Viable Assets within 24 months of the Listing Date, the NSX will suspend Omajowa’s Listing on the NSX. The NSX will proceed to delist the Company once the Company has completed a distribution of the funds held in escrow by the Escrow Agent, less outstanding operating expenses, within 60 days after the expiry of the aforementioned 24-month period, to all Security Holders pro rata to their shareholdings. Such distribution must comply with the solvency and liquidity test as required pursuant to the Companies Act. All interest earned in escrow will form part of the distribution, excluding any taxes and expenses relating to the distribution and anticipated voluntary liquidation; and
- 8.5.7. Should the Company not complete an acquisition of Viable Assets as stated in paragraph 8.5.6 hereof, the Company is required to propose a special resolution to Security Holders, to be adopted by the requisite number of Security Holders, for the voluntary liquidation of the Company.

8.6 Gearing

- 8.6.1. In addition to the use of its own resources, the Company will employ external financing as a source of capital. The Company will use borrowings to advance tail-end cash flows in order to increase overall returns. The Board will adopt policies from time to time to set limits on the extent of the Company’s borrowings. Interest rate movement risk will be mitigated by using inflation-linked rate loans or other hedging instruments. The implementation of such policies and the use of such instruments largely serve to make interest on borrowings a known and controlled expense. Other than in exceptional circumstances, the Company will use borrowings to fund acquisitions on a case by case basis and only where it is satisfied that the overall yield from a particular prospective acquisition is or will be greater than the cost of the borrowing required for that particular acquisition, or when the leveraging produces enhanced returns.

9 PROSPECTS

- 9.1. Omajowa has access to a size-able portfolio of assets, offering a healthy mixture between quality commercial and Residential income generating assets, with acceptable leases on all the properties earmarked for investment; and
- 9.2. Accordingly, the Directors believe that Omajowa has excellent prospects on the basis of the various potential Viable Assets that the Manager has identified which are at different stages of due diligence investigations and negotiations, additional transactions in the pipeline, current market conditions, and access to future deal flow, which the Directors believe will provide returns in line with the Company's investment return expectations and targets detailed above.

10 MANAGEMENT OF OMAJOWA

- 10.1. The management function of Omajowa is outsourced on market related terms to the Manager. Salient details relating to the Manager and the Management Agreement are set out in paragraph 12 and Annexure 4 of this Pre-listing Statement;
- 10.2. The Board, as a whole, considered and approved the terms and conditions of the Management Agreement prior to Omajowa entering into same. The independent Directors of Omajowa shall perform an annual review of the Manager's performance and, if required, make appropriate recommendations to Security Holders. The services to be provided by the Manager are listed and set out in Annexure A to the Management Agreement. These services are objective criteria against which the Manager will be evaluated. In addition, the Directors of Omajowa will assess the performance of the Manager based on the quality of the Viable Assets identified and investments made by Omajowa, as well as the return on such investments to Security Holders. If poor investments result in poor returns to Security Holders, the independent Board may make appropriate recommendations to Security Holders to terminate the Management Agreement.
- 10.3. The instances in which the Management Agreement may be terminated are set out in Annexure 4 of this Pre-listing Statement together with the consequences of such termination. If the Management Agreement is terminated at any time and Omajowa intends to appoint a new manager, the appointment of such new manager and new management agreement shall be subject to approval of Security Holders by ordinary resolution;
- 10.4. The Board is responsible for ensuring that Omajowa complies with all of its statutory and regulatory obligations, as specified in the Companies Act, the Articles of Association, and following the listing, in the NSX Listings Requirements.
- 10.5. The Omajowa executive committee meets monthly and has the following members:

| NAME | POSITION |
|---------------------------|--------------------------|
| Carel Fourie | Chief Executive Officer |
| Barend Christiaan Verhoef | Executive Director (CIO) |
| Adeline Beukes | Executive Director (CFO) |

- 10.6. Profiles of the members of the executive committee, detailing their experience, appear in **Annexure 5** to this Pre-listing Statement;
- 10.7. The Board has appointed a number of further committees to assist the Board in discharging its duties, with the particulars of such committees appearing in **Annexure 7** to this Pre-listing Statement.

11 DIRECTORS

11.1. Composition of the Board

11.1.1. The full names, ages, address and designations of the Directors of Omapowa are provided below:

| FULL NAME | AGE | DESIGNATION | ADDRESS |
|---------------------------------|-----|---------------------------------------|--|
| Festus Hamukwaya * | 49 | Independent Non-executive chairperson | 1 Teinert Street, Mandume Park, Windhoek, Namibia |
| Carel Fourie * | 41 | CEO, Executive Director | 6 Demonte Street, Windhoek, Namibia |
| Adeline Beukes * | 38 | CFO, Executive Director | 568 Shilunga Street, Cimbebasia, Windhoek, Namibia. |
| Barend Christiaan Verhoef # | 60 | CIO, Executive Director | Cresco, 1 st Floor, 267 West Building, 267 West Avenue, Centurion, 0517, South Africa |
| Pieter Willem Jacobus Reyneke # | 38 | Non-executive Director | 18 Gous Street, Pionierspark, Windhoek, Namibia |
| Tomas lindji * | 40 | Independent Non-executive Director | Erf 164, Oshakati West, Oshana Region, Namibia |
| Brian Katjaerua * | 45 | Independent non- executive Director | 1654, Unit 2, Hofmeyer Villas, Kenneth Kaunda Street, Windhoek, Namibia. |
| Dorethy Elizabeth Smit* | 41 | Independent non-executive Director | No 272, Sam Nujoma Drive, Klein Windhoek, Windhoek, Namibia. |

* Namibian

South *Namibian, #South African

11.1.2. The following changes occurred to the Board over the past 12 months: Newly appointed board; and

11.1.3. Profiles of the Directors, detailing their experience, appear in **Annexure 5** to this Pre-listing Statement.

11.2. Additional information

11.2.1. A list of other directorships held by the Directors is set out in **Annexure 6** to this Pre-listing Statement;

11.2.2. No Director is a partner with unlimited liability;

11.2.3. None of the Directors:

11.2.3.1. have been declared bankrupt, insolvent or have entered into any individual voluntary compromise arrangements;

11.2.3.2. have been directors with an executive function of any company put under, or proposed to be put under, any business rescue plans, or that is or was the subject of an application for business rescue, receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any compromise or arrangements with creditors generally or any class of creditors, at the time of such event or within the 12 months preceding any such event;

11.2.3.3. have been partners in a partnership that was the subject of any compulsory liquidation, administration or partnership voluntary arrangement, at the time of such event or within the 12 months preceding any such event;

11.2.3.4. have entered into any receiverships of any asset(s) or of a partnership where such directors are or were partners during the preceding 12 months;

- 11.2.3.5. have been publicly criticised by a statutory or regulatory authority, including recognised professional bodies, or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
- 11.2.3.6. have been involved in any offence of dishonesty;
- 11.2.3.7. have been removed from an office of trust, on the grounds of misconduct, involving dishonesty; or
- 11.2.3.8. have been the subject of any court order declaring him delinquent or placing him under probation or been disqualified by a court to act as a director.

11.3. Chief Financial Officer

- 11.3.1. Adeline Beukes is the Chief Financial Officer and financial Director of Omajowa.

11.4. Borrowing powers

- 11.4.1. The provisions of the Articles of Association regarding the borrowing powers exercisable by Directors are set out in **Annexure 3** to this Pre-listing Statement. The Articles of Association do not provide for the borrowing powers of the Directors to be varied and any variation of such powers would accordingly require Security Holders to approve a special resolution amending the Articles of Association; and
- 11.4.2. The borrowing powers of the Directors of Omajowa have not been exceeded during the 3 years preceding the Last Practicable Date and no exchange control or other restrictions have been imposed on Omajowa's borrowing powers in that period.

11.5. Appointment and qualification of Directors

- 11.5.1. The relevant provisions of the Articles of Association regarding the term of office of Directors, the manner of their appointment and rotation and their retirement are set out in **Annexure 3** to this Pre-listing Statement. No person has the right in terms of any agreement in respect of the appointment of any Director or any number of Directors; and
- 11.5.2. The relevant provisions of the Articles of Association relating to the qualification of Directors appear in **Annexure 3** to this Pre- listing Statement. Apart from grounds for disqualification stipulated in section 225 of the Companies Act and paragraph 30 of the Articles of Association, no specific qualification and eligibility requirements were set.

11.6. Remuneration of Directors

- 11.6.1. The relevant provisions of the Articles of Association, which provide for the remuneration of its Directors, are set out in **Annexure 3** to this Pre-listing Statement;
- 11.6.2. Omajowa may pay remuneration to non-executive Directors for their services as directors in accordance with a special resolution approved by Security Holders and the power of Omajowa in this regard is not limited or restricted by the Articles of Association;
- 11.6.3. Any Director who (i) serves on any executive or other committee; or (ii) devotes special attention to the business of Omajowa; or (iii) travels or resides outside Namibia for the purpose of Omajowa; or (iv) otherwise performs or binds himself to perform services which, in the opinion of the Board, are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration or allowances in addition to or in substitution of the remuneration to which he may be entitled as a Director, as a disinterested quorum of the Board may from time to time determine;
- 11.6.4. Directors may also be paid all their travelling and other expenses necessarily incurred by them in connection with the business of Omajowa and attending meetings of the Directors or of committees of the Directors;

- 11.6.5. Omajowa will not pay the executive Directors a salary, as the Manager will be paying their salaries from the fees it receives from Omajowa in terms of the Management Agreement;
- 11.6.6. The remuneration receivable by the Directors will not be varied as a result of the Listing;
- 11.6.7. No remuneration was paid to Directors prior to listing.

A bonus pool arrangement is in place between the executive Directors and the Manager, but no guaranteed bonuses are payable. No such bonuses are payable by Omajowa to any Director.

- 11.6.8. The anticipated Directors' fees payable by Omajowa for the financial year, ending 30 April 2021, are set out below:

11.6.8.1. Directors' fees

| | Directors' fees (N\$) |
|--|-----------------------|
| Non-Executive Director's Fees per annum (N\$30,000 per annum per director, covering 4 meetings per Director per year)* | 150,000 |
| Executive Director's Fees per annum (N\$60,000 per annum per director, covering 8 meetings per Executive Director per year)# | 180,000 |
| Joint Directorship Fees (Allowance, part of Management Company's cost-plus budget.) | 500,000 |
| Total | 830,000 |

*N\$7,500 per meeting x 4 meetings per year= N\$30,000 per director per annum x 5 Non-Executive Directors= **N\$150,000**

#N\$7,500 per meeting x 8 meetings per year= N\$60,000 per director per annum x 3 Executive Directors=**N\$180,000**

- 11.6.8.2. Directors are not entitled to any commission and are not party to any gain or profit-sharing arrangements with Omajowa. Save for the emoluments set out in the tables at paragraphs 6.6.7 and 6.6.8 of this Pre-listing Statement above, no other material benefits were received by Directors prior to listing;

- 11.6.8.3. No fees have been paid to any third party in lieu of directors' fees; and

- 11.6.8.4. Omajowa has not, preceding the date of this Pre-listing Statement, paid (or agreed to pay) any amounts (whether in cash or in securities or otherwise) or given any benefits to any Director or to any company in which he is beneficially interested, directly or indirectly, or of which he is a director ("**the associate company**") or to any partnership, syndicate or other association of which he is a member ("**the associate entity**"), to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the associate company or the associate entity in connection with the promotion or formation of Omajowa.

11.7. Interests of Directors

- 11.7.1. Save as set out below, no Director of Omajowa has any material beneficial interest, directly or indirectly, in any transactions that were effected by Omajowa(i) during the current or immediately preceding financial year; or (ii) during an earlier financial year and remain in any respect outstanding or unperformed;
- 11.7.2. Save for being a Shareholder of Omajowa (as set out in paragraph 13 of this Prelisting Statement) and a shareholder of the Manager (as set out in paragraph 12 of this Prelisting Statement), no Director has had any material beneficial interest, either direct or indirect, in the Listing and no promoter or Director of Omajowa is or was a member of a partnership, syndicate or other association of persons that has or had such an interest;

- 11.7.3. Save for being a Shareholder of Omajowa (as set out in paragraph 13 of this Prelisting Statement) and a shareholder of the Manager (as set out in paragraph 12 of this Prelisting Statement), no Director has had any material beneficial interest, either direct or indirect, in the promotion of the Company. No cash or securities have been paid and no benefit has been given to any promoter within the last 3 years;
- 11.7.4. Assuming that the Private Placement is fully subscribed, as at the Listing Date, the direct and indirect beneficial interests of the Directors and their associates in the issued share capital of Omajowa, shall be as follows:

BEFORE

| Director | Number of linked units held directly | Number of Linked units held indirectly | % of linked units in issue held |
|-------------------------------|---|---|--|
| Festus Hamukwaya | 1 | – | 12.5% |
| Tomas lindji | 1 | – | 12.5% |
| Adeline Beukes | 1 | – | 12.5% |
| Barend Christiaan Verhoef | 1 | – | 12.5% |
| Carel Fourie | 1 | – | 12.5% |
| Pieter Willem Jacobus Reyneke | 1 | – | 12.5% |
| Brian Katjaerua | 1 | – | 12.5% |
| Dorethy Elizabeth Smit | 1 | – | 12.5% |
| Total | 8 | – | |

AFTER

- 11.7.5. The Directors' interests in securities which are set out in the table above ("**Directors' Units**") will be subscribed for by each of the abovementioned Directors ("**Subscribing Directors**") at the Issue Price in terms of the Private Placement and will be held in custody by their respective brokers ("**Custody Agents**") in accordance with the NSX Listings Requirements, as envisaged below;
- 11.7.6. The holding of the Directors' Shares in custody by the Custody Agents are governed in terms of custodial agreements entered into by (or on behalf of) each of the Subscribing Directors and their respective Custody Agents ("**Custodial Arrangements**"). In terms of the Custodial Arrangements, amongst other things:

| Director | Number of linked units held directly | Number of linked units held indirectly | % of linked units in issue held |
|-------------------------------|---|---|--|
| Festus Hamukwaya | 1 | – | 0.000225% |
| Tomas lindji | 1 | – | 0.000225% |
| Adeline Beukes | 1 | – | 0.000225% |
| Barend Christiaan Verhoef | 1 | – | 0.000225% |
| Carel Fourie | 1 | – | 0.000225% |
| Pieter Willem Jacobus Reyneke | 1 | – | 0.000225% |
| Brian Katjaerua | 1 | – | 0.000225% |
| Dorethy Elizabeth Smit | 1 | – | 0.000225% |
| Promoter | 444,444 | – | 99.998200% |
| Total | 444,452 | – | 100% |

- 11.7.6.1. the Custody Agents shall hold the Directors' Shares in custody until the later of: (i) the date which is 6 months from the date of completion of the acquisition of Viable Assets by

Omajowa and (ii) the receipt of written notice from the respective Subscribing Director requesting the respective Custody Agent to release that Subscribing Director's respective Directors' Shares (the "**Custodial Period**");

- 11.7.6.2. the Subscribing Directors and the Custody Agents shall not be entitled to dispose of the Directors' Shares for the duration of the Custodial Period; and
- 11.7.6.3. the Custody Agents shall have no right, title or interest in respect of the Directors' Shares, including voting rights and the right to dividends and distributions, which rights shall remain with the Subscribing Directors.

11.8. **Service contracts of Directors**

Service contracts have been concluded between the Company and each of the Company's executive Directors on terms and conditions that are standard for such appointments. There are no service contracts between the Company and any of its non-executive Directors.

12 THE MANAGER

12.1 Overview of the Manager

- 12.1.1. The Manager was incorporated in Namibia on the 13 December 2019 as a private company under registration number 2019/1295;
- 12.1.2. The Manager is constituted by a combination of skilled investment professionals who facilitate exposure for short-, medium- and long-term investors to Real Estate investment opportunities. The Manager's emphasis is on employing an investment model that presents institutional and retail investors with investment opportunities in the underlying assets while introducing a more liquid instrument in the medium term to ensure maximum investment flexibility for institutional and retail investors; and
- 12.1.3. The Manager will provide the Services to Omajowa in terms of the Management Agreement. The salient provisions of the Management Agreement are set out in **Annexure 4** to this Pre-listing Statement.

12.2 Expertise of the Manager

- 12.2.1. The Manager has appropriate skill sets and experience set in the following sectors:
- project finance and transaction structuring;
 - deal flow;
 - capital markets;
 - financial product development;
 - real estate development in different market sectors;
 - retirement fund industry; and
 - governance in the listed environment.
- 12.2.2. During the years 2000 to 2019, the Manager and its Directors originated, develop/executed, placed, closed and traded Real Estate transactions totaling approximately N\$6.4bn in the private real estate markets, mainly focused on the Residential Real Estate Market. ("**Existing Managed Assets**");
- 12.2.3. After the Listing, Omajowa will have a right of first refusal in respect of all potential new investments identified by the Manager which meet the Company's investment policy. When determining if a potential investment should be pursued, the Board will consider the size of the investment, diversification of risk and general risk profile thereof. Accordingly, the Directors may determine to place all or only a portion of the proposed investment into Omajowa.

12.3 Shareholders of the Manager

The following are the shareholders of the manager:

| | Name of Shareholder | Percentage Holding |
|----|--------------------------------|--------------------|
| 1. | Vita Nuova Trust T:218/2017 | 100% |

12.3.1. Details of directors of the Manager

The full names, ages, business address and capacities of the directors of the Manager are outlined below:

| Full name | Age | Designation | Short CV | Business address |
|-----------|-----|-------------|----------|------------------|
|-----------|-----|-------------|----------|------------------|

| | | | | |
|---------------------------------|----|------------------------------|---|--|
| Jacobus Cornelius Reyneke # | 48 | Managing Director & Chairman | Jacques, a BSc (Building Management): University of Pretoria graduate, is a South African with professional membership the Estate Agencies Affairs Board, the Institute of Realtors and the Aircraft Owners and Pilots Association of South Africa. He is currently also Director and Founder of RR7 Holdings, a property investment and development group operating extensively in Namibia. | 518 Ruth Street Brooklyn, Pretoria, South Africa |
| Pieter Willem Jacobus Reyneke * | 38 | Non-executive director | Pieter is a South African with Permanent Residence in Namibia. His current position is Director in RR7 Holdings. | 18 Gous Street, Pionierspark, Windhoek, Namibia |
| Barend Christiaan Verhoef # | 60 | Non-executive director | Ben, a B. Com (NWU 1884) and MBA (UNISA 1995) graduate, is a property finance and development specialist with more than 30 years relevant experience. He has extensive experience in property development assessment, feasibilities and financial control during development phase, as well as in across sector real estate finance. He is experienced in funding structures for commercial, retail and residential properties and the long-term funding of such properties. He has extensive hands on experience in the assessment of funding risk in the South African and African property sector. | Cresco, 1 st Floor, 267 West Building, 267 West Avenue, Centurion, 0517, South Africa |

* *Namibian*
South African

12.4. Disclosures by the directors of the Manager

None of the directors of the Manager:

- 12.4.1. have been declared bankrupt, insolvent or have entered into any individual voluntary compromise arrangements;
- 12.4.2. have been directors with an executive function of any company put under, or proposed to be put under, any business rescue plans, or that is or was the subject of an application for business rescue, receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any compromise or arrangements with creditors generally or any class of creditors, at the time of such event or within the 12 months preceding any such event;
- 12.4.3. have been partners in a partnership that was the subject of any compulsory liquidation, administration or partnership voluntary arrangement, at the time of such event or within the 12 months preceding any such event;
- 12.4.4. have entered into any receiverships of any asset(s) or of a partnership where such directors are or were partners during the preceding 12 months;
- 12.4.5. have been publicly criticised by a statutory or regulatory authority, including recognised professional bodies, or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;

- 12.4.6. have been involved in any offence of dishonesty;
- 12.4.7. have been removed from an office of trust, on the grounds of misconduct, involving dishonesty; or
- 12.4.8. have been the subject of any court order declaring him delinquent or placing him under probation or been disqualified by a court to act as a director.

12.5. Remuneration of the directors

- 12.5.1. Two of the directors of the Manager are Directors of Omajowa and, accordingly, any and all remuneration and benefits received by such directors from Omajowa and/or the Manager have been disclosed in paragraph 11.6 of this Pre-listing Statement;
- 12.5.2. The directors of the Manager will not receive any remuneration from Omajowa as a direct consequence of the Listing; and
- 12.5.3. Omajowa has not paid any amounts (whether in cash or in securities), nor given any benefits to any directors of the Manager or to any company in which the directors of the Manager are beneficially interested, or to any partnership, syndicate or other association of which the directors of the Manager are members, or to any director of the Manager as an inducement to become a director of Omajowa or of the Manager or otherwise, or for services rendered by the directors of the Manager, or otherwise for services rendered by the directors of the Manager or by an associate company or associate entity in connection with the promotion or formation of Omajowa.

12.6. Interests of the directors of the Manager in Omajowa

- 12.6.1. Two of the directors of the Manager are also Directors of Omajowa. Accordingly, the direct and indirect beneficial interests of such directors and their associates in the issued share capital of Omajowa have been disclosed in paragraph 11.7.413 of this Pre-listing Statement;
- 12.6.2. No director of the Manager has or had any interest, directly or indirectly, in any transaction which is, or was, material to the business of Omajowa and which was affected by Omajowa during the current financial year which remains in any respect outstanding or unperformed;
- 12.6.3. Save for being a Shareholder or a shareholder of the Manager, no director of the Manager has had any material beneficial interest, either direct or indirect, in the promotion of Omajowa; and
- 12.6.4. Save for being a Shareholder or a shareholder of the Manager, no director of the Manager has had any material beneficial interest, either direct or indirect, in any property acquired or to be acquired by Omajowa.

12.7. Fees to be paid by Omajowa to the Manager

- 12.7.1. The manager is entitled under the Management Agreement to be paid the following fees by OMAJOWA (**Annexure 4(6)**):
 - 12.7.1.1. Monthly Management Fee;
 - 12.7.1.2. Annual Performance Bonus Fees;
 - 12.7.1.3. Termination Fee; and
 - 12.7.1.4. Additional Fees.

13 SHARE CAPITAL

13.1. The authorised and issued share capital of Omajowa as at the Last Practicable Date was as follows:

| | N\$ |
|--|----------------------|
| Stated capital | |
| <i>Authorised</i> | |
| 500,000,000 Linked Units, each comprising one ordinary share of 1 cent and one unsecured variable rate debenture of 449 cents; | 2,250,000,000 |

| | |
|--|-----------|
| <i>Issued</i> | |
| 8 Linked Units, each comprising one ordinary share of 1 cent and one unsecured variable rate debenture of 449 cents; | 36 |

- 13.2. Assuming that the promoter injects N\$2,000,000 on initial listing of the CPC, the authorised and issued share capital of the Company after the Private Placement and Listing is expected to be as follows:

| | N\$ |
|--|----------------------|
| Stated capital | |
| <i>Authorised</i> | |
| 499,555,548 Linked Units, each comprising one ordinary share of 1 cent and one unsecured variable rate debenture of 449 cents; | 2,247,999,964 |
| <i>Issued</i> | |
| 444,452 Linked Units, each comprising one ordinary share of 1 cent and one unsecured variable rate debenture of 449 cents; | 2,000,036 |
| Total | 2,250,000,000 |

Notes:

1. As at the time of the Listing, no shares will be held in treasury.
2. The table in paragraph 8.2 of this Pre-Listing Statement assumes that the Linked Units are fully taken up by the current directors.

- 13.2.1. As at the time of the Listing:

- 13.2.1.1. Linked Units will be created and issued first to the current directors by Omajowa.; and
- 13.2.1.2. Thereafter (i.e. post listing) issued to invited investors as and when a capital raise is necessitated to acquire Viable Assets.

- 13.2.2. On the Listing Date, all linked units in issue shall rank *pari passu* with each other in all respects, including in respect of voting rights and dividends; and

- 13.2.3. There are no preferential conversion and/or exchange rights in respect of any linked units.

13.3. Major and controlling Security Holders

- 13.3.1. At the Last Practicable Date, those Security Holders who, insofar as is known to Omajowa, directly or indirectly, beneficially hold 5% or more of the issued share capital of Omajowa are set out below. The Board is not aware of any pre-existing intention of any major Shareholder to dispose of a material number of their Shares at or immediately after the Listing.

| Shareholder | Number of units held | % of units in issue held |
|------------------|----------------------|--------------------------|
| <i>Directors</i> | 8 | 100 |
| Total | | 100 |

- 13.3.2. Prior to the Private Placement and Listing, no Linked Units have been issued.

13.4. Rights attaching to Shares

Salient provisions in the Articles of Association relating to the rights attaching to Shares, appear in Annexure 6 to this Pre-listing Statement.

13.5. Options and preferential rights in respect of Shares

There is no contract or arrangement, either actual or proposed, whereby any option or preferential right of any kind has been or will be given to any person to subscribe for any linked units in Omajowa.

13.6. Dividends & Distributions

13.6.1. The Directors do not intend to declare any distributions / dividends prior to the completion of an acquisition of Viable Assets;

In terms of the Debenture Trust Deed the interest entitlement on each debenture shall be not less than 75% of the net profits of the Company post the cost of any third party debt funding, but before taxation and before distributions to Debenture Holders as determined in accordance with the Applicable Accounting Standards, then adjusted to (**see Annexure 8**)–

- eliminate capital profits and capital losses and to reverse all non-cash items (other than accruals for short-terms receivables and payables) brought to account in the determination of *PBT*, which non-cash items may include, for example: the straight-lining of leases; the revaluation of any property or other investments; fair value adjustments to issued Linked Units, investments and derivatives; the write-off, amortisation or impairment of any intangible asset including goodwill; and
- eliminate costs and/or expenses incurred in respect of (i) the acquisition or disposal of any capital asset, (ii) the raising or settlement of any debt or other funding and (iii) the entering into, re-negotiation of or early termination of any Interest hedging arrangements; (iv) once off unforeseen expenses and costs.

13.6.2. Any interest remaining unclaimed for a period of three years from its declaration may, provided notice of the declaration has been sent to the last registered address of the person entitled thereto, be forfeited by resolution of the directors for the benefit of the company. The directors may at any time annul such forfeiture upon such conditions (if any) as they think fit. All unclaimed interest may be invested or otherwise made use of by the directors for the benefit of the company. Monies other than dividends due to debenture holders must be held in trust by the company indefinitely until lawfully claimed by the debenture holder; and

13.6.3. No arrangements exist under which future dividends are waived or are agreed to be waived.

13.7. Rights offer

Since the Company's incorporation, Omajowa has not undertaken any rights offers.

13.8. Shares issued

Other than pursuant to the Private Placement, Omajowa has not issued any linked units since its incorporation.

14 DETAILS OF THE PRIVATE PLACEMENT

14.1 PURPOSE OF THE PRIVATE PLACEMENT AND THE LISTING

14.1.1 The main purpose of the Private Placement and the Listing is to:

- 14.1.1.1. List Omajowa initially as a CPC by issuing linked units to the current directors and injecting N\$2,000,000 into the company, which amount shall be kept in an Escrow account;
- 14.1.1.2. Post-listing, provide investors, both institutional and retail, with an opportunity to participate over the long-term in the capital growth and the income streams of the Company;
- 14.1.1.3.
- 14.1.1.4. create an avenue for investors to invest in residential Real Estate and Commercial projects in Namibia;
- 14.1.1.5.
- 14.1.1.6. enhance the liquidity and tradability of the Linked Units;

- 14.1.1.7.
- 14.1.1.8. provide the Company with a platform to raise equity funding and debt to pursue growth and investment opportunities;
- 14.1.1.9.
- 14.1.1.10. provide the Company with the ability to use listed Linked Units to fund future acquisitions;
- 14.1.1.11.
- 14.1.1.12. establish the Company as a leader in its industry; and
- 14.1.1.13.
- 14.1.1.14. enhance the public profile and general public awareness of Omajowa.

14.1.2 The proceeds of the Private Placement will be used by the Company to fund the acquisition of Viable Assets.

14.2 PARTICULARS OF THE PRIVATE PLACEMENT

14.2.1 Salient dates relating to the Private Placement

| | 2020 |
|---|------------------|
| Opening Date of the Private Placement at 09:00 on | 30 July |
| Closing Date of the Private Placement at 10:00 on | 30 July |
| Results of the Private Placement published on NENS on | 30 July |
| Listing of initial Linked Units on the NSX on | 31 July |
| Share certificates distributed to directors | 31 August |

Note:

1. The above dates are subject to change. Any such change will be announced on NENS.

14.2.2 Details of the Private Placement

- 14.2.2.1. Pursuant to the Private Placement, the Company intends to list as a CPC or Cash Shell by issuing linked units to the current directors at the Issue Price in exchange for injecting N\$2,000,000 into the company by the promoter;
- 14.2.2.2. The Private Placement Linked Units issued in terms of this Pre-listing Statement will be allotted subject to the provisions of the Articles of Association and the Debenture Trust Deed will rank pari passu in all respects including distributions, with all existing issued Linked Units in the Company;
- 14.2.2.3. There are no convertibility or redemption provisions relating to any Linked Units;
- 14.2.2.4. The Linked Units will only be issued in certificated form. No dematerialised shares will be issued;
- 14.2.2.5. No fractions of Linked Units will be offered in terms of the Private Placement;
- 14.2.2.6. The Directors and manager in their sole discretion are entitled to increase the number of Linked Units offered in terms of the Private Placement and the quantum sought to be raised.

14.2.3 Conditions to the Listing:

- 14.2.3.1. The Listing is subject to:
 - i. the current directors and founding promoter taking up one linked unit each and injecting a minimum capital amount of N\$2,000,000 into the company;
 - ii. the achievement of a spread of Security Holders acceptable to the NSX; and
 - iii. If any condition precedent fails, the Private Placement and any acceptance thereof shall not be of any force or effect and no person shall have any claim whatsoever against Omajowa or any other person as a result of the failure of any condition.

14.2.4 Procedures for acceptance

- 14.2.8.2. The Private Placement is open to the current directors and promoter only.

14.2. Issue and allocation of the Private Placement Linked Units:

- 14.2.1. All Linked Units subscribed for in terms of this Pre-listing Statement will be issued at the expense of Omajowa;
- 14.2.2. It is intended that notice of the allocations will be given by 31 August 2020.

14.2.3. Underwriting

The Private Placement will not be underwritten.

14.2.5 MINIMUM SUBSCRIPTION

The Listing is conditional upon the directors and promoter injecting a minimum amount of N\$2,000,000 into the company in terms of the Private Placement.

14.2.6 LISTING ON NSX

Prior to the Private Placement and the Listing, Omajowa does not have any linked units listed on any stock exchange.

14.2.7 PRIVATE PLACEMENT AND LISTING COSTS

The total estimated costs of the Private Placement and the Listing, which amount to approximately N\$431,100.00

| | N\$ |
|--|--|
| Sponsor, capital raising and advisory fees | 140,000 |
| Legal and fees | 75,000 |
| Printing, publication, distribution and advertising expenses | 10,000 |
| NSX listing fees (including documentation fees) | 131,100 |
| Transfer Secretaries | As per Transfer Secretaries pricing fee schedule |
| Auditors and Independent Reporting Accountants | 25,000 |
| Contingency | 50,000 |
| Total | 431,100 |

including VAT, are detailed in the table below:

14.2.8 ESTIMATED OPERATING EXPENSES

14.2.8.2. The estimated operating expenses (including Private Placement and Listing Costs) that will be incurred by the Company for the periods ending 30 April 2021 and 30 April 2022 are as follows:

| Operating expense | 2021 (N\$'000) | 2022 (N\$'000) |
|---|-------------------|-------------------|
| Listing and Private Placement costs | 313 | 330 |
| NSX annual fees | 50 | 53 |
| Legal fees (including the fees of the Escrow Agent) | 150 | 158 |
| Executive and Non-executive Directors fees | 360 | 380 |
| Sponsor fees | 55 | 60 |
| Company Secretary | 201 | 212 |
| Asset Management fees 1 | | |
| Travel and Accommodation | 362 | 382 |
| Audit fee | 150 | 158 |
| Service provider fees | 163 | 172 |
| Estimated transaction costs for acquiring Viable Assets 2 | 195 | 206 |
| Total | 1 999 | 2 111 |

Notes:

1. *The management fees are paid on the cost plus principle, as part of the operational cost of the various property companies in the portfolio, with potential incentive bonuses from Omajowa, if and when the portfolio performance adequately allows for such incentives and as furthermore determined by the provisions of the Management Agreement; and*
2. *The amount of the transaction costs that will be incurred pursuant to the acquisition of Viable Assets is merely an estimate as this will depend on various factors such as the size of the Viable Assets acquired and the advisors' fees.*
 - 14.2.8.2. The operating expenses, which will be paid from the proceeds of the Private Placement, have been estimated based on what the Board believes to be an accurate representation of costs associated with the running of an office whose purpose is to identify investment opportunities and the acquisition of Viable Assets; and
 - 14.2.8.3. In accordance with the NSX Listings Requirements, the Company may not exceed the estimated operating expenses unless a resolution is passed at a meeting of Security Holders by achieving a 75% majority of the votes cast to that effect.

14.3 BORROWINGS AND LOANS RECEIVABLE

14.3.1 Loans to Directors

As at the Last Practicable Date, no loans have been made or security furnished by Omajowa to or for the benefit of any Director, manager or any associate of a Director or manager of the Company.

14.3.2 Material loans

As at the Last Practicable Date, no material loans have been made to Omajowa and no loan capital is currently outstanding.

14.3.3 Material commitments, lease payments and contingent liabilities

As at the Last Practicable Date, the Company did not have any material capital commitments or contingent liabilities.

14.3.4 Loans receivable

As at the Last Practicable Date, the Company did not have any material loans receivable.

14.4 AMOUNTS PAID TO PROMOTERS, BROKERAGES AND COMMISSIONS

Since the incorporation of Omajowa:

- 14.4.1. other than those amounts reflected in paragraphs 13 and 14 of this Pre-listing Statement above, no amounts have been paid to any promoter, partnership, syndicate or other association;
- 14.4.2. no Director, or any partnership, syndicate or any other association of which he is a member, or any of his associates, has been paid to induce him, or qualify him to become a Director, or for the promotion of Omajowa;
- 14.4.3. no amount has been paid to any underwriter;
- 14.4.4. no commissions, discounts or brokerages were paid, or any special terms granted, to any person in connection with the issue or sale of any Shares; and
- 14.4.5. no royalties or items of a similar nature have been paid or are payable by Omajowa.

14.5 ESCROW ACCOUNT

- 14.5.1. The capital raised by way of the Private Placement will be paid directly into the trust account of the Escrow Agent. As contemplated in paragraph 4.36(b) of the NSX Listings Requirements and the Escrow Agreement, the Escrow Agent will, upon the requisite and lawful instruction of the Company, transfer the capital raised by the Private Placement into an interest-bearing account for the benefit of the Company ("**Escrow Account**");
- 14.5.2. As contemplated in paragraph 4.36(b) of the NSX Listings Requirements and the Escrow Agreement, the Escrow Agent must invest the capital in escrow in:
 - 14.5.2.1. investment grade bonds (being debt securities with a rating of "BBB" or above as rated by Standard and Poor's Corporation or an equivalent rating by any similar institution); or
 - 14.5.2.1. bank deposits with a recognised bank.
- 14.5.3. The Escrow Agreement contains standard indemnities in favour of the Escrow Agent and in terms thereof Omajowa waives any claim which it may have against the Escrow Agent or any of its directors or employees arising out of, inter alia, the Escrow Agent's failure to release any capital in the Escrow Account as contemplated in the Escrow Agreement.

14.6 WORKING CAPITAL

The Directors are of the opinion that, following the proposed listing, as set out in this Pre-listing Statement:

- 14.6.1. Omajowa will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of this Pre-listing Statement;
- 14.6.2. the assets of Omajowa will be in excess of the liabilities of Omajowa for a period of 12 months after the date of this Pre-listing Statement.
- 14.6.3. the share capital and reserves of Omajowa will be adequate for ordinary business purposes for a period of 12 months after the date of this Pre-listing Statement; and
- 14.6.4. the working capital of Omajowa will be adequate for ordinary business purposes for a period of 12 months after the date of this Pre-listing Statement.

15 HISTORICAL FINANCIAL INFORMATION OF OMAJOWA

Omajowa, being a start-up, does not have historical financial information (**see Annexure 2**)

15.1 **PRO FORMA FINANCIAL INFORMATION OF OMAJOWA**

The intention of the Private Placement is to list Omajowa as a CPC or Cash Shell and therefore no Pro-forma financial information is furnished at this stage (see Annexure 2).

15.2 **MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES**

As at the Last Practicable Date, Omajowa had no material commitments, lease payments or contingent liabilities.

15.3 **LOANS TO DIRECTORS OR MANAGERS**

Omajowa has not made any loans to, or furnished any security for the benefit of, any Director or manager of Omajowa (or of any associate of any such Director or manager).

15.4 **PRINCIPAL IMMOVABLE PROPERTY OWNED AND LEASED**

As at the Last Practicable Date, the Company does not own or lease any immovable property and will operate out of the Manager's offices in Windhoek. No separate leased offices are foreseen.

15.5 **INTERCOMPANY FINANCIAL AND OTHER TRANSACTIONS**

There are no material inter-company financial and other transactions.

15.6 **MATERIAL ACQUISITIONS**

Omajowa has not undertaken any material acquisitions since its incorporation, respectively, and, save in respect of the acquisition of Viable Assets, is not currently contemplating any potential material acquisitions.

15.7 **PROPERTY DISPOSED OF OR TO BE DISPOSED OF**

Omajowa has not disposed of any material property since its incorporation and neither company is currently contemplating any material disposals.

15.8 **PROMOTERS' AND OTHER INTERESTS**

- 15.8.1. No amounts have been paid or have accrued as payable and no benefit was given or proposed to be given to any promoter or to any partnership, syndicate or other association of which any promoter is or was a member;
- 15.8.2. No Director or promoter has any material beneficial interest, direct or indirect, in the promotion of Omajowa, save for being a Security Holders and/or a shareholder of the Manager;
- 15.8.3. No commissions were paid, or accrued as payable, by Omajowa preceding the date of this Pre-listing Statement in respect of any underwriting; and
- 15.8.4. No commissions, discounts, brokerages or other special terms have been granted by Omajowa preceding the date of this Pre-listing Statement in connection with the issue or sale of any securities, stock or debentures in the capital of Omajowa.

16 **GOVERNMENT PROTECTION AND INVESTMENT ENCOURAGEMENT LAW**

There is no Government protection or investment encouragement law affecting Omajowa.

17 EXCHANGE CONTROL

The following summary is intended as a guide and is, therefore, not comprehensive. If you are in any doubt hereto, please consult your attorney, accountant or professional advisor.

17.1 Emigrants from the Common Monetary Area

- 17.1.1. A former resident of the Common Monetary Area who has emigrated from Namibia may use blocked Namibian Dollars to purchase Shares in terms of the Private Placement.
- 17.1.2. All payments in respect of subscriptions for Private Placement Shares by emigrants using blocked Namibian Dollars must be made through the authorised dealer in foreign exchange controlling the block assets.
- 17.1.3. Share Certificates will be restrictively endorsed as "NON-RESIDENT".
- 17.1.4. If applicable, refund monies in respect of unsuccessful applications, emanating from blocked Namibian Dollar accounts, will be returned to the authorised dealer administering such blocked Namibian Dollar accounts for the credit of such applicant's blocked Namibian Dollar account.
- 17.1.5. No residents of the Common Monetary Area may, either directly or indirectly, be permitted to receive an allocation as employees of any offshore subsidiaries.

17.2 Applicants resident outside the Common Monetary Area

- 17.2.1. A person who is not resident in the Common Monetary Area should obtain advice as to whether any government and/or legal consent is required and/or whether any other formality must be observed to enable an application to be made in terms of the Private Placement.
- 17.2.2. This Pre-listing Statement is accordingly not a Private Placement in any area or jurisdiction in which it is illegal to make such an offer. In such circumstances, this Pre-listing Statement is provided for information purposes only. Certificates issued to Security Holders will be restrictively endorsed as "NON-RESIDENT".

18 LITIGATION

There are no legal or arbitration proceedings (including any such proceedings that are pending or threatened) of which Omajowa is aware, which may have, or have during the 12 months preceding the Last Practicable Date had, a material effect on the financial position of Omajowa.

19 MATERIAL CONTRACTS

- 19.1. Save for the Escrow Agreement and the Management Agreement, no material contracts have been entered into by Omajowa, being restrictive funding arrangement and/or contracts entered into other than in the ordinary course of business and (i) within the two (2) years prior to the date of this Pre-listing Statement or, (ii) at any other time where such agreement contains an obligation or settlement that is material to Omajowa as at the date of this Pre-listing Statement; and
- 19.2. While Omajowa is currently considering a number of acquisitions, no formal binding agreement/s have been entered into.

20 EXPERTS' CONSENTS

The Auditors and Independent Reporting Accountants and each of the experts, whose names appear in the "Corporate Information" section of this Pre-listing Statement, have given and have not, prior to the formal approval of this Pre-listing Statement by the NSX, withdrawn their written consents to the inclusion of their names, and acting in the capacities stated and, where applicable, to their reports, being included in this Pre-listing Statement.

21 RESPONSIBILITY STATEMENT

The Directors, whose names are set out in paragraph 11.1.11.1 of this Pre-listing Statement, collectively and individually accept full responsibility for the accuracy of the information contained in this Pre-listing Statement which relates to Omajowa and, in this regard, certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Pre-listing Statement contains all information required by the NSX Listings Requirements.

22 NAMCODE AND CORPORATE GOVERNANCE

Security Holders are referred to **Annexure 7** to this Pre-listing Statement, which concerns the application of the Namcode and other corporate governance principles to Omajowa.

23 DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of Omajowa and at the offices of IJG at the addresses referred to in the "Corporate Information" section of this Pre-listing Statement, during normal office hours from the date of issue of this Pre-listing Statement up to the Listing Date:

- 23.1. the Memorandum and Articles of Association of Omajowa;
- 23.2. the Management Agreement;
- 23.3. the Escrow Agreement;
- 23.4. the Debenture Trust Deed;
- 23.5. the employment agreements of the executive Directors;
- 23.6. written consent letters by experts and advisers, as referred to in paragraph 2020 of this Pre-listing Statement above; and
- 23.7. a copy of this Pre-listing Statement.

SIGNED AT WINDHOEK ON 29 JULY 2020 BY FESTUS HAMUKWAYA ON BEHALF OF ALL THE DIRECTORS OF THE COMPANY, AS LISTED BELOW, IN TERMS OF POWERS OF ATTORNEY SIGNED BY SUCH DIRECTORS



Private and Confidential

Attention: Lyndon Sauls
P.O Box 186
Windhoek
Namibia

OMAJOWA PROPERTIES LIMITED

Dear Lyndon

I hereby confirm that PricewaterhouseCoopers has been appointed as auditors of the company on 28 April 2020.

Management has informed us that the company is dormant, no annual financial statements have been prepared and no audit has been performed.

Kind regards

A handwritten signature in black ink, appearing to read 'Louis van der Riet', with a horizontal line underneath.

Louis van der Riet
Partner
louis.van.der.riet@pwc.com
Tel: 264 (61) 284 1000
Fax: +264 (61) 284 1001

25 **ANNEXURE 3: RELEVANT PROVISIONS FROM THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OMAJOWA**

This **Annexure 3** contains extracts of various provisions from the Memorandum and Articles of Association of OMAJOWA, as required under the NSX Listings Requirements.

OMAJOWA MEMORANDUM AND ARTICLES OF ASSOCIATION

For a full appreciation of the provisions of the Memorandum and Articles, Security Holders are referred to the full text which is available for inspection, as provided for in paragraph 23 of the Pre-listing Statement.

3. AMENDMENT OF THE ARTICLES

Every provision of these Articles is capable of alteration in accordance with the section 67 of the Companies Act. The Company may, by Special Resolution, alter or add to these Articles and any alteration or addition so made is as valid as if originally contained therein, and is subject in like manner to alteration by Special Resolution.

4. SPECIAL PURPOSE ACQUISITION PERIOD

Notwithstanding anything to the contrary contained in these Articles, for as long as the Company is considered to be a CPC:

- 4.1 the majority of the Security Holders shall be required to vote on and approve any proposed acquisition of Viable Assets by Ordinary Resolution [**CPC Listing Requirements 4.35 (b) and 4.38(a)**];
- 4.2 the majority of disinterested Directors shall be required to vote on and approve any proposed acquisition of Viable Assets [**CPC Listing Requirement 4.35 (b)**]; and
- 4.3 should an acquisition of Viable Assets not have been completed during the period of 24 (twenty four) months commencing on the date upon which the Company's Securities are first listed on the NSX, or any extended period granted by the NSX, the Security Holders of the Company shall be entitled to receive a distribution in an amount equal to the aggregate capital amount held by the Company in escrow in accordance with the Listings Requirements (net of any applicable taxes and expenses related to the distribution and voluntary liquidation), plus the interest earned, divided by the aggregate number of Securities. [**CPC Listing Requirements 4.38(a), 4.38(b) and CPC LR 4.37**]

5. LISTING OF SECURITIES ON THE NSX

- 5.1 The Listings Requirements, including the provisions of the Listings Requirements in respect of CPC's, if applicable, apply to the Company for as long as the securities of the Company are listed on the NSX and insofar as the Listings Requirements are applicable. Notwithstanding anything else to the contrary contained in these Articles, all references to the Listings Requirements in these Articles and compliance with the Listings Requirements shall only apply for as long as any securities of the Company are listed on the NSX.
- 5.2 Furthermore, the application of, and compliance with, the Listings Requirements is subject to any exemptions that may be granted by the NSX. Any exemption granted will apply equally to these Articles.

6. AUTHORITY TO ISSUE SECURITIES

- 6.1 The Company is authorised to issue Ordinary Shares, of the same class, each of which ranks *pari passu* in respect of all rights and entitles the holder of such Shares to –
 - 6.1.1 attend, participate in, speak at and vote on any matter to be decided by the Security Holders of the Company, in person or by proxy, and to one vote in the case of a show of hands and to one vote per share in the case of a poll;
 - 6.1.2 vote on any proposal to amend the preferences, rights, limitations and other terms associated with that share;
 - 6.1.3 participate proportionally in any distribution made by the Company and which is not made to the holders of another class of Shares in accordance with the preference and rights of such class of Shares (except for a payment in lieu of a capitalisation share and any consideration payable by the Company for any of its own Shares or for any shares of another company);

- 6.1.4 receive proportionally the net assets of the Company upon its liquidation; and
- 6.1.5 any other rights attaching to the shares in terms of the Companies Act or any other law.
- 6.2 As regards the issue of Shares or Securities convertible into Shares, including options in respect thereof –
- 6.2.1 that require the approval of Security Holders in terms of the Companies Act or the Listings Requirements, the Directors shall not have the power to allot or issue same without the prior approval of Security Holders as required; and
- 6.2.2 that do not require the approval of Security Holders in terms of the Companies Act or the Listings Requirements, the Directors shall have the power to allot or issue same, without any shareholder approval, provided that the NSX has granted the requisite consent to the listing of such Securities and such issue is made subject to the Listings Requirements, where applicable.
- 6.3 The Company may only issue shares which are fully paid up and freely transferable and only within the classes and to the extent that those Shares have been authorised by or in terms of these Articles. All Shares which are issued by the Company shall rank *pari passu* with all other Shares of the same class.
- 6.4 For as long as the linked units remain linked in terms of the Debenture Trust Deed and unless otherwise resolved by the Company by means of a Special Resolution, each of the issued ordinary Shares in the capital of the Company shall be irrevocably linked to one debenture; and no holder of a linked unit may deal with any debenture separately from the ordinary Share making up the linked unit and the Company may not register any transfer of any debenture or ordinary Share separately from the ordinary share or debenture comprising a linked unit.
- 6.5 The Board shall not have the power to –
- 6.5.1 create any class of Shares;
- 6.5.2 increase or decrease the number of authorised Shares of any class;
- 6.5.3 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares or consolidate and reduce the number of the issued shares; **[Schedule 10.15(b) of the Listing Requirements]**
- 6.5.4 increase the number of its issued no par value shares without an increase of its stated capital; **[Schedule 10.15(a) of the Listing Requirements]**
- 6.5.5 sub-divide its existing shares or any of them into shares of smaller amount than is fixed by its memorandum by increasing the number of issued and authorised shares without an increase of capital; **[Schedule 10.15(d) of the Listing Requirements]**
- 6.5.6 save where a right of conversion attaches to the relevant class of shares:
- 6.5.6.1 convert all of its ordinary or preference share capital consisting of shares having a par value into stated capital constituted by shares of no par value; **[Schedule 10.15(h) of the Listing Requirements]**

- 6.5.6.2 convert its stated capital constituted either by ordinary or preference shares of no par value into share capital consisting of shares having a par value; **[Schedule 10.15(h) of the Listing Requirements]**
 - 6.5.6.3 cancel any shares which, at the date of the passing of the resolution, have not been taken by any person, or which no person has agreed to take; **[Schedule 10.15(f) of the Listing Requirements]**
 - 6.5.6.4 convert securities of any class into securities of another class, whether issued or not; **[Schedule 10.15(j) of the Listing Requirements]**
 - 6.5.7 reduce its share capital, stated capital, any capital redemption fund or any share premium account in any manner and with, and subject to, any incident authorised, and consent required, by law;
 - 6.5.8 subject to the provisions of section 105 of the Companies Act, convert its issued preference Shares into shares which can be redeemed; **[Schedule 10.15(i) of the Listing Requirements]**
 - 6.5.9 vary any preference rights, limitations or other terms attaching to any class of shares; or
 - 6.5.10 change the name of the Company, and such powers shall only be capable of being exercised by way of a special resolution adopted by Security Holders and (to the extent required) an amendment to these Articles, and shall be undertaken at all times in accordance with the Listings Requirements.
- 6.6 The Board may not issue unissued shares unless such shares have first been offered to existing Security Holders in proportion to their shareholding of that class of shares (on such terms and in accordance with such procedures as the Board may in its reasonable discretion determine). After the expiration of the time within which an offer may be accepted, or on the receipt of a confirmation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may, subject to the foregoing provisions, issue such Shares in such manner as they consider most beneficial to the Company. The Directors may exclude any Security Holders or category of Security Holders from an offer contemplated in this Article 6.4 if and to the extent that they consider it necessary or expedient to do so because of legal impediments or compliance with the laws or the requirements of any regulatory body of any territory, outside of the Republic of Namibia, that may be applicable to the offer. **[Schedule 10.2 and 10.16 of the Listing Requirements]**
- 6.7 The requirement to offer unissued Shares to existing Security Holders in proportion to their shareholding of that class as contemplated in Article 6.4 shall not apply if the relevant issue of Shares **[Schedule 10.2 of the Listing Requirements]** -
- 6.7.1 is a scrip dividend; or
 - 6.7.2 is an issue pursuant to a dividend reinvestment plan, in which Security Holders are entitled (subject to exclusions by virtue of regulatory constraints) to participate in proportion to their shareholding; or
 - 6.7.3 is a capitalisation issue on a *pro rata* basis; or

- 6.7.4 is for the acquisition of assets, is a vendor consideration placing directly or indirectly related to an acquisition of assets, or is an issue for the purposes of an amalgamation or merger; or
- 6.7.5 is an issue pursuant to options or conversion rights; or
- 6.7.6 is an issue in terms of an approved share incentive scheme; or
- 6.7.7 is an issue of shares for cash (as contemplated in the Listings Requirements), which has been approved by the Security Holders by ordinary resolution, either by way of a general authority (which may be either conditional or unconditional) to issue Shares in its discretion or a specific authority in respect of any particular issue of shares in accordance with the Listings Requirements, provided that, if such approval is in the form of a general authority to the Directors, it shall be valid only until the next annual general meeting of the Company or for fifteen months from the date of the passing of the ordinary resolution, whichever is the earlier and it may be varied or revoked by any general meeting of Security Holders prior to such annual general meeting; or
- 6.7.8 otherwise falls within a category in respect of which it is not, in terms of the Listings Requirements, a requirement for the relevant shares to be so offered to existing Security Holders; or
- 6.7.9 subject to the provisions of section 229 of the Companies Act, is otherwise undertaken in accordance with a specific authority or general authority for the Directors to issue shares as they in their discretion deem fit, approved by Security Holders in general meeting **[Schedule 10.2 and 10.16 of the Listing Requirements]**.
- 6.8 Except to the extent that any such right is specifically included as one of the rights, preferences or other terms upon which any class of shares is issued or as may otherwise be provided in these Articles, no Shareholder shall have any pre-emptive or other similar preferential right to be offered or to subscribe for any additional Shares issued by the Company.
- 6.9 If any fraction of an equity security will have to be issued, that fraction may be sold for the benefit of the Shareholder in question in such manner as the Board may determine or the entitlement of the Shareholder to equity securities may be rounded up or down in terms of the Listings Requirements.
- 6.10 The Board shall not have the power or authority to –
- 6.10.1 approve the issuing of any authorised shares as capitalisation shares; or
- 6.10.2 to issue shares of one class as capitalisation shares in respect of shares of another class; or
- 6.10.3 to resolve to permit Security Holders to elect to receive a cash payment in lieu of a capitalisation share:
- 6.10.3.1 whilst the linked units remain linked in terms of Article 6.1; and

6.10.3.2 once the linked units are unlinked in terms of Article 6.1, unless such transaction(s) has/have been approved by the NSX and unless the Listings Requirements have been complied with.

6.11 The Board may at any time increase the Company's share capital by transferring reserves or profits to stated capital, with or without a distribution of Shares.

6.12 Subject to the provisions, if any, of the memorandum of association, and without prejudice to any special rights previously conferred on the Security Holders of existing Shares, any share may be issued with such preferred, deferred or other special rights, or subject to such restrictions (whether in regard to dividend, voting, return of share capital or otherwise) as the Company may from time to time determine, and the Company may determine that any preference Shares shall be issued on the condition that they are, or are at the option of the Company, liable to be redeemed **[Section 104 of the Companies Act & Article 3 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.

17 FINANCIAL ASSISTANCE

Subject to the provisions of the Companies Act, the Board may authorise the Company to provide financial assistance by way of loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription of any option, or any Securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any such Securities.

24 DIRECTORS

24.1 The number of the Directors shall not be less than 4 (four) and the names of the first Directors may be determined in writing by a majority of the subscribers of the memorandum **[Sections 216(1) and 217 of the Companies Act] [Schedule 10.23 of the Listings Requirements] [Article 53 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.

24.2 Until Directors are appointed, whether or not the Directors have been named by a majority of the subscribers of the memorandum, every subscriber of the memorandum shall be deemed for all purposes to be a Director of the Company **[Section 216 (2) of the Companies Act] [Article 53 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.

24.3 A Director may be employed by or hold office of profit in the Company or in any subsidiary company or company controlled by the Company in conjunction with the office of director, other than that of Auditor of the Company, provided that the appointment of a Director in such other capacity and his remuneration must be determined by a disinterested quorum of Directors **[Schedule 10.26 of the Listings Requirements]**.

24.4 The remuneration of the Directors shall from time to time be determined as follows:

24.4.1 The Board shall establish a remuneration committee which shall operate in accordance with terms of reference approved by the Board, which shall consist of a disinterested quorum of directors as contemplated in Article 32.9;

24.4.2 The remuneration committee shall determine the remuneration policy of the Company; and

24.4.3 Every year, the Company's remuneration policy must be tabled to Security Holders for a non-binding advisory vote at the Annual General Meeting to enable the Security Holders to express their views on the remuneration policies adopted by the Company and on their implementation **[the NamCode Principle C2-27]**.

24.5 The Directors shall be paid all their traveling and other expenses properly and necessarily incurred by them in and about the business of the Company, and in attending meetings of the Board or of committees thereof **[Schedule 10.27 of the Listings Requirements]**.

24.6 Where any Director is required to perform extra services or to go to reside abroad or otherwise be specially occupied about the Company's business, s/he shall be entitled to receive such remuneration to be fixed by the remuneration committee which may be either in addition to or in substitution for the remuneration determined under Article 22.4, provided that it is not in conflict with the remuneration policy as contemplated in Article 22.4 **[Schedule 10.27 of the Listings Requirements] [Article 55 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.

24.7 A Director shall not be required to hold any qualifying Shares.

25 ALTERNATE DIRECTORS

25.1 Each Director shall have the power to nominate any Person who is a Shareholder of the Company (except where the company is a wholly owned subsidiary, when such person need not be a shareholder) possessing the necessary qualifications of a Director, to act as alternate Director in his or her place during his or her absence or inability to act as such Director, provided that the appointment of an alternate Director shall be approved by the Board, and on such appointment being made, the alternate Director shall, in all respects, be subject to the terms, qualifications, and conditions existing with reference to the other Directors of the Company **[Article 57 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.

25.2 The alternate Directors, whilst acting in the stead of the Directors who appointed them, shall exercise and discharge all the powers, duties and functions of the Directors they represent. The appointment of an alternate Director shall be revoked, and the alternate Director shall cease to hold office, whenever the Director who appointed him or her ceases to be a Director or gives notice to the secretary of the Company that the alternate Director representing him or her has ceased to do so, and in the event of the disqualification or resignation of any alternate director during the absence or inability to act of the Director whom he or she represents, the vacancy so arising shall be filled by the chairperson of the Directors who shall nominate a person who is a Shareholder of the Company to fill such vacancy, subject to the approval of the Board **[Article 58 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.

26 POWERS AND DUTIES OF DIRECTORS

The business of the Company shall be managed by the Directors who may pay all expenses incurred in promoting and incorporating the Company, and may exercise all such powers of the Company as are not by the Companies Act, or by these Articles, required to be exercised by the Company in general meeting, subject to these Articles, to the provisions of the Companies Act, and to such regulations, not inconsistent with the aforesaid Articles or provisions, as may be prescribed by the Company in general meeting; but no regulation prescribed by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been prescribed **[Article 59 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.

34 DIVIDENDS AND RESERVE

34.1 Subject to the provisions of the Companies Act, the Directors may from time to time declare and pay to Security Holders, and to the holders of share warrants (if any) in proportion to the number of Shares held by them in each class, such distributions (including final and interim dividends) as the Directors consider to be appropriate, or such distributions –

34.1.1 pursuant to an existing legal obligation of the Company, or a court order; or

34.1.2 authorised as a dividend by ordinary resolution of the Security Holders in general meeting,

provided that, for so long as the Company's Shares or other Securities are listed on the NSX, the distributions so authorised complies with the Listings Requirements. **[Schedule 10.32 of the Listings Requirements] [Article 84 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**

34.2 No dividend shall be declared by the Company in general meeting in excess of the amount recommended by the directors, but the Company in general meeting may declare a smaller dividend than that recommended by directors. **[Schedule 10.32 of the Listings Requirements] [Article 84 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**

34.3 Dividends may be declared either free of or subject to the deduction of any tax or duty in respect of which the Company may be chargeable.

34.4 Notice of any dividend that may have been declared shall be given in the manner provided in Article **Error! Reference source not found.** to the Persons entitled to share therein **[Article 88 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.

34.5 Subject to section 96 of the Companies Act (*Payment to Security Holders*), dividends shall be declared payable to Security Holders registered as such as at a date subsequent to the date of the declaration of the dividend or date of confirmation of the dividend, whichever is the later **[Section 96 of the Companies Act] [Schedules 10.15(g) and 10.33 of the Listings Requirements]**.

34.6 Subject to section 96 of the Companies Act (*Payment to Security Holders*), the Directors may from time to time pay to the Security Holders such interim dividends as appear to the Directors to be justified by the profits of the Company **[Section 96 of the Companies Act] [Schedules 10.15(g) of the Listings Requirements] [Article 85 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.

- 34.7 No dividend shall be paid otherwise than out of profits, or bear interest against the Company **[Article 86 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.
- 34.8 The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they deem fit as a reserve or reserves, which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied and, pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time deem fit. The Directors may also without placing the same to reserve carry forward any profits which they may deem prudent not to divide **[Article 87 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.
- 34.9 All unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed, provided that dividends unclaimed for a period of not less than 3 (three) years from the date on which such dividends became payable and not previously forfeited may be forfeited by the Board for the benefit of the Company. Monies other than dividends due to Security Holders must be held in trust indefinitely, until lawfully claimed by the Security Holders **[Schedule 10.34 of the Listings Requirements]**.
- 34.10 Every dividend or other moneys payable in cash in respect of Shares may be paid by electronic funds transfer, warrant, coupon or otherwise as the Directors may from time to time determine, and shall, if paid otherwise than by electronic funds transfer or by coupon, either be sent by post to the registered address of the Shareholder entitled thereto or be given to him or her personally, and the receipt or endorsement on the cheque or warrant of the person whose name appears in the register as the Shareholder, or his or her duly authorised agent, or the surrender of any coupon shall be a good discharge to the Company in respect thereof. Any one of two or more joint Security Holders may give effectual receipts for any dividends or other moneys payable in respect of the Shares held by them as joint Security Holders **[Article 89 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.
- 34.11 The Company shall not be responsible for the loss in transmission of any warrant, coupon or other document sent through the post to the registered address of any Shareholder, whether or not it was so sent at his or her or its request **[Article 90 of Schedule 1 Table A (Standard Articles for a Public Company) of the Companies Act]**.
- 34.12 The Company shall not be responsible for the loss should any transfer be effected by means of electronic funds transfer to any Shareholder to banking details provided to the Company by the Shareholder, whether or not the transfer was made at the request of the Shareholder.
- 34.13 Any capital repaid to the Security Holders shall not be subject to the provision that the Company may call up such capital again for repayment **[Schedule 10.17 of the Listings Requirements]**.
- 34.14 A dividends may also be paid in any other way determined by the directors, and if the directives of the directors in that regard are complied with, the Company shall not be liable for any loss or damage which a shareholder may suffer as a result thereof.
- 34.15 Without detracting from the ability of the Company to issue capitalisation shares, any dividends may be paid wholly or in part -
- 34.15.1 by the distribution of specific assets; or

34.15.2 by the issue of Shares, Debentures or Securities of the Company or of any other company; or

34.15.3 in cash; or

34.15.4 in any other way which the Directors or the Company in general meeting may at the time of declaring the dividends determine.

34.16 The Directors may -

34.16.1 determine that cash payments shall be made to any shareholder on the basis of the value so fixed in order to secure equality of dividends; and

34.16.2 vest any such assets in trustees upon such trusts for the benefit of the persons entitled to the dividends as the directors deem expedient.

ANNEXURE 4: RELEVANT PROVISIONS OF THE MANAGEMENT AGREEMENT

The salient features of the Management Agreement are set out below.

For a full appreciation of the provisions of the Management Agreement, Security Holders are referred to the text of the Management Agreement, which is available for inspection as provided for in paragraph 12 of the Pre-listing Statement.

MANAGEMENT AGREEMENT

OMAJOWA has appointed Oshivanda Asset Management Company (“the Manager” or “Manco”) as exclusive investment and asset manager to manage OMAJOWA’s portfolio under an agreement dated 25 June 2020 (“the management agreement”). The terms of the management agreement are summarised below:

1. TERM OF THE MANAGER’S APPOINTMENT:

The Manager’s appointment under the Management Agreement is for an initial term of five years from the date of the agreement until **31 May 2025**, subject to the right to extend the initial term with an additional two terms of 5 (Five) years each, at the behest of the appointed Manager, and further subject to early termination under the termination clauses detailed in the Agreement.

2. SERVICES TO BE PROVIDED BY THE MANAGER:

The Manager is to provide investment and related services to OMAJOWA, including the following:

- To exclusively identify and research potential investment opportunities for OMAJOWA and make recommendations to the Board from time to time concerning the investment of funds by OMAJOWA or the disposal of any investment of OMAJOWA;
- To manage the portfolio for and on behalf of OMAJOWA in accordance with the aims and objectives of OMAJOWA and the Management Agreement;
- To provide assistance to investee companies (as the Manager deems appropriate or as reasonably requested by the Board from time to time);
- To provide OMAJOWA with such investor relations services as the Board may reasonably request from time to time.
- To ensure the continuous execution of facilities and property management services for the total Portfolio of properties under its management in terms of this agreement.

OMAJOWA has irrevocably appointed the Manager as its Agent with power and authority in OMAJOWA’s name and on its behalf to do all things necessary or incidental to the performance of the Manager’s obligations under the Management Agreement

3. OBLIGATIONS OF THE MANAGER

The Manager has agreed with OMAJOWA that, in providing the services under the Management Agreement, it will:

- comply with any applicable law;

- exercise reasonable due diligence and vigilance in carrying out its duties in terms of the Management Agreement; and
- use its reasonable endeavours to ensure that any report or any other information provided by the Manager to the Board is complete and accurate in all respects.

The Manager may engage specialists and consultants at OMAJOWA's expense, provided the Board has approved the engagement of and the fees to be paid or such engagement is in terms of any authority given by the Board to the Manager from time to time.

The Management Agreement provides that the Manager may provide a director or employee of the Manager to act as a director of an investee company. Such person will waive any entitlement to director's fees from the investee company but will be entitled to be reimbursed for expenses.

4. COSTS TO BE BORNE BY OMAJOWA

OMAJOWA will pay all third-party costs properly payable in connection with the management of investments or the acquisition, disposal or maintenance of any investment of OMAJOWA.

The Manager will be responsible for its in-house administration costs including rent, computers, salaries, telephone and the like.

5. TERMINATION BY OMAJOWA

OMAJOWA must give the manager six months' notice of termination of the Management Agreement if, after the expiry of the initial term of five years, the Board of OMAJOWA resolves that such notice of termination be given.

The Manager may terminate the Management Agreement by giving not less than six months written notice to OMAJOWA.

6. FEES TO BE PAID BY OMAJOWA TO THE MANAGER

The manager is entitled under the Management Agreement to be paid the following fees by OMAJOWA.

Monthly Management Fee

The Manager is entitled to a monthly management fee payable in arrears, within seven days of the end of each calendar month, calculated on a cost-plus principle, based on an Omajowa approved, and Manager accepted, monthly budget. In this way the Manager is aligned with the investment and earning structure of OMAJOWA, as exclusive Investment and Asset Manager to OMAJOWA.

Annual Performance Bonus Fees

The Manager is also entitled to the following performance bonus fees to be paid within 21 days of the approval of the financial statements by the Board at the end of each Financial Year:

- a fee equal to 20 per cent of the amount (if any) by which the Total Net Asset Value exceeds the higher of the Benchmark Amount or the High Water Mark, in each case in respect of the First Capital Raising, at the end of the relevant Financial Year; and
- a fee in respect of each Subsequent Capital Raising equal to 20 per cent of the amount (if any) by which the Total Net Asset Value exceeds the higher of the Benchmark Amount or the High Water Mark, in each case in respect of the relevant Subsequent Capital Raising, at the end of the relevant Financial Year, where:

“**Benchmark Amount**” at the end of the Financial Year means:

- in respect of the First Capital Raising at the end of the Financial Year 2021, the amount of the First Capital Raising increased at a daily rate equivalent to the Benchmark Rate for that Financial Year for each day in the period from the date on which OMAJOWA issues the Linked-units to which the First Capital Raising relates until the end of that Financial Year and less the sum of all Distribution Amounts (if any) for that Financial Year;
- in respect of any Subsequent Capital Raising at the end of the Financial Year in which OMAJOWA undertakes that Subsequent Capital Raising, the amount of that Subsequent Capital Raising increased at a daily rate equivalent to the Benchmark Rate for that Financial Year for each day in the period from the date on which OMAJOWA issues the Linked-units to which that Subsequent Capital Raising relates until the end of that Financial Year and less the sum of all Distribution Amounts (if any) for that Financial Year; and
- in either case, in respect of any subsequent Financial Year, the amount calculated in accordance with the following formula:

$$BA = A + \frac{(A \times B \times C)}{365} - DA$$

where:

BA is the Benchmark Amount for the First Capital Raising or relevant Subsequent Capital Raising, as the case may be, at the end of that Financial Year;

A is the Benchmark Amount for the First Capital Raising or relevant Subsequent Capital Raising, as the case may be, at the end of the immediately preceding Financial Year;

B is the Benchmark Rate for that Financial Year;

C is the number of days in that Financial Year; and

DA is the sum of all Distribution Amounts (if any) for that Financial Year;

“Benchmark Rate” for a Financial Year means the daily average of the R150 during the Financial Year expressed as a percentage per annum.

A **“Distribution”** in respect of the First Capital Raising or a subsequent Capital Raising means:

- the amount of any cash paid; or
- the market value of any assets distributed or transferred (determined at the time the assets are so distributed or transferred),

to the holders from time to time of the Linked units to which the First Capital Raising or relevant Subsequent Capital Raising, as the case may be, relates;

“Financial Year” means, except in respect of the termination fee referred to below, the financial year of OMAJOWA provided that the first financial year of OMAJOWA will be taken to the period from the date of its incorporation and ending on 30 April 2021;

“First Capital Raising” means the total issue price of the ordinary Linked units in the capital of OMAJOWA issued pursuant to this Prospectus before deducting any costs of OMAJOWA in respect of the issue of such Linked units.

“High Water Mark” at the end of each Financial Year in respect of the First Capital Raising or a Subsequent Capital Raising means the highest Total Net Asset Value (Adjusted) in respect of the First Capital Raising or the relevant Subsequent Capital Raising, as the case may be, at the end of any previous Financial Year;

an “**Distribution Amount**” (if any) for a Financial Year in respect of the First Capital Raising or a Subsequent Capital Raising means the amount (if any) calculated in accordance with the following formula:

$$D + \frac{(D \times B \times E)}{365}$$

where:

- D is a Distribution in respect of the First Capital Raising or relevant Subsequent Capital Raising, as the case may be, during that Financial Year;
- B is the Benchmark Rate for that Financial Year; and
- E is the number of days from the date on which the relevant Distribution during that Financial Year was paid, distributed or transferred until the end of that Financial Year;

“**Subsequent Capital Raising**” means the total amount received by OMAJOWA in respect of:

- (a) each issue of additional Linked units; and
- (b) each grant of options to subscribe for additional Linked units (other than any Linked units or options for the grant of which OMAJOWA receives no cash consideration);

before deducting any cost to OMAJOWA in respect of the issue of such Linked-units or options;

“**GC30**” means the average yield on the Namibian GC30 bond for the period referred to as determined by the NSX;

“**Total Net Asset Value**” at the end of a Financial Year in respect of the First Capital Raising or a Subsequent Capital Raising means the Net Asset Value of OMAJOWA as determined by the company’s auditors.

“**Total Net Asset Value (Adjusted)**” in respect of a previous Financial Year in respect of the First Capital Raising or a Subsequent Capital Raising means the Total Net Asset Value in respect of the First Capital Raising or relevant Subsequent Capital Raising, as the case may be, at the end of that previous Financial Year less the sum of all Distributions (if any) in respect of the First Capital Raising or relevant Subsequent Capital Raising, as the case may be, since the end of that previous Financial Year.

Bonus Linked units in lieu of cash

Manco may elect to subscribe for an additional 10,000,000 ordinary Linked-units of no par value at the offer price of 100c (or an equivalent price in the event of a share split or consolidation of Linked-units) in lieu of the cash bonus referred to in paragraph (7) above, or for a straight cash consideration at Manco’s discretion.

Treatment of Bonus Linked units

If OMAJOWA issues any bonus Linked-units, then, for the purposes of calculating, after the date on which such bonus Linked-units are issued, the Total Net Asset Value of the First Capital Raising and of any relevant Subsequent Capital Raising, the number of Linked-units to which the First Capital Raising and the Subsequent Capital Raising relates is to be increased by the number of bonus Linked-units issued in respect of such Linked-units.

Treatment of any Consolidation or Subdivision of Linked units

If OMAJOWA alters its share capital by:

- (a) consolidating and dividing its ordinary Linked-units into Linked-units of a larger amount than prior to the consolidation and division; or
- (b) subdividing its ordinary Linked-units into Linked-units of a smaller amount than prior to the subdivision,

then for the purposes of calculating, after the date on which such consolidation and division or subdivision takes effect, the Total Market Value of the First Capital Raising and or any relevant Subsequent Capital Raising, the number of Linked-units to which the First Capital Raising and the Subsequent Capital Raising relates is to be adjusted by reference to the relevant consolidation and division or subdivision.

Termination Fee

If the Management agreement is terminated for any reason, the Manager is entitled to be paid the performance bonus fee (if any) referred to above within 21 days of the termination calculated on the basis that a Financial Year of OMAJOWA commenced at the end of the previous Financial year and ends on the date of termination.

Additional Fees

Where the Manager is to provide services to an investee company or any third party, under the Management Agreement, the Manager will be entitled to such additional fees (if any) as are agreed between OMAJOWA and the Manager from time to time.

26 **ANNEXURE 5: DIRECTOR AND SENIOR MANAGEMENT PROFILES**

DIRECTORS

Festus Hamukwaya (49)

Position: Non-Executive Chairperson

Education: Bachelor's Degree in law (LLB): University of South Africa
Post-Graduate Certificate for Candidate Legal Practitioners, Justice Training
Centre (JTC), University of Namibia

Nationality: Namibian

Professional Membership:

- Law Society of Namibia
- Admitted Legal Practitioner of the High Court of Namibia

Current Position Held: Legal Advisor to the Board and Administration - Central Procurement Board of Namibia

Tomas Koneka Inji (40)

Position: Independent Non-Executive Director

Education: Master of Business Administration: Regent Business School

Nationality: Namibian

Professional Membership:

- Board Member: Namibia National Reinsurance Corporation (NAMIBRE) (SOE)
- Chairman: NCCI Northern Branch 6 Years
- Advisory Chairperson: Valombola Vocational Training Centre

Current Position Held: Area Business Manager – FNB Namibia

Adeline Beukes (38)

Position: CFO, Executive Director

Education: B Acc (Stellenbosch University), B Acc (Hons) (UNISA) MCom (South African and International Taxation) (North West University)

Nationality: Namibian

Professional Membership:

- South African Institute of Chartered Accountants (SAICA)
- Institute for Chartered Accountants in Namibia (ICAN)
- Member of Tax Committee for ICAN
- Member of the Special Court for Income Tax and Value Added Tax appeals: 2017 - Current

Current Position Held: Head of Taxation – Standard Bank Namibia Ltd

Barend Christiaan Verhoef (60)

Position: Executive Director

Education: Master's in Business Leadership: University of South Africa

Nationality: South African

Professional Membership:

- Director: Devco Platinum Group
- Director: Cresco Property Advisory

Current Position Held: Divisional Director – Cresco Group

Carel Fourie (41)

Position: CEO, Executive Director

Education: Chartered Accountant (SA)

Nationality: Namibian and South African

Professional Membership:

- South African Institute of Chartered Accountants (SAICA)

Current Position Held: Founder – Seed Capital and Consulting

Pieter Willem Jacobus Reyneke (38)

Position: Non-Executive Director

Education: Grade12: Diamandveld High School

Nationality: South African with Permanent Residence in Namibia

Professional Membership:

- Director: RR7 Holdings

Current Position Held: Director – RR7 Holdings

Brian Katjaerua (45)

Position: Independent Non-Executive Director

Education: Master of Business Administration: University of Stellenbosch

Nationality: Namibian

Professional Membership:

- Qualified Arbitrator – Southern Africa

- Certified Mediator – High Court of Namibia

- Board Member (Chairperson): Roads Authority (NASRIA)

- Board Member: Kuleni Preservation Fund

Current Position Held: Partner and Founder – Katjaerua Legal Practitioners (KLP)

Dorethy Elizabeth Smit (40)

Position: Independent Non-Executive Director

Education: Chartered Accountant (Namibia)

Nationality: Namibian

Professional Membership:

- Member of the Institute of Chartered Accounts of Namibia (ICAN)

- Member of the South African Institute of Chartered Accounts (SAICA)

- Public Accountants and Auditor's Board (PAAB)

Current Position Held: Registered Auditor/Consultant / Entrepreneur (Self-Employed)

27 ANNEXURE 6: OTHER DIRECTORSHIPS

The table below sets out the names of the companies and other entities of which Directors are or have been directors, members or partners during the 5 years preceding the Last Practicable Date.

| Director | Name of Company or Entity | Designation | Active/Resigned |
|---|--|--|---------------------------------|
| Brian Katjaerua | Roads Authority of Namibia | Director-Chairperson | Active (until July) |
| | Kuleni Preservation Fund | Trustee | Resigned |
| | Nasria | Director | Term Expired (did not re-apply) |
| Adeline Beukes | None | N/A | N/A |
| Ben Verhoef | Bayaphambili Properties 24 | Director | Active |
| | Cresco Property Advisory | Director | Active |
| | Devco Platinum Group | Director | Active |
| | Admiral Beach Suites | Director | Active |
| | B C V Financial and Property Consultants | Member | Active |
| | Goldex 339 | Director | Active |
| | Centurion City Lease Company | Director | Active |
| | West on One Lease Company | Director | Active |
| Pieter Reyneke | Reydev Oil Holdings Pty Ltd | Director | Active |
| | Reydev Oil Holdings Pty Ltd | Public Officer | Active |
| | Nambros Property Development Pty Ltd | Public Officer | Active |
| | Mutterfirma RR Seven Holdings Pty Ltd | Director | Active |
| | Mutterfirma RR Seven Holdings Pty Ltd | Public Officer | Active |
| | Tribeca Property Developments Pty Ltd | Public Officer | Active |
| | Africab Cable Manufacturers Pty Ltd | Director | Active |
| | Tomas Iindji | Namibia National Reinsurance Corporation Ltd (Namibre) | Director |
| Namibia University of Science and Technology (NUST) | | Director | Active |
| Festus Hamukwaya | Windhoek High School | Board Member | Active |
| | Namibia Refugees Appeal Board | Board Member | Active |

| | | | |
|---------------------|---|-------------------|--------|
| Debbie Smit | Old Mutual Short-Term Insurance Company (Namibia) Limited | Director | Active |
| | Old Mutual Investment Group (Namibia) (Pty) Ltd | Director | Active |
| | Namdeb Provident Fund | Principal Officer | Active |
| | Namibian Stock Exchange (NSX) | Director | Active |
| | Communications Regulatory Authority of Namibia (CRAN) | Director | Active |
| Carel Fourie | AB Conradie Products Pty Ltd | Director | Active |
| | Bravura Unit Trust Managers Ltd | Director | Active |

ANNEXURE 7: NAMCODE AND CORPORATE GOVERNANCE

PART A

OMAJOWA is committed to the principles of transparency, integrity, fairness and accountability.

The Namcode recognises that no “one size fits all” approach can be adopted in the application of its principles and that it may not be appropriate for entities to adopt all of its principles, in the context of its particular business and/or operational environment.

A full report is attached in Part B hereof which, to the best of the knowledge and belief of the Board, sets out the extent of OMAJOWA’s current application of the principles of the Namcode and explains the non-application of certain of its principles and/or where principles are not fully applied.

The key principles underpinning the corporate governance of OMAJOWA and systems of control that form an integral part of corporate governance are set out hereunder.

1. THE BOARD

1.1. Introduction

The Board consists of 8 members, of whom 5 are non-executive Directors and 4 are independent non-executive Directors, 1 non-executive director and 3 executive Directors (see **Annexure 5** to the Pre-listing Statement for their profiles). The changes to the Board during the 12 months prior to the Last Practicable Date are set out in paragraph 11.1.11.1.2 of the Pre-listing Statement.

OMAJOWA does not have a nomination committee and the appointment of Directors is considered to be a matter for the Board as a whole with all appointments being made in a formal and transparent manner.

There is a policy evidencing a clear balance of power and authority at Board level, to ensure that no one Director has unfettered powers of decision making.

The key roles and responsibilities of the Board include the following:

- acting as the focal point for, and custodian of, corporate governance;
- determining the strategies and strategic objectives of OMAJOWA;
- determining and setting the tone of OMAJOWA’s values;
- satisfying itself that OMAJOWA is governed effectively in accordance with corporate governance best practices;
- monitoring the implementation of the Board’s strategies, decisions, values and policies;
- ensuring that OMAJOWA has an effective and independent audit and risk committee and remuneration committee;
- ensuring that disputes are resolved effectively and efficiently; and
- appointing and evaluating the performance of the chief executive officer.

The Board considers it a good business imperative that all actions undertaken in the Company’s name are executed ethically and professionally.

Directors disclose their personal financial interests at the start of every Board or committee meeting.

1.2. Composition of the Board

The Board consists of 8 Directors, of whom 4 are independent non-executive Directors, 1 non-executive director and 3 executive Directors.

OMAJOWA has an appointed chief executive officer, Carel Fourie.

The chairman of the Board is independent for purposes of the Namcode. Accordingly, the Board has appointed Festus Hamukwaya as independent Director in compliance with the Namcode and the NSX Listings Requirements.

1.3. Expertise and experience of the chief financial officer

Adeline Beukes is the chief financial officer of OMAJOWA. The audit committee has considered and satisfied itself of the appropriateness of the expertise and experience of Adeline Beukes.

1.4. Company secretary

All Board members have access to the advice and services of the company secretary which is responsible for the proper administration of the Board and the implementation of sound corporate governance procedures. This includes Board induction and training programs and the supply of all information to assist Board members in the proper discharge of their duties.

The Board is of the opinion that the company secretary is suitably qualified and experienced to carry out their duties as stipulated under the Companies Act.

The Board is satisfied that an arm's length relationship exists.

2. BOARD COMMITTEES

2.1. Audit committee

Following the Listing, OMAJOWA is required to have an audit committee. In anticipation of the Listing, the Board has appointed the following members to the audit committee, which members will be proposed for re-election by Security Holders at OMAJOWA's first annual general meeting to be held in **2020**:

- Festus Hamukwaya
- Dorethy Elizabeth Smit and
- Brian Katjaerua,

all of whom are independent non-executive Directors. Dorethy Elizabeth Smit has been appointed as the chairperson of the audit committee.

The audit committee shall assist the Board by providing an objective and independent view on the OMAJOWA Group's finance, accounting and control mechanisms and by reviewing and ensuring that consideration is given to the following:

- the accounting policies of OMAJOWA and any proposed revisions thereto;
- the effectiveness of OMAJOWA's information systems and internal controls;
- the appointment and monitoring of the effectiveness of the external auditors;
- the appropriateness, expertise and experience of the chief financial officer;
- setting the principles for recommending the use of external auditors for non-audit services and recommending that these be kept to a minimum;
- the annual report and specifically the annual financial statements included therein;
- the reports of the external auditors;
- OMAJOWA's going concern status; and
- compliance with applicable legislation and requirements of regulatory authorities.

In terms of risk management (through consultation with the external auditors), the committee ensures that management's processes and procedures are adequate to identify, assess, manage and monitor group-wide risks.

This committee will hold a minimum of 2 meetings per year.

2.2. Remuneration committee

The remuneration committee will be primarily responsible for reviewing and approving executive Directors' remuneration if such remuneration is payable by the OMAJOWA Group. Further, the remuneration committee will assist the Board in reviewing non-executive Directors' remuneration recommendations. In doing so, it will take cognisance of both local and international best practices to ensure that such total remuneration is fair and reasonable to both the Directors and the Company.

The Directors' remuneration has been agreed and set for the 2021 financial year (as set out in paragraph 11.6 of this Circular) and will only be reviewed once Viable Assets have been acquired by OMAJOWA. At such time the Remuneration committee will be constituted and evaluate and make recommendations to the Board with regards to an appropriate remuneration policy as well as the appropriate remuneration for all Directors and other employees.

2.3. Executive committee

The OMAJOWA executive committee meets monthly and acts as a consolidating oversight committee for the OMAJOWA Group. The composition of this committee is reflected in paragraph 10.5 of the Pre-listing Statement.

2.4. Investment Committee

The Omajowa Investment committee will meet to consider new asset acquisitions as and when prompted by transaction flow, post screening processes with the Manager had been completed. Notice of Investment Committee meetings will be at least 7 calendar days to the committee members. The process of submission to the Investment committee and all preparation there-of will be managed by the Manager as part of its function. The investment committee will consist of at least 3 (three) and a maximum of 5 (five) members, always an unequal number. Membership will also consist of at least two non-executive directors, of which the Company Chairman, as one of the independent non-executive director members, will be one member, and the Chief Investment Officer (CIO) as an Executive Director, will be another member. All decisions will be referred to the Company Board for final comment and ratification, prior to implementation

3. LEGAL AND COMPLIANCE

The Board recognises its responsibility to ensure that OMAJOWA complies with all applicable laws and considers adherence to all relevant industry charters, codes and standards. Board members are familiar with the industry and aware of the potential impact of legislative changes. The combined risk and internal audit function manage the process of compliance according to a framework that has been approved and is being monitored by the audit and risk committee.

During the past financial year, no instances of material non-compliance were noted and no judgements, damages, penalties or fines were recorded or levied against OMAJOWA, its Directors or employees for noncompliance with any legislation.

4. REMUNERATION REPORT

OMAJOWA's remuneration approach is and will continue to be aimed at remunerating Directors, executives and employees fairly and responsibly. This approach takes cognisance of local and international remuneration best practices to ensure that OMAJOWA attracts and retains appropriate skills and talent.

The remuneration committee will be constituted once Viable Assets have been acquired by OMAJOWA. Remuneration will be governed by the remuneration committee, which will be mandated by and report to the Board, and which will oversee the setting and administration of remuneration. The committee will consider the holistic compensation model as well as the specific remuneration

of all executive Directors and prescribed officers, including the fees paid to all non-executive Directors. Fees payable to Directors are recommended by the Board to the Security Holders at annual general meetings for approval.

5. IT GOVERNANCE REPORT

Information technology (“IT”) at OMAJOWA is a strategic tool that facilitates the successful implementation of the Company’s strategy and sustainable business performance. IT is governed on an operational level and executive management ensures that OMAJOWA complies with all relevant IT laws, rules, codes and standards.

The IT function at OMAJOWA focuses on being an enabler to business, aligning with business initiatives, creating fluidity, and assisting in providing a competitive operational edge to business. OMAJOWA has an IT policy that is implemented at an operational level, where there is a strong focus on change control processes and incident reporting systems. The business currently does not have a Board- approved internal IT control framework, but an IT business continuity plan is in place. Going forward it is the intention that an annual review will be done by an external company to test the strength and identify any vulnerabilities within the IT system security.

Going forward it is the intention that independent external audits will be conducted to validate infrastructure and application security.

The IT function’s main areas of focus include the following:

- enhancing availability;
- performance and IT agility;
- continual refinement of security; and
- opportunity identification and implementation.

The most important risks associated with information technology in OMAJOWA relate to the following:

- data leakage prevention;
- vendor compliance with legislation; and
- database administration and optimisation.

PART B – APPLICATION OF PRINCIPLES IN THE NAMCODE

PREAMBLE

OMAJOWA is committed to the principles of transparency, integrity, fairness and accountability. OMAJOWA has a newly constituted Board and is in the process of assessing the application of the principles set out in the Namcode. Notwithstanding the aforementioned OMAJOWA shall strive to apply the principles set out in the Namcode in accordance with the content of the table below. The actual application of the principles will be determined at the end of the financial year ending 30 April 2021.

Key – Level of compliance:

Applied

Partially applied *

Not applicable

| Principle | Level of compliance | Comments |
|--|--------------------------|--|
| 1. Ethical leadership and corporate citizenship | | |
| 1.1. The board should provide effective leadership based on an ethical foundation | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Board members are seen to be ethical individuals and therefore reasonable to expect the board to provide effective leadership based on an ethical foundation. |
| 1.2. The board should ensure that the company is, and is seen to be, a responsible corporate citizen | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The board will follow a “triple bottom” approach in taking decisions, thus ensuring that the Company will be a responsible corporate citizen. |
| 1.3. The board should ensure that the company’s ethics are managed effectively | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Ethical principles will be applied during decision-making. A social and ethics committee will be established in future to ensure that social and ethics matters are a standing agenda point and will meet at least twice a year. |

| Principle | Level of compliance | Comments |
|--|--------------------------|---|
| 2. Board and Directors | | |
| 2.1 The board should act as the focal point for and custodian of corporate governance | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board as a whole will be responsible for effective corporate governance. |
| 2.2 The board should appreciate that strategy, risk, performance and sustainability are inseparable | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Strategy, risk, performance and sustainability will be considered collectively by the Board in the decision-making process and monitoring of the OMAJOWA Group’s performance. |
| 2.3 The board should provide effective leadership based on an ethical foundation | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Ethics will form part of the values of the Company and the Board. |
| 2.4 The board should ensure that the company is and is seen to be a responsible corporate citizen | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board will ensure that the Company is a responsible corporate citizen. |
| 2.5 The board should ensure that the company’s ethics are managed effectively | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Ethics will be the responsibility of the Board as a whole. |
| 2.6 The board should ensure that the company has an effective and independent audit committee | <input type="checkbox"/> | Applied. The audit committee consists of 3 independent non-executive Directors. The audit committee members all have the necessary experience and skills to serve on an audit committee. |
| 2.7 The board should be responsible for the governance of risk | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board as a whole will be responsible for risk governance. |
| 2.8 The board should be responsible for information technology (“IT”) governance | <input type="checkbox"/> | Not applied. The Board does not consider IT to be significant to the business of Omajowa. |
| 2.9 The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Compliance with all applicable laws and adherence to non-binding rules, codes and standards will form part of the values of the Company. |

| | | |
|--|--------------------------|---|
| 2.10 The board should ensure that there is an effective risk-based internal audit | * | Not applied. The oversight of the audit committee is considered sufficient (at this stage) to address this risk. At present the Company does not have any Viable Assets. When the Company is fully operational and has all the accompanying procedures and controls in place, the Board will ensure that an effective risk-based internal audit is performed. |
| 2.11 The board should appreciate that stakeholders' perceptions affect the company's reputation | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board will monitor stakeholders' perceptions, in light of the importance of the Company's reputation. |
| 2.12 The board should ensure the integrity of the company's integrated report | * | The Company has not issued an integrated report yet. The Company will take the necessary measures to ensure the integrity of the integrated report when it is issued. |
| 2.13 The board should report on the effectiveness of the company's system of internal controls | * | At present the Company is not trading. Once the Company is fully operational and has all the accompanying procedures and controls in place, the Board will instruct the internal auditor to evaluate the effectiveness of the internal controls. The Board will then report on the effectiveness of the Company's system of internal controls. |
| 2.14 The board and its directors should act in the best interests of the company | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board is expected to act in the best interests of the Company. |
| 2.15 The board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the Act | <input type="checkbox"/> | Not applied. This will be considered, if applicable. |

| Principle | | Level of compliance | Comments |
|-----------|---|--------------------------|--|
| 2.16 | The board should elect a chairman of the board who is an independent non- executive director. The chief executive officer of the company should not also fulfil the role of chairman of the board | * | Applied. The current chairman of the board is an independent non-executive director. |
| 2.17 | The board should appoint the chief executive officer and establish a framework for the delegation of authority | <input type="checkbox"/> | Applied. The Board has appointed a chief executive officer and a framework for the delegation of authority will be established. |
| 2.18 | The board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent | <input type="checkbox"/> | Applied. The board is composed of 5 non-executive directors and 3 executive directors. 4 of the 5 non-executive directors are independent. |
| 2.19 | Directors should be appointed through a formal process | <input type="checkbox"/> | Applied. All Directors were appointed through a formal process. Appointment of Directors is a matter for the Board as a whole. The Board is of the view that the size of the Company does not justify a separate nominations committee. This approach is in line with the NSX Listings Requirements which does not require that listed companies appoint a nominations committee where it is not appropriate to the business of the Company. |

| | | | |
|------|---|--------------------------|--|
| 2.20 | The induction of and ongoing training and development of directors should be conducted through formal processes | * | Still to be applied given that Omajowa is a new entity. Directors will have unlimited access to the Company's resources in order to familiarise themselves with all matters related to the Company. Consideration will be given to a formal induction program and ongoing training and development for appointees. |
| 2.21 | The board should be assisted by a competent, suitably qualified and experienced company secretary | <input type="checkbox"/> | Applied. A competent, suitably qualified and experienced company secretary has been appointed. |
| 2.22 | The evaluation of the board, its committees and the individual directors should be performed every year | * | Still to be applied given that Omajowa is a new entity. The Board and its committees have only recently been appointed and constituted and at the Last Practicable Date no evaluation of the Board, Directors or committees have been performed yet. The Board, its committees and individual Directors will be evaluated annually as provided for in the committee charters within the first financial year of the Company following the Listing. |
| 2.23 | The board should delegate certain functions to well-structured committees without abdicating its own responsibilities | <input type="checkbox"/> | Applied. Committees will report recommendations for approval at board level. |
| 2.24 | A governance framework should be agreed between the group and its subsidiary boards | * | The Board and the board of directors of its subsidiaries have only recently been appointed and at the Last Practicable Date no governance framework has been agreed yet. The Board will however agree a governance framework for the Company and its subsidiaries within the first financial year of the Company following the Listing. |
| 2.25 | Companies should remunerate directors and executives fairly and responsibly | <input type="checkbox"/> | Applied. The Board is of the view that executive Directors are remunerated fairly and reasonably. Non-executive Directors' fees are compatible with what is deemed appropriate for the size and nature of the Company. |

| Principle | Level of compliance | Comments |
|---|---------------------|---|
| 2.26 Companies should disclose the remuneration of each individual director and certain senior executives | * | The Board and the senior executives have only recently been appointed. The Company will evaluate which disclosures will be required and will make such disclosures in accordance with the Namcode principle in its first integrated report following the Listing. |
| 2.27 Security Holders should approve the company's remuneration policy | * | The remuneration policy is still being finalised and the Company has not had an annual general meeting yet. The remuneration policy will be compiled by the remuneration committee for approval by the Board and Security Holders at an annual general meeting once the Company has acquired Viable Assets. |

3. Audit Committees

| | | |
|---|--------------------------|--|
| 3.1 The board should ensure that the company has an effective and independent audit committee | <input type="checkbox"/> | Applied. The audit committee consists of 3 independent non-executive Directors. |
| 3.2 Audit committee members should be suitably skilled and experienced independent, non-executive directors (subsidiary exemption) | <input type="checkbox"/> | Applied. Audit committee members are suitably skilled and experienced. |
| 3.3 The audit committee should be chaired by an independent non-executive director | <input type="checkbox"/> | Applied. The audit committee is chaired by an independent non-executive Director. |
| 3.4 The audit committee should oversee the integrated reporting (integrated reporting, financial, sustainability and summarised information). The audit committee should be responsible for evaluating the significant judgements and reporting decisions affecting the integrated report The audit committee's review of the financial reports should encompass the annual financial statements, interim reports, preliminary or provisional result announcements, summarised integrated information, any other intended release of price-sensitive financial information, trading statements, circulars and similar documents | * | The audit committees have only recently been appointed and constituted. The Company has not yet issued an integrated report but the audit committee will oversee same. The audit committee will be responsible for evaluating the significant judgements and reporting decisions affecting the integrated report when the Company issues same in future. The Company has not issued any financial reports other than those included in this Pre-listing Statement. The audit committee has reviewed all financial information included in this Pre-listing Statement and will review any annual financial statements, interim reports, preliminary or provisional result announcements, summarised integrated information, any other intended release of price-sensitive financial information, trading statements, circulars and similar documents released by the Company in future. |
| 3.5 The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities | * | The audit committee of the Company has only recently been constituted. Following the Listing, the audit committee of the Company will be mandated to ensure that a combined assurance model is applied. |
| 3.6 The audit committee should satisfy itself of the expertise, resources and experience of the company's finance function | <input type="checkbox"/> | Applied. The audit committee has satisfied itself in this regard. |

| | | | |
|-----|--|--------------------------|---------|
| 3.7 | The audit committee should be responsible for overseeing of internal audit | <input type="checkbox"/> | Applied |
|-----|--|--------------------------|---------|

| Principle | Level of compliance | Comments |
|-----------|--------------------------|--|
| 3.8 | <input type="checkbox"/> | Applied. Forms part of the role and responsibility of the audit and risk committee. |
| 3.9 | <input type="checkbox"/> | Applied. Forms part of the role of the audit and risk committee. |
| 3.10 | * | Still to be applied given that Omajowa is a new entity. The newly formed audit and risk committee will report annually on the discharge of their duties to the newly appointed Board. The audit committee and the Board has only recently been appointed and at the Last Practicable Date no such report has yet been made by the audit committee. |

| 4. THE GOVERNANCE OF RISK | | |
|---------------------------|--------------------------|---|
| 4.1 | <input type="checkbox"/> | Applied. Governed by the Board as a whole. |
| 4.2 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Risk levels will form part of the risk framework being implemented by the audit committee. |
| 4.3 | <input type="checkbox"/> | Applied. The audit committee will assist the Board in carrying out its risk responsibilities. |
| 4.4 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board has delegated the responsibility to management. |
| 4.5 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board will perform risk assessment on an continual basis. |
| 4.6 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. All risk factors within the current business model will be continually monitored. |
| 4.7 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Responses will be monitored and preventative measures implemented to the extent possible. To this extent, the newly formed audit committee will report annually on the discharge of their duties to the newly appointed Board |
| 4.8 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Risk-monitoring will form part of planning and decision- making. |

| | | | |
|------|--|--------------------------|--|
| 4.9 | The board should receive assurance regarding the effectiveness of the risk management process | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. |
| 4.10 | The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Risks will be disclosed in the integrated report and further disclosures will be assessed when needed. |

5. The governance of Information Technology

| | | | |
|-----|--|--------------------------|--|
| 5.1 | The board should be responsible for information technology (“IT”) governance | <input type="checkbox"/> | Not applied. The board does not consider IT governance to be of significance to require special attention. |
| 5.2 | IT should be aligned with the performance and sustainability objectives of the company | <input type="checkbox"/> | Not applied. The board does not consider IT governance to be of significance to require special attention. |

| Principle | Level of compliance | Comments | |
|-----------|---|--------------------------|--|
| 5.3 | The board should delegate to management the responsibility for the implementation of an IT governance framework | <input type="checkbox"/> | Not applied. The board does not consider IT governance to be of significance to require special attention.. |
| 5.4 | The board should monitor and evaluate significant IT investments and expenditure | <input type="checkbox"/> | Not applied. The board does not consider IT governance to be of significance to require special attention. |
| 5.5 | IT should form an integral part of the company’s risk management | <input type="checkbox"/> | Not applied. The board does not consider IT governance to be of significance to require special attention. |
| 5.6 | The board should ensure that information assets are managed effectively | <input type="checkbox"/> | Not applied. The board does not consider IT governance to be of significance to require special attention. |
| 5.7 | A risk committee and audit committee should assist the board in carrying out its IT responsibilities | <input type="checkbox"/> | The Board has appointed the audit committee which will assist it to carry out its risk based responsibilities. |

| | | | |
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| 6.1 | The board should ensure that the company complies with applicable laws and considers adherence to nonbinding rules, codes and standards | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board will consider applicable laws, codes, rules and standards and changes thereto. Compliance with laws will be embedded within the internal controls and processes of the operations of the business. Any material non-compliance will be reported to the Board as and when the executive Directors become aware of same. |
| 6.2 | The board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards on the company and its business | <input type="checkbox"/> | Applied. The Board and each individual Director have a working understanding of the effect of the applicable laws, rules, codes and standards on the Company and its business. |

| | | | |
|--------------------------|---|--------------------------|---|
| 6.3 | Compliance risk should form an integral part of the company's risk management process | <input type="checkbox"/> | Applied. Compliance forms part of the process. |
| 6.4 | The board should delegate to management the implementation of an effective compliance framework and processes | <input type="checkbox"/> | Applied. This is performed by the executive team. |
| 7.1 | The board should ensure that there is an effective risk-based internal audit | <input type="checkbox"/> | Not applied. The board does not consider a separate internal audit function relevant at this stage. The audit committee will carry out this responsibility. |
| 7.2 | Internal audit should follow a risk-based approach to its plan | <input type="checkbox"/> | Not applied. The board does not consider a separate internal audit function relevant at this stage. The audit committee will carry out this responsibility. |
| 7.3 | Internal audit should provide a written assessment of the effectiveness of the company's system of internal control and risk management | * | Not applied. The board does not consider a separate internal audit function relevant at this stage. The audit committee will carry out this responsibility. |
| 7. Internal Audit | | | |
| 7.4 | The audit committee should be responsible for overseeing internal audit | <input type="checkbox"/> | Not applied. The board does not consider a separate internal audit function relevant at this stage. The audit committee will carry out this responsibility. |
| 7.5 | Internal audit should be strategically positioned to achieve its objectives | <input type="checkbox"/> | Not applied. The Board does not consider a separate internal audit function relevant at this stage. The audit committee will carry out this responsibility. |

| Principle | Level of compliance | Comments |
|---|--------------------------|--|
| 8. Governing stakeholder relationships | | |
| 8.1 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board will monitor stakeholders' perceptions in light of the importance of the Company's reputation. |
| 8.2 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Stakeholder relationships are critical for the Company and the executive team will manage these proactively. |
| 8.3 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. All stakeholders are will be considered during decision-making. |
| 8.4 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Equitable treatment of Security Holders is important and will be considered during decision-making. |
| 8.5 | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. Communication with stakeholders will be the responsibility of the Board. |

| | | | |
|---|--|--------------------------|---|
| 8.6 | The board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible | <input type="checkbox"/> | Still to be applied given that Omajowa is a new entity. The Board has appointed an audit committee which will assist it to carry out its responsibilities |
| 9. Integrated Reporting and disclosure | | | |
| 9.1 | The board should ensure the integrity of the company's integrated report | * | The Company has not yet issued an integrated report but will apply due care in the compilation of the report. |
| 9.2 | Sustainability reporting and disclosure should be integrated with the company's financial reporting | * | The Company has not yet issued an integrated report but will evaluate the need for sustainability reporting and include sustainability matters (if necessary) in the integrated report when same is issued. |
| 9.3 | Sustainability reporting and disclosure should be independently assured | * | The Company will evaluate the need for sustainability reporting and if included in its integrated report will have such disclosures independently assured (to the extent necessary). |

ANNEXURE 8: EXTRACT FROM THE DEBENTURE TRUST DEED

9. CREATION AND ISSUE OF DEBENTURES

- 9.1 The Directors may, by resolution, create and issue Debentures subject to the provisions contained in this Trust Deed.
- 9.2 Any issue of Debentures shall also be subject to the consent of the Trustee, which shall not be unreasonably withheld or delayed.
- 9.3 Debentures may only be issued, subject to compliance with the Listings Requirements, to the extent that the Debentures (in the form of a Linked Unit or otherwise) are listed on the NSX, (or the regulations applicable to any other exchange on which the Debentures are listed) –
- 9.3.1 by way of a rights issue to the Debenture Holders at the relevant time;
 - 9.3.2 as the consideration for any Permitted Acquisition;
 - 9.3.3 in order to raise cash to be used solely –
 - 9.3.3.1 as the consideration for Permitted Acquisitions; and/or
 - 9.3.3.2 for the development or maintenance of any immovable property already held or to be acquired by the Company or any of its subsidiaries; and/or
 - 9.3.3.3 to reinstate the cash holdings of the Company or any of its subsidiaries; and/or
 - 9.3.3.4 to replace and/or repay funding made available to the Company and/or its subsidiaries by third parties other than Debenture Holders; and/or
 - 9.3.3.5 in terms of an incentive scheme duly approved and adopted by the Company.
- 9.4 The Debentures shall be allotted and issued by the Company –
- 9.4.1 to such subscribers and on such dates as the Directors may deem fit; and
 - 9.4.2 on condition that –
 - 9.4.2.1 payment in full of the subscription price (including any premium) for the Debentures has been received by the Company or the subscription price has been credited as fully paid; and
 - 9.4.2.2 until unlinking occurs, each Debenture is linked to 1 (one) Ordinary Share.
- 9.5 The Debentures when allotted –
- 9.5.1 shall rank pari passu in all respects from the date of allotment thereof;

9.5.2 shall be held subject to the terms and conditions of this Trust Deed and the Companies Act and Articles, which terms and conditions shall be binding on the Company, the Trustee, each Debenture Holder and anyone claiming title through the Company or a Debenture Holder or the Trustee, and will not be subject to any other terms whatsoever unless agreed to by Debenture Holders by way of a Special Resolution in terms of the provisions of this Trust Deed.

9.6 The Debentures shall be unsecured.

9.7 The Debenture Holders of each class shall be entitled, by Special Resolution, to agree to any variation or modification of any of the rights of the Holders of that class of Debenture, in each case subject to the consent of the Company. The Debenture Holders of each class shall similarly be entitled, by Special Resolution, to bind the Debenture Holders of that class of Debenture to any arrangement or compromise made or to be made between the Company and the Debenture Holders of that class of Debentures or any of them. The provisions of this clause 9.6:

9.7.1 shall always be subject to the provisions of the Companies Act; and

9.7.2 provide additional rights to the extent that their existence is consistent with the Companies Act.

9.8 The Company may issue Debentures at a price which is lower or higher than the nominal value thereof, and nothing in this Trust Deed shall be construed as limiting the ability of the Company to do so.

12. INTEREST

12.1 Each Debenture in issue on a Record Date shall confer on the Holder thereof the right to receive Interest in respect of the Income Period concerned (unless otherwise agreed between the Company and the relevant Debenture Holders) on the basis set out in this clause 12 (unless otherwise agreed between the Company and the relevant Debenture Holder/s).

12.2 Each Debenture shall confer on the Debenture Holder the right to receive Interest in respect of each Income Period in accordance with the following formula –

$$D = \frac{PBT - T}{n}$$

where –

D, is the distributable Income per Debenture for the Income Period concerned.

PBT, is the net profits of the Company post the cost of any third-party debt funding, but before taxation and before distributions to Debenture Holders as determined in accordance with the Applicable Accounting Standards, then adjusted to –

- eliminate capital profits and capital losses and to reverse all non-cash items (other than accruals for short-terms receivables and payables) brought to account in the determination of *PBT*, which non-cash items may include, for example: the straight-lining of leases; the revaluation of any property or other investments; fair value adjustments to issued Linked Units, investments and derivatives; the write-off, amortisation or impairment of any intangible asset including goodwill; and
- eliminate costs and/or expenses incurred in respect of (i) the acquisition or disposal of any capital asset, (ii) the raising or settlement of any debt or other funding and (iii) the entering into, re-negotiation of or early termination of any Interest hedging arrangements; (iv) once off unforeseen expenses and costs.

T, is any normal taxation (including deferred taxation) relating to the period concerned, but excluding any normal taxation (including deferred taxation) in respect of capital profits or losses and non-cash items (other than depreciation) as well as items eliminated in accordance with the *PBT* calculation as above; and

n, is the number of Debentures in issue on the Record Date for the Income Period concerned,

provided that actual interest distributed, in cash or kind will, at the discretion of the directors, never be less than 75% (seventy five percent) of the distributable income per Debenture (*D*), subject to the Company trading in a liquid position, and there are reasonable grounds for believing that the Company is, or would after a distribution be, able to pay its debts as they become due in the ordinary course of business. Any distributable earnings not distributed (i.e. not more than 25% per distribution period) will be kept in distributable reserves and be distributable in subsequent periods.

- 12.3 In the event of the Directors being in any doubt as regards the determination of the distribution per Debenture for the Income Period in question, the Directors shall refer the matter to an appropriate independent advisor appointed by the Board, acting as expert and not as arbitrator, whose decision shall be final and binding, in the absence of manifest error, on the Board. In the event of a dispute as to the appropriateness of the advisor, the chairperson of the Board shall determine the advisor.
- 12.4 If the Directors, in consultation with the Company's auditors, decide that the distribution to Linked Unit Holders could be deemed to be excessive from the perspective of the applicable fiscal legislation and/or practice at the time, the Board can recommend to the Trustee, in the interest of Linked Unit Holders, to limit the Interest to an agreed maximum percentage with the balance available for distribution to be paid out as a dividend (net of any dividend tax, Namibian income tax and other direct or withholding taxes).
- 12.5 Only Debenture Holders registered as such on a relevant Record Date shall be entitled to the payment of Interest. In that regard, to the extent that the Debentures (in the form of a Linked Unit or otherwise) are listed on the NSX or any other exchange –

- 12.5.1 the Company shall, not less than 15 (fifteen) Business Day before any Record Date (or such shorter period as may be permitted or prescribed by the NSX and/or any relevant exchange), publish a notice of such Record Date on SENS and/or any other news service of the relevant exchange and such other publications as may be required by the NSX or the relevant exchange on which the Debentures are listed, provided that if the NSX or such other exchange disposes with any such notice requirement, the Company shall also, with the consent of the Trustee, be entitled to dispense therewith; and
- 12.5.2 provided that the prior written approval of the NSX (or the relevant exchange on which the Debentures are listed) has been obtained, the Directors may, in their sole discretion, close the register for a period not exceeding 10 (ten) Business Day subsequent to each Record Date.
- 12.6 If there is any change in the financial year end of the Company, the Company shall be and it is hereby authorised to change the dates by reference to which the Record Dates are determined and the dates from which Interest is calculated, falls due, accrues and/or becomes payable, provided that –
- 12.6.1 the rights of the Debenture Holders to Interest on the Debentures shall not be diminished or adversely affected by such changes;
- 12.6.2 the changes are approved by the Trustee, which approval shall not be unreasonably withheld or delayed; and
- 12.6.3 the Company shall forthwith notify Linked Unit Holders of the changes made by notice in terms of clause **Error! Reference source not found.** or if the Debentures are listed on the NSX or any other exchange, on SENS (if listed on the NSX) or on any other news service of the relevant exchange and in such other manner prescribed by the relevant exchange.
- 12.7 Any Interest not paid on the due date therefor, shall bear Interest from such date up to but excluding the date of payment, at the Prime Rate plus **2% (two percent)**.

13. PAYMENTS

- 13.1 Payment to a Debenture Holder shall be effected by electronic transfer into an account designated by a Debenture Holder, provided that the Company shall not be responsible for any loss in transmission or errors in banking such Interest.
- 13.2 Where no account has been designated for the receipt of Interest by electronic transfer, Interest will, unless otherwise agreed between the Company and the Debenture Holder, be paid by cheque sent through the post to the registered address of the Debenture Holder or, in the case of joint Debenture Holders, to the registered address of that joint Debenture Holder whose name appears first on the register or to such person and to such address as the Debenture Holder or first named joint Debenture Holder may, in a manner acceptable to the Company, in writing direct, provided that the Company shall not be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Debenture Holder for the purpose of all such payments. Payment of the cheque shall be a valid discharge of the Company and the Trustee.

13.3 Any payments that remain unclaimed remain due to Debenture Holders until such time as the claims prescribe in accordance with any common law and statutory provisions relating to the prescription of unclaimed rights.

30. **TERMINATION OF THE TRUST**

30.1 The Trust may be terminated, by written agreement between the Company and the Trustee, provided that the Trust shall not be capable of termination unless and until –

30.1.1 the Capital and Interest on the Debentures have been repaid to the Debenture Holders in full;

30.1.2 no Debenture Holders have any claims pending or threatening against the Company; and

30.1.3 the Company has no obligation to issue Debentures or Linked Units to any person.

30.2 Any termination as envisaged in clause 30 shall not affect or modify any existing rights or obligations of Debenture Holders. The Trustee shall continue to administer the Trust for so long as may be necessary to give effect thereto.

30.3 Upon termination, the Trustee shall realise the assets of the Trust (if any), wind up the affairs of the Trust and pay over to the Company any surplus (after discharging liabilities) remaining in the Trust.

30.4 Should the amount paid by the Trustee to the Company in terms of clause 30.2 above fall short of the full indebtedness of the Trust to the Company, the Company shall, in the discretion of the Directors, either relieve the Trust of all liability for such shortfall or provide funds to the Trust to make good the shortfall.

ANNEXURE A OF THE DEBENTURE TRUST DEED

MEETING SCHEDULE

5 VOTES OF DEBENTURE HOLDERS

- 5.1 Subject to any special rights or restrictions as to voting attached to any Debentures by or in accordance with this Trust Deed or the Articles, at a meeting of Debenture Holders -
- 5.1.1 every Debenture Holder present and entitled to exercise voting rights shall be entitled to one vote on a show of hands, irrespective of the number of voting rights that Debenture Holder would otherwise be entitled to exercise; and
- 5.1.2 on a poll any person who is present at the meeting, whether as a Debenture Holder or as proxy for a Debenture Holder, has the number of votes determined in accordance with the voting rights associated with the Debentures held by that Debenture Holder.
- 5.2 Save as set out in clause 5.3 below, and subject to clause I of this Trust Deed, Debenture Holders shall not be entitled to vote on any resolution at a meeting of shareholders in their capacity as Debenture Holders.
- 5.3 If Debentures are no longer linked to Ordinary Shares as Linked Units, Debenture Holders shall not be entitled to vote on any resolution at a meeting of shareholders, except if any resolution is proposed to amend the preferences, rights, limitations and other terms associated with the Debentures, in which case the Debenture Holders shall be entitled to vote at the meeting of shareholders, provided that -
- 5.3.1 the votes of the Debentures held by Debenture Holders shall not carry any special rights or privileges;
- 5.3.2 while Debenture Holders shall be entitled to 1 (one) vote for every Debenture held, the total voting rights of the Debenture Holders shall not be more than 25% (twenty five percent) of the total votes (including the votes of shareholders) exercisable at that meeting (with any cumulative fraction of a vote in respect of any Debentures rounded down to the nearest whole number).
- 5.4 At any meeting of Debenture Holders, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of clause 4.5, and unless a poll is so demanded, a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or defeated, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 5.5 Voting shall be conducted by means of a polled vote in respect of any matter to be voted on at a meeting of Debenture Holders if a demand is made for such a vote by –
- 5.5.1 at least 5 (five) persons having the right to vote on that matter, either as Debenture Holders or as proxies representing Debenture Holders; or

- 5.5.2 a Debenture Holder who is, or Debenture Holders who together are, entitled, as Debenture Holders or proxies representing Linked Unit Holders, to exercise at least 10% (ten percent) of the voting rights entitled to be voted on that matter; or
- 5.5.3 the chairperson of the meeting.
- 5.6 The demand for a poll may be withdrawn.
- 5.7 If a poll is duly demanded, it shall be taken in such manner as the chairperson directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In computing the majority of the poll, regard shall be had to the number of votes to which each member is entitled.
- 5.8 In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the meeting at which the show of hands takes place, or at which the poll is demanded, shall not be entitled to a second or casting vote.
- 5.9 A poll demanded on the election of a chairperson (as contemplated in clause **Error! Reference source not found.**) or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairperson of the meeting directs. The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question upon which the poll has been demanded.
- 5.10 Where there are joint registered Holders of any Debenture, any 1 (one) of such persons may exercise all of the voting rights attached to that Debenture at any meeting, either personally or by proxy, as if he or she were solely entitled thereto. If more than 1 (one) of such joint Holders is present at any meeting, personally or by proxy, the person so present whose name stands first on the register in respect of such Debenture shall alone be entitled to vote in respect thereof.
- 5.11 The Board of any company or the controlling body of any other entity or person that holds any Debentures may authorise any person to act as its representative at any meeting of Debenture Holders, in which event the following provisions will apply –
- 5.11.1 the person so authorised may exercise the same powers of the authorising company, entity or person as it could have exercised if it were an individual Holder; and
- 5.11.2 the authorising company, entity or person shall lodge a resolution of the Directors of such company or controlling body of such other entity or person confirming the granting of such authority, and certified under the hand of the chairperson or secretary thereof, with the Company before the commencement of any meeting of Debenture Holders at which such person intends to exercise any rights of such Holder, unless excused from doing so by the chairperson of such meeting.