

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 6 of this Circular apply, *mutatis mutandis*, throughout this Circular including this cover page.

Action required

This Circular is important and should be read with particular attention to the “Action Required by Shareholders” section of this Circular, which sets out the action required by Shareholders with regard to this Circular. If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, attorney, accountant or other professional adviser immediately.

If you have Disposed of all your MMH Shares, then this Circular should be forwarded to the purchaser to whom, or Broker, CSDP or other agent through whom you Disposed of your MMH Shares.

MMH does not accept any responsibility and will not be held liable for any failure on the part of the Broker or CSDP of any holder of Dematerialised Shares to notify such Shareholder of this Circular and/or the General Meeting.



Momentum Metropolitan Holdings Limited

Incorporated in the Republic of South Africa

Registration number: 2000/031756/06

JSE and A2X share code: MTM NSX share code: MMT

ISIN code: ZAE000269890

(“MMH” or the “Group” or the “Company”)

CIRCULAR TO MMH ORDINARY SHAREHOLDERS

regarding a broad-based Empowerment Transaction involving the participation of Eligible Employees, and, in connection therewith:

- the establishment of the Trust which in turn will incorporate a special purpose entity;
- the Disposal of MMH Treasury Shares to the Trust;
- the provision of financial assistance by MMH to the Trust and Employee Beneficiaries in the form of the Scheme, the “B” Preference Shares and the “B” Preference Share Security; and
- the specific authority to repurchase MMH Shares,

and incorporating

- a notice of general meeting; and
- a form of proxy to be used by Certificated Shareholders and “Own-name” Dematerialised Shareholders only.

Date of issue: Friday, 23 October 2020

This Circular is available in English only. Copies may be obtained during normal business hours from the offices of MMH and The Standard Bank of South Africa Limited whose addresses are set out in the “Corporate information and advisers” section of this Circular.

The Circular will be available from Friday, 23 October 2020 until Thursday, 26 November 2020 both days inclusive. The Circular will also be available in electronic form on the Company’s website www.momentummetropolitan.co.za from Friday, 23 October 2020.

Financial Adviser and
Transaction Sponsor to MMH



Legal Advisor
to MMH



Independent Reporting
Accountant and Auditor



CERTAIN FORWARD-LOOKING STATEMENTS

This Circular contains statements about MMH that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the insurance industry; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, estimates of capital expenditures, acquisition strategy, or future capital expenditure levels.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. MMH cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which MMH operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions, all of which estimates and assumptions, although MMH may consider them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Many factors (including factors not yet known to MMH, or not currently considered material), could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, statements or assumptions.

Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors may emerge from time to time that could cause the business of MMH or other matters to which such forward-looking statements relate, not to develop as expected 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 are not known. MMH has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

Any forward-looking statements have not been reviewed nor reported on by the Independent Reporting Account and Auditor.

CORPORATE INFORMATION AND ADVISORS

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Financial Adviser and Transaction Sponsor

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(PO Box 61344, Marshalltown, 2107)

Company Sponsor (South Africa)

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Company Sponsor (Namibia)

Simonis Storm Securities (Pty) Ltd
4 Koch Street
Klein Windhoek
Namibia

Transfer Secretaries (Namibia)

Transfer Secretaries (Pty) Ltd
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Transfer Secretaries (South Africa)

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Independent Reporting Accountant and Auditor

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102 Rivonia Road
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Johannesburg
2196
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Date of incorporation of MMH

21 December 2000

Place of incorporation of MMH

South Africa

ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 6 of this Circular apply, *mutatis mutandis*, to this section headed "Action required by Shareholders".

Please take careful note of the following provisions regarding the action required by Shareholders. If you are in any doubt as to what actions to take, please consult your Broker, CSDP, banker, attorney, accountant or other professional advisor immediately.

If you have Disposed of all of your MMH Shares, this Circular should be handed to the purchaser of such MMH Shares or to the Broker, CSDP, banker, attorney or other agent through whom the Disposal was effected.

The General Meeting, (notice of which is attached to and forms part of this Circular), will be held at The MARC, Tower 2, 129 Rivonia Road, Sandton in Robben Island Meeting Room at 09:00 on Thursday, 26 November 2020 for the purposes of considering and, if deemed fit, passing the Resolutions.

1. DEMATERIALIZED SHAREHOLDERS WHO ARE NOT OWN-NAME DEMATERIALIZED SHAREHOLDERS

1.1 Voting at the General Meeting

- 1.1.1 Your Broker or CSDP should contact you to ascertain how you wish to cast your vote at the General Meeting and should thereafter cast your vote in accordance with your instructions.
- 1.1.2 If you have not been contacted by your Broker or CSDP, it is advisable for you to contact your Broker or CSDP and furnish it with your voting instructions.
- 1.1.3 If your Broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your Broker or CSDP.
- 1.1.4 You must not complete the attached Proxy Form.

1.2 Attendance and representation at the General Meeting

In accordance with the mandate between you and your Broker or CSDP, you must advise your Broker or CSDP if you wish to attend the General Meeting and if so, your Broker or CSDP will issue the necessary letter of representation to you to attend and vote at the General Meeting.

2. CERTIFICATED SHAREHOLDERS AND DEMATERIALIZED OWN-NAME SHAREHOLDERS

Voting and attendance at the General Meeting

- 2.1 You may attend the General Meeting in person and may vote at the General Meeting.
- 2.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Proxy Form in accordance with the instructions contained therein. It is recommended that, for administrative purposes only, the Proxy Form, duly completed, be returned to the Transfer Secretaries as soon as possible (preferably by 09:00 on Tuesday, 24 November 2020), but in any event, duly completed Proxy Forms must be received by the Transfer Secretaries prior to the proxy exercising any of your rights as a Shareholder at the General Meeting.

3. GENERAL

3.1 Voting procedure and quorum for the General Meeting

- 3.1.1 Every Shareholder present in person or represented by proxy and entitled to vote at the General Meeting, will, in his capacity as a Shareholder, on a show of hands, have only one vote irrespective of the number of MMH Shares he holds or represents. On a poll, every Shareholder present in person or represented by proxy and entitled to vote at the General Meeting, will be entitled to one vote per MMH Share held by such Shareholder.

3.2 Electronic participation in the General Meeting

- 3.2.1 Shareholders wishing to participate electronically in the General Meeting will need to contact MMH Investor Relations, InvestorRelations@mmltd.co.za or +27 21 917 3196, **by no later than 09:00 on Tuesday, 24 November 2020**, to indicate that they wish to participate via electronic communication in the General Meeting.
- 3.2.2 In order for the abovementioned notice to be valid it must contain (a) if the Shareholder is an individual, a certified copy of his/her identity document and/or passport; (b) if the Shareholder is not an individual, a certified copy of a resolution or letter of representation by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution or signed the relevant letter of representation. The letter of representation or resolution must set out who from the relevant entity is authorised to represent the entity at the General Meeting via electronic communication; (c) a valid e-mail address and/or facsimile number; and (d) confirmation of whether the Shareholder wishes to vote via electronic communication.
- 3.2.3 MMH will use its reasonable endeavours to notify a Shareholder wishing to participate in the General Meeting by way of electronic communication, of the relevant details through which the Shareholder can participate via electronic communication, by no later than 24 hours before the commencement of the General Meeting.
- 3.2.4 Should a Shareholder wish to participate in the General Meeting by way of electronic communication as mentioned above, such Shareholder or his proxy will be required to dial-in to the dial-in facility on the date of the General Meeting. The dial-in facility will be linked to the venue at which the General Meeting will take place on the date of, from the time of commencement of, and for the duration of, the General Meeting. The dial-in facility will enable all persons to participate electronically in the General Meeting in this manner (and as contemplated in Section 63(2) of the Companies Act), to communicate concurrently with each other without an intermediary and to participate reasonably effectively in the General Meeting. The costs of such participation will be for the Shareholder's or proxy's own account.

3.3 Dematerialisation of Certificated Shares

- If any Certificated Shareholder wishes to dematerialise its MMH Shares, such Certificated Shareholder should contact its Broker.

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SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 6 of this Circular apply, *mutatis mutandis*, to the following salient dates and times:

	2020
Record Date to be eligible to receive the Circular	Friday, 9 October
Date of issue of the Circular	Friday, 23 October
Last Day to Trade to participate in and vote at the General Meeting	Tuesday, 17 November
Voting Record Date to participate in and vote at the General Meeting	Friday, 20 November
Proxy Forms to be lodged with the Transfer Secretaries as soon as possible for administrative purposes only, (preferably by 09:00), but in any event before the proxy exercises any rights of a Shareholder appointing the proxy at the General Meeting	Tuesday, 24 November
Written notice to participate electronically in the General Meeting to be delivered to MMH's Investor Relations, InvestorRelations@mmltd.co.za by 09:00	Tuesday, 24 November
General Meeting to be held at 09:00	Thursday, 26 November
Results of General Meeting released on SENS	Thursday, 26 November
Results of General Meeting published in the South African press	Friday, 27 November

Notes:

1. *The above dates and times are subject to amendment. Any such material amendment will be released on SENS and published in the South African press.*
2. *All times quoted in the Circular are local times in South Africa on a 24-hour basis, unless specified otherwise.*
3. *No orders to dematerialise or rematerialise MMH Shares will be processed from the Business Day following the Last Day to Trade up to and including the Voting Record Date, but such orders will again be processed from the first Business Day after the Voting Record Date.*
4. *The certificated register will be closed between the Last Day to Trade and the Voting Record Date.*
5. *If the General Meeting is adjourned or postponed, forms of proxy submitted for the General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting unless the contrary is stated on such form of proxy.*

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates otherwise, references to the singular shall include the plural and *vice versa*; words denoting one gender include the other; words and expressions denoting natural persons include legal persons and associations of persons; and the following words and expressions have the meanings assigned to them below:

“A” Preference Share Distributions”	any dividends and/or distributions payable to the “A” Preference Shareholder from time to time in terms of the “A” Preference Shares;
“A” Preference Share Obligations”	at any point in time, the redemption amount, and any other amounts which would be payable by ESOP SPV to the “A” Preference Shareholder in order to redeem all of the “A” Preference Shares in accordance with their terms and procure the release and cancellation of all security held by the holder of the “A” Preference Shares in terms of the “A” Preference Share Security;
“A” Preference Share Security”	the First Ranking Trust Guarantee, SPV Cession in Security and the Trust Pledge and Cession as amended, novated, substituted or reinstated from time to time;
“A” Preference Share Subscription Agreement”	the subscription agreement entered into or to be entered into between ESOP SPV and Absa as the initial “A” Preference Shareholder pursuant to which Absa will subscribe for and ESOP SPV will issue to Absa the “A” Preference Shares, as amended, novated, substituted or reinstated from time to time;
“A” Preference Shareholder”	means: <ul style="list-style-type: none">• prior to the redemption date of the last of the “A” Preference Shares, each holder of “A” Preference Shares, for so long as and to the extent that it holds “A” Preference Shares; and• after the redemption date of the last of the “A” Preference Shares and up to the Discharge Date, each erstwhile “A” Preference Shareholder which has actual or contingent outstanding claims against ESOP SPV, its successors in title and assigns;
“A” Preference Shares”	the “A” Preference Shares in the issued share capital of ESOP SPV from time to time;
“Absa”	Absa Bank Limited (acting through its Corporate and Investment Banking division), registration number 1986/004794/06, a public company and registered bank duly incorporated in accordance with the laws of South Africa;
“Additional Capital Contribution”	to the extent agreed between ESOP SPV, the relevant Additional Preference Shareholder, the Majority Preference Shareholders and the Trust, an amount equal to all or any part of the proceeds of any issue by SPV of any Additional Preference Shares from time to time;
“Additional Preference Share Distributions”	any dividends and/or distributions payable to Additional Preference Shareholder from time to time in terms of the Additional Preference Shares;
“Additional Preference Share Obligation”	at any point in time, the redemption amount which would be payable by ESOP SPV to the Additional Preference Shareholders in order the redeem all of the Additional Preference Shares in accordance with their terms and procure the release and cancellation of all security held by the holder of the Additional Preference Shares over, <i>inter alia</i> , the Trust Shares;
“Additional Preference Share Security”	all security given by ESOP SPV and/or the Trust to the Additional Preference Shareholder in connection with the Additional Preference Shares;

“Additional Preference Shareholder”	<ul style="list-style-type: none"> • prior to the redemption date of the last of the Additional Preference Shares, each holder of Additional Preference Shares, for so long as and to the extent that it holds Additional Preference Shares; and • after the redemption date of the last of the Additional Preference Shares and up to the Discharge Date, each erstwhile Additional Preference Shareholder which has actual or contingent outstanding claims against ESOP SPV, its successors in title and assigns;
“Additional Preference Shares”	all preference shares issued by ESOP SPV from time to time issued in accordance with a corresponding subscription agreement, other than the “A” Preference Shares and the “B” Preference Shares;
“Allocation”	an allocation of Units in terms of the Deed and “Allocate” and “Allocated” shall have a corresponding meaning;
“Allocation Criteria”	means the criteria set out in Annexe A of the Deed which ensures that the trustees of the Trust make Allocations such that at least 85% of Allocated Units are, at all times, held by Black Persons and at least 55% of Allocated Units are, at all times, held by Black women;
“Allocation Date”	the date upon which a Unit (or Units) is Allocated to an Eligible Employee;
“Allocation Letter”	a letter under the hand of the trustees of the Trust in terms of which Units are Allocated to an Employee Beneficiary, and that Employee Beneficiary binds himself in writing to the terms of the Deed;
““B” Preference Share Distributions”	any dividends and/or distributions payable to the “B” Preference Shareholder from time to time in terms of the “B” Preference Shares;
““B” Preference Share Obligations”	at any point in time, the redemption amount, and any other amounts which would be payable by ESOP SPV to the “B” Preference Shareholder in order the redeem all of the “B” Preference Shares in accordance with their terms, procure the release and cancellation of all security held by the holder of the “B” Preference Shares in terms of the “B” Preference Share Security;
““B” Preference Share Security”	the Second Ranking Trust Guarantee, the Reversionary Trust Pledge and Cession and the Reversionary SPV Cession in Security, as amended, novated, substituted or reinstated from time to time;
““B” Preference Shareholder”	<ul style="list-style-type: none"> • prior to the redemption date of the last of the “B” Preference Shares, each holder of “B” Preference Shares, for so long as and to the extent that it holds “B” Preference Shares; and • after the redemption date of the last of the “B” Preference Shares and up to the Discharge Date, each erstwhile “B” Preference Shareholder which has actual or contingent outstanding claims against ESOP SPV, its successors in title and assigns;
“B Preference Shares”	the “B” Preference Shares in the issued share capital of ESOP SPV from time to time;
““B” Preference Share Subscription Agreement”	the subscription agreement entered into or to be entered into between ESOP SPV and MMH, as the initial “B” Preference Shareholder pursuant to which MMH will subscribe for and ESOP SPV will issue to MMH the “B” Preference Shares, as amended, novated, substitute or reinstated from time to time;
“B-BBEE”	broad-based Black economic empowerment as contemplated in the B-BBEE Legislation;
“B-BBEE Act”	Broad-Based Black Economic Empowerment Act, 2003, as amended, including any regulations promulgated thereunder;
“B-BBEE Codes”	the Codes of Good Practice on Broad-Based Black Economic Empowerment issued under section 9(1) of the B-BBEE Act;

“B-BBEE Commission”	the Broad-Based Black Economic Empowerment Commission, regulator of South Africa’s B-BBEE;
“B-BBEE Legislation”	the B-BBEE Act, B-BBEE Codes and any other charter, law, regulation or (mandatory or voluntary) practice pursuant to which ownership and/or voting control by Black People in MMH (or any material business conducted by it or its South African subsidiaries) is measured or a requirement relating thereto is imposed on it, or its rights, interests and/or obligations are materially affected thereby whether directly or through its customers;
“B-BBEE Requirements”	B-BBEE requirements applicable to the Trust and/or MMH (as the case may be) from time to time which are of general or substantially general application, whether or not they have the force of law, including the requirements set out in the B-BBEE Act, the B-BBEE Codes and/or any applicable Sector Code published in terms of the B-BBEE Act which applies to the Group;
“B-BBEE Score”	the score that determines a company’s empowerment from level 1 to level 8 under the B-BBEE Act, the B-BBEE Codes and/or any applicable Sector Code published in terms of the B-BBEE Act which applies to the Group;
“Black People”	black people as contemplated in the B-BBEE Codes, and “Black” shall be construed accordingly, and includes any sub-set of such persons;
“Board” or “MMH Board”	the board of directors of MMH as at the Last Practicable Date and whose names are listed on page 15 of this Circular;
“Broker”	any person registered as a broking member in equities in terms of the rules of the JSE in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“Capital”	the capital of the Trust from time to time which shall include, without limitation, Trust Shares and any proceeds from any repurchase by MMH, or other Disposal of Trust Shares from time to time;
“Capital Contribution”	the aggregate of Capital Contribution 1, Capital Contribution 2 and any Additional Capital Contribution contributed to the Trust by ESOP SPV from time to time;
“Capital Contribution 1”	an amount equal to the Tranche 1 “B” Preference Share Subscription Price to be contributed by ESOP SPV to the Trust in one or more tranches during the Open Market Share Acquisition Period, which amount the Trust will use to acquire the MMH Shares from time to time on the open market prior to the implementation of the Treasury Share Acquisition Subscription Agreement;
“Capital Contribution 2”	an aggregate amount equal to the aggregate of the Tranche 2 “B” Preference Share Subscription Price and the subscription price payable by Absa to the Trust in accordance with the “A” Preference Shares Subscription Agreement, which the Trust will use to acquire MMH Shares in accordance with the Treasury Share Acquisition Agreement;
“Certificated Shareholders”	Shareholders who hold Certificated Shares;
“Certificated Shares”	MMH Shares which are not dematerialised in terms of the requirements of Strate, title to which is represented by a share certificate or other Documents of Title;
“CIPC”	the Companies and Intellectual Property Commission, established in terms of the Companies Act;

“Circular”	this document, dated Friday, 23 October 2020, including the annexures, Notice of General Meeting and form of proxy contained herein;
“Companies Act”	the Companies Act No. 71 of 2008, as amended or superseded from time to time;
“Corporate Event”	shall have the meaning set out in clause 2.2.7.1;
“Costs”	all of the expenses, costs, disbursements and liabilities (plus VAT thereon) of the Trust which shall include, but not be limited to, all costs of funding (if applicable), legal fees, bank charges, audit costs, the costs of the day-to-day running of the Trust and secretarial costs;
“Cost Reserves”	any amount which the Trustees, and until the Discharge Date, with the consent of the Majority Preference Shareholders, determine is appropriate as a provision for the annual anticipated Costs;
“CSDP”	Central Securities Depository Participant, a participant as defined in section 1 of the Financial Markets Act;
“Court”	any South African court with competent jurisdiction;
“Deed”	the trust deed constituting the Trust inclusive of all annexures, as amended from time to time;
“Dematerialised Shareholders”	Shareholders who hold Dematerialised Shares;
“Dematerialised Shares”	Shares which have been dematerialised and ownership of which is recorded electronically in a sub-register of Shareholders administered by a CSDP, which sub-register forms part of the Company’s Register;
“Director” or “MMH Director”	a director of MMH appointed to the Board;
“Discharge Date”	<ul style="list-style-type: none"> • in relation to the “A” Preference Shares and the “A” Preference Shareholders, the date upon which the last of the “A” Preferences Shares have been redeemed and the “A” Preference Share Security (other than the First Ranking Trust Guarantee) released and terminated, all in accordance with their terms; • in relation to the “B” Preference Shares and the “B” Preference Shareholders, the date upon which the last of the “B” Preferences Shares have been redeemed and the “B” Preference Share Security (other than the Second Ranking Trust Guarantee) released and terminated, all in accordance with their terms; and • in relation to the Additional Preference Shares and the Additional Preference Shareholders, the date upon which the last of the Additional Preferences Shares have been redeemed and the “B” Preference Share Security (other than the Second Ranking Trust Guarantee) released and terminated, all in accordance with their terms;
“Dispose”	to voluntarily or involuntarily dispose of, sell, alienate, donate, exchange, distribute, transfer, or in any manner whatsoever dispose of, or enter into any arrangement or transaction whatsoever which may have the same or a similar effect as any of the aforementioned sale, alienation, donation, exchange, distribution, transfer or disposal (including but not limited to any transaction, or series of arrangements or transactions, or the cession of any rights or the granting of any option, derivative or any similar transaction/s which would have the same or substantially similar economic effect, whether in whole or in part), or realise any value in respect of, and “Disposal” shall be construed accordingly;
“Distributable Income”	in respect of each Financial Year, the Income less Costs and Cost Reserves;

“Distribution Hurdle”	at any point in time, an amount equal to the aggregate of the “A” Preference Share Obligation, the “B” Preference Share Obligation, the Additional Preference Share Obligation and other amounts payable by ESOP SPV to any member of the Group from time to time;
“Documents of Title”	share certificates or any other documents of title to Certificated Shares acceptable to the Company;
“Eligible Employees”	persons in the permanent employment of the Group in South Africa, including the executive Directors of the MMH Board, at the time that such person is to be Allocated Units in terms of the Deed;
“Employee Beneficiaries”	Eligible Employees to whom Units are Allocated in terms of the Deed;
“Empowerment Transaction”	the establishment and financing of the Scheme and acquisition by the Trust of the Trust Shares on the basis set out herein;
“ESOP SPV”	Main Street 1773 Proprietary (RF) Limited, registration number 2020/122604/07, a private company incorporated in accordance with the laws of South Africa;
“ESOP SPV Entitlement”	such amount of any distribution received by the Trust, attributable to the Trust Shares, to which ESOP SPV is entitled;
“Final Date”	the earlier of (i) the date on which MMH is liquidated, wound up or otherwise dissolved or its corporate existence terminated, whether by means of voluntary winding-up, an order of court, any applicable legislation or any other means whatsoever and (ii) the date upon which the Trust no longer holds Trust Shares and/or Income;
“Finance Parties”	the Preference Shareholders;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012 as amended or superseded from time to time;
“First Ranking Trust Guarantee”	the first ranking guarantee to be entered into between the Trust and the Finance Parties in terms of which the Trust guarantees the performance by ESOP SPV of its obligations to the Finance Parties in terms of, <i>inter alia</i> , the “A” Preference Shares Subscription Agreement and the “A” Preference Shares;
“FSC”	Amended Financial Sector Codes;
“Funds Flow Agreement”	the funds flow agreement entered into or to be entered into between MMH MMSI, the Trust, ESOP SPV and Absa, as amended from time to time;
“General Meeting”	the meeting of Shareholders to be held at 09:00 on Thursday, 26 November 2020, or any adjournment or postponement thereof, to consider and, if deemed appropriate, approve the resolutions set out in the Notice of General Meeting;
“Implementation Agreement”	the implementation agreement entered into or to be entered into between MMH, the Trust, MMSI and ESOP SPV, as amended, novated, substituted or reinstated from time to time;
“Implementation Date”	the fifth Business Day after the date of fulfilment or waiver, if applicable, of the last of the conditions precedent in paragraph 6 below or such other date as the parties to the Implementation Agreement may agree;
“Income”	the income of the Trust from time to time, including, without limitation all dividends which the Trust receives in relation to the Trust Shares, save for Special Distributions;
“Independent Reporting Accountant and Auditor”	Ernst & Young Incorporated, with practice number: 918288, the independent reporting accountant and auditor;

“Initial Allocations”	the Allocation of 80% of all available Units to Eligible Employees as soon as is reasonably possible after the Operative Date;
“JSE”	the JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“Last Day to Trade”	the last Business Day to trade MMH Shares in order to settle same and reflect in the Company’s Register so as to be eligible to vote on the resolutions set out in the Notice of General Meeting;
“Last Practicable Date”	Monday, 5 October 2020, being the last practicable date prior to the finalisation of this Circular;
“Letter of Representation”	a letter of representation issued by a CSDP or Broker to a Shareholder for the purposes of authorising attendance by the Shareholder at the General Meeting;
“Listings Requirements”	the Listings Requirements issued by JSE under the Financial Markets Act to be observed by issuers of equity securities listed on the exchange operated by the JSE;
“Majority “A” Preference Shareholders”	<p>“A” Preference Shareholders holding more than sixty six and two thirds of either:</p> <ul style="list-style-type: none"> • prior to redemption of the last of the “A” Preference Shares, the outstanding “A” Preference Shares; or • after redemption of the last of the “A” Preference Shares, the actual and contingent outstanding claims against ESOP SPV in relation to the “A” Preference Shares;
“Majority Additional Preference Shareholders”	<p>Additional Preference Shareholders holding more than sixty six and two thirds of either:</p> <ul style="list-style-type: none"> • prior to redemption of the last of the Additional Preference Shares, the outstanding Additional Preference Shares; or • after redemption of the last of the Additional Preference Shares, the actual and contingent outstanding claims against ESOP SPV in relation to the Additional Preference Shares;
“Majority “B” Preference Shareholders”	<p>“B” Preference Shareholders holding more than sixty six and two thirds of either:</p> <ul style="list-style-type: none"> • prior to redemption of the last of the “B” Preference Shares, the outstanding “B” Preference Shares; or • after redemption of the last of the “B” Preference Shares, the actual and contingent outstanding claims against ESOP SPV in relation to the “B” Preference Shares;
“Majority Preference Shareholders”	the Majority “A” Preference Shareholders, the Majority “B” Preference Shareholders and Majority Additional Preference Shareholders (if any);
“Market Value”	the market value of MMH Shares for purposes of and determined in accordance with section 8C(1) of the Income Tax Act 58 of 1962;
“Memorandum of Incorporation” or “MOI”	the memorandum of incorporation of MMH in force as at the Last Practicable Date;
“MMH Open Market Shares”	17 987 573 MMH Shares (approximately 1.2% of the issued share capital of MMH) as traded on the JSE;
“MMH Shares” or “Ordinary Share” or “Shares”	ordinary shares of 0,0001 cents each in the share capital of MMH as at the Last Practicable Date;

“MMH Treasury Shares”	26 936 688 MMH Shares (approximately 1.8% of the issued share capital of MMH) currently held by MMSI, a wholly owned subsidiary of MMH;
“MMH Treasury Share Price”	the aggregate purchase price payable by the Trust for the MMH Treasury Shares in terms of the Treasury Shares Acquisition Agreement;
“MML”	Momentum Metropolitan Life Limited (Registration number 1904/002186/06), being a wholly-owned subsidiary of MMH;
“MMSI”	Momentum Metropolitan Strategic Investments (Registration number 1998/017649/07), being a wholly-owned subsidiary of MMH;
“Notice of General Meeting”	the notice of general meeting forming part of the Circular;
“Open Market Share Acquisition Period”	a period of 60 Business Days after the Implementation Date or such longer period agreed to between the parties to the Implementation Agreement;
“Operative Date”	the date, if any, upon which the Trust first acquires MMH shares;
“Own-name Dematerialised Shareholders”	Dematerialised Shareholders who have instructed their CSDP to hold their Dematerialised Shares in their own name on the sub-registers maintained by the CSDP;
“Posting Record Date”	the date determined by the Board in accordance with section 59 of the Companies Act for MMH Shareholders to be eligible to receive the Circular;
“Preference Shareholders”	the “A” Preference Shareholders, the “B” Preference Shareholders and/or Additional Preference Shareholders (if any), as the case may be;
“Preference Shares”	the “A” Preference Shares, the “B” Preference Shares and/or the Additional Preference Shareholders in issue from time to time;
“Redemption”	redemption of a Unit or Units in accordance with the Deed;
“Register”	the register of Certificated Shareholders of the Company maintained by the Company and each of the sub-registers of Dematerialised Shareholders maintained by the relevant CSDPs in terms of the Financial Markets Act;
“Relevant Preference Share Obligation”	means: <ul style="list-style-type: none"> • prior to the Discharge Date in relation to the “A” Preference Shares, the aggregate of the “A” Preference Share Obligation; • after the Discharge Date in relation to the “A” Preference Shares and prior to the Discharge Date in relation to the “B” Preference Shares, the aggregate of the “B” Preference Share Obligation; and • after the Discharge Date in relation to the “B” Preference Shares and prior to the Discharge Date in relation to all the Additional Preference Shares, the aggregate of the Additional Preference Share Obligation;
“Reserve Allocations”	the Allocation of 20% of all available Units to new Eligible Employees up until the fifth anniversary of the Operative Date;
“Restricted Period”	the period commencing on the date on which Units are first Allocated to the relevant Employee Beneficiary and terminating on the later of (i) the tenth anniversary of that date and (ii) the Discharge Date;
“Reversionary SPV Cession in Security”	the reversionary cession in security provided by ESOP SPV to the “B” Preference Shareholders over, <i>inter alia</i> , its rights, title and interest under the Deed and its banks accounts;

“Reversionary Trust Pledge and Cession”	the written reversionary pledge and cession to be entered into between, <i>inter alios</i> , the Trust and the “B” Preference Shareholders in terms of which the Trust pledges and cedes, <i>in securitatem debiti</i> , the Trust Shares, its bank accounts and its shares in ESOP SPV to the “B” Preference Shareholders in security for the performance of the Trust’s obligations under the Second Ranking Trust Guarantee;
“SA” or “South Africa”	the Republic of South Africa;
“SARB”	the South African Reserve Bank which includes both the Financial Surveillance Department and the Banking Supervisory Department;
“Second Ranking Trust Guarantee”	the second ranking guarantee to be entered into between the Trust, the “B” Preference Shareholders and the Additional Shareholders in terms of which the Trust guarantees the performance by ESOP SPV of its obligations to the “B” Preference Shareholders and the Additional Preference Shareholders in terms of, <i>inter alia</i> , the “B” Preference Shares Subscription Agreement and the “B” Preference Shares, each Additional Preference Share Subscription Agreement and the Additional Preference Shares;
“Security Cover Ratio”	<p>on any day, the ratio, determined in accordance with the terms of the relevant Preference Shares, that</p> <p>(i) the market value of an MMH Share (being the volume weighted average price determined in accordance with the terms of such Preference Shares calculated over the immediately preceding three trading day period) on that day, multiplied by the number of Trust Shares held by the Trust on that day,</p> <p>(ii) plus assets of the total amount standing to the credit of certain of the bank accounts of ESOP SPV and exceeds the Trust identified in terms of the Preference Shares, on that day,</p> <p>bears to the “A” Preference Share Obligation in relation to such Preference Shares, less the total amount standing to the credit of certain bank accounts of ESOP SPV identified in terms of such Preference Shares;</p>
“SENS”	the Stock Exchange News Service of the JSE;
“Shareholder”	a person holding MMH Shares;
“South African Press”	the print publication “Business Day”;
“Special Distributions”	<p>means any dividend or distribution paid by MMH in respect of the Trust Shares from time to time which:</p> <ul style="list-style-type: none"> • does not coincide (in respect of date) with either the normal annual dividend or normal semi-annual interim dividend declared by MMH on or in respect of MMH Shares; or • is described by the board of directors of MMH as a special, extraordinary or abnormal dividend or distribution;
“SPV Cession in Security”	the cession in security provided by ESOP SPV to the “A” Preference Shareholders over its rights, title and interest under the Deed and its banks accounts;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a private company incorporated in accordance with the laws of the Republic of South Africa, and a registered central securities depository responsible for the electronic custody and settlement system for transactions that take place on the JSE and off-market trades;
“Strate system”	an electronic custody, clearing and settlement environment, managed by Strate, for all share transactions concluded on the JSE and off-market, and in terms of which transactions in securities are settled and transfers of ownership in securities are recorded electronically;

“the Scheme”	the equity settled employee share ownership plan proposed to be established by MMH for the benefit of Eligible Employees on the basis set out herein;
“Tranche 1 “B” Preference Share Subscription Price”	such amount as is equal to the aggregate purchase price to be paid by the Trust to acquire the MMH Open Market Shares;
“Tranche 2 “B” Preference Share Subscription Price”	such amount as is equal to the difference between the MMH Treasury Share Price and the subscription price payable by Absa in accordance with the “A” Preference Shares Subscription Agreement;
“Transaction Documents”	the Deed, the Treasury Share Acquisition Agreement, the “A” Preference Share Subscription Agreement, the “A” Preference Share Security, the “B” Preference Share Subscription Agreement, the “B” Preference Share Security, the Implementation Agreement, the memorandum of incorporation of ESOP SPV, the Funds Flow Agreement, each Additional Preference Share Subscription Agreement and Additional Preference Share Security, if any, and any other document or agreement designated as such from time to time by MMH and/or, until the Discharge Date, the Majority “A” Preference Shareholders, the Majority “B” Preference Shareholders and the Additional Preference Shareholders (if any);
“Transfer Secretaries” or “Link Market Services”	Link Market Services SA Proprietary Limited (Registration number 2000/007239/07), a private company incorporated in accordance with the laws of the Republic of South Africa and who are the transfer secretaries of MMH;
“Treasury Share Acquisition Agreement”	the sale of shares agreement entered into or to be entered into between the Trust and MMSI in terms of which the Trust will purchase the MMH Treasury Shares from MMSI;
“Trust”	the Momentum Metropolitan iSabelo Trust to be established and governed by the Deed;
“Trust Pledge and Cession”	the written pledge and cession to be entered into between, <i>inter alios</i> , the Trust and the “A” Preference Shareholders in terms of which the Trust pledges and cedes, <i>in securitatem debiti</i> , the Trust Shares, its bank accounts and its shares in ESOP SPV to the “A” Preference Shareholders in security for the performance of the Trust’s obligations under the First Ranking Trust Guarantee;
“Trust Shares”	the MMH Shares held by the Trust from time to time;
“Units”	the bundle of personal rights created in terms of the Deed which shall, when Allocated to and accepted by an Employee Beneficiary, confer on that Employee Beneficiary the vested rights and obligations stipulated in the Deed. For the avoidance of doubt, a Unit is a notional concept to facilitate and simplify, for Employee Beneficiaries, an understanding of and confers on the holder a personal right as set out in the Deed. A Unit is not property of any nature and has no separate existence;
“Unrestricted”	means vested Units in respect of which the restrictions on Units no longer apply;
“VAT”	value-added tax levied in terms of the South African Value-Added Tax Act, No. 89 of 1991, as amended from time to time;
“Vested”	means, in respect of Units, that the relevant period of permanent employment by the relevant Employee Beneficiary has passed (as set out in the relevant Allocation Letter) or has deemed to have passed (in the event that Vesting is accelerated in terms of the Deed), and “Vesting” shall have a corresponding meaning;
“Vesting Period”	in respect of all Units held by an Employee Beneficiary, a period of seven years commencing on the Allocation Date on which Units were first Allocated to the Employee Beneficiary in question;
“Voting Record Date”	the date on which Shareholders must be entered in the Register in order to be eligible to vote at the General Meeting, expected to be Friday, 20 November 2020;
“VWAP”	volume weighted average price; and
“ZAR”, “Rand” or “R”	South African Rand and cents, the lawful currency of South Africa.

momentum

METROPOLITAN

Momentum Metropolitan Holdings Limited

Incorporated in the Republic of South Africa

Registration number: 2000/031756/06

JSE and A2X share code: MTM NSX share code: MMT

ISIN code: ZAE000269890

("MMH" or the "Group" or the "Company")

DIRECTORS

JJ Njeke (Chairman)*#

Hillie Meyer (Group Chief Executive Officer)

Jeanette Cilliers (Marais) (Deputy Chief Executive Officer)

Risto Ketola (Group Finance Director)

Lisa Chiume*

Peter Cooper*#

Linda de Beer*#

Fatima Daniels*#

Stephen Jurisich*#

Paballo Joel Makosholo*

Sharron McPherson*#

Sello Moloko*#

Vuyisa Nkonyeni*#

David Park*#

Khehla Shubane*#

Frans Truter*#

Johan van Reenen*#

* Non-executive

Independent

CIRCULAR TO SHAREHOLDERS

1. PURPOSE OF THE CIRCULAR

The purpose of this Circular and the attached Notice of General Meeting is to provide Shareholders with relevant information relating to the Empowerment Transaction which includes:

the establishment of the Trust which in turn will incorporate a special purpose entity;

- the Disposal of MMH Treasury Shares to the Trust;
- the provision of financial assistance by MMH to the Trust and Employee Beneficiaries in the form of the Scheme, the B Preference Shares and the B Preference Share Security; and
- the specific authority to repurchase MMH Shares.

The Circular will furthermore enable MMH Shareholders to make an informed decision as to whether or not they should vote in favour of the resolutions to be proposed at the General Meeting and to convene the General Meeting.

All the requisite resolutions are set out in the Notice of General Meeting which forms part of this Circular.

2. INTRODUCTION AND RATIONALE

2.1 Introduction

Momentum Metropolitan Holdings Limited (www.momentummetropolitan.co.za) is one of South Africa's largest insurance-based financial services groups. The Company is seeking to establish an employee share ownership plan that will incorporate all of MMH's South Africa based permanent employees, thereby creating long-term broad-based employee ownership in MMH.

The Group is listed on the Johannesburg Stock Exchange (JSE code: MTM) in South Africa and on the Namibian Stock Exchange in Namibia (NSX code: MMT). MMH is also listed on the A2X Markets Exchange as a secondary listing (A2X code: MTM). MMH is South African based with operations in Botswana, Namibia, Lesotho, Mozambique, Kenya, Uganda, Ghana, Tanzania and Zambia. Outside of the African continent, the Group has a health-insurance joint venture in India, Momentum Investments has operations in the United Kingdom, and Guardrisk has businesses in Gibraltar and Mauritius.

Through its client-facing brands Momentum (www.momentum.co.za) and Metropolitan (www.metropolitan.co.za) and its other specialist brands, including Guardrisk, Multiply and Eris, the Group exists to help businesses and people from all walks of life to achieve their financial goals and life aspirations. Through this portfolio of businesses, the Group provides long and short-term insurance products including investments and savings products, asset and property management services, healthcare administration, managed care and health risk management, employee benefits including healthcare and retirement provision and value-adding client engagement solutions such as Multiply, the Group's wellness and rewards programme. The Group helps people grow their savings, protect what matters to them and invest for the future. It helps companies and organisations care for and reward their employees and members. Through its own network of advisers and via independent brokers and platforms, MMH provides practical financial solutions for people, communities and businesses.

In September 2018, Group CEO Hillie Meyer, announced a three-year Reset and Grow turnaround strategy to streamline MMH's operations, maximise efficiencies and increase earnings across the Group's various businesses – thereby regaining market share. The strategy included reintroducing a federal operating model which promotes an entrepreneurial mindset in the business units which are responsible and accountable for the entire value chain of their operations. This Scheme and resultant improved transformation credentials are critical enablers to regaining market share.

MMH remained on track to deliver on its Reset and Grow target of normalised headline earnings between R3.6 billion and R4.0 billion by FY2021, until the Covid-19 pandemic started to impact South Africa in early March 2020. The Group's normalised headline earnings results for full year to 30 June 2020 included the impact of additional provisions related to the Covid-19 pandemic as well as market related losses, however the overall outcome from operational activities still demonstrated a continuation of our pre-Covid-19 momentum and the robustness of our underlying results. The Group remains well capitalised with a strong balance sheet.

The Reset and Grow strategy was the right strategy at the right time, as it certainly put the Group in a better position to handle the impact of the pandemic. It contributed to stable operational results in FY2020, despite the Covid-19 related turmoil in the second half of the financial year. The Group continues to work on delivering on the 'Grow' initiatives which largely revolve around sales and service, product improvements, advancement of digital capabilities, and greater cost efficiencies. A process had been initiated to assess and redefine the Group's strategic goals beyond FY2021. The changing environment brought about by Covid-19 has been incorporated into this planning work as the Group continues to build on the strengths and successes to date.

2.2 Strategic Rationale

As the first major insurance group in South Africa to attain a Level 1 B-BBEE rating under the revised FSC, MMH continues to demonstrate its commitment to, and leadership in the industry with regards to broad-based economic transformation. This is in line with the Group's purpose to enable businesses and people from all walks of life to achieve their financial goals and life aspirations. MMH achieves this through its comprehensive product suite, its client-facing brands Momentum and Metropolitan and other specialist brands, targeted at a diverse client base, as well as a focus on value creation for Shareholders, clients, employees and all other stakeholders. MMH continues to focus on accessing business opportunities and markets which will enable business growth. This includes access to public sector business and key investment mandates. Its South African roots require that, as a responsible corporate citizen, MMH recognises that business growth is linked to being accessible to and representative of the South African demographic in all respects, including to its workforce, Shareholders and client base.

MMH recognises the need to address the high youth unemployment rate in South Africa. In the past financial year MMH provided over 800 Black unemployed youth with work experience through learnership and internship programmes, a great number of which received permanent employment within the financial services sector. MMH's investment in enterprise and supplier development has provided over 700 small, medium and micro enterprises with the tools and support to grow their businesses, creating over 1,200 jobs. Investment in socio-economic development initiatives which includes financial education, youth employment and employee volunteer programmes, has benefited over 8,000 young people with over 900 young people placed in jobs during the past financial year.

MMH's ambition is to be an organisation that is authentically transformed through embracing diversity and inclusion. To that effect, MMH has recently completed a five year employment equity plan, aimed at diversification of its workforce with a focus on management levels. Critical to this is the development of talent and encouraging internal mobility and rotation in critical functions supported by a culture of inclusiveness. Accordingly, MMH is seeking to establish the Scheme that will incorporate all of MMH's permanent employees based in South Africa, the majority of whom are Black as defined by the B-BBEE codes, thereby creating stable broad-based employee ownership in the Company. The Scheme will enhance MMH's empowerment shareholding with at least 85% of the benefits of the Empowerment Transaction accruing to Black People and 55% accruing to Black women.

By implementing the Empowerment Transaction, MMH will:

- further enhance broad-based and sustainable Black ownership in MMH Shares;
- Instil an entrepreneurial culture of ownership amongst our employees. Employees play a critical role in strengthening market share and making MMH a great place to work. A motivated and skilled workforce, together with efficient and value-creating solutions, services, and operations, offers value to our clients and Shareholders; and
- Strengthen MMH's competitive position and enhance the long-term sustainability of the Group's operations.

2.3 Enhancing broad-based empowerment shareholding

MMH believes in the authentic advancement of economic transformation and the economic participation of Black People. Broad-based employee ownership allows MMH to represent the demographics of the clients it serves and also develops an ethos in employees that is aligned to Shareholder and client expectations.

The focus on broad-based empowerment through employees, aligns with MMH's growth strategy. The pursuit of economic transformation has become a minimum competitive requirement and becomes even more important in enabling new business opportunities.

The pursuit of broad-based transformation recognises employees as key contributors to the growth of MMH and seeks to align them to the Group's strategy through ownership. Establishing employees as Shareholders, creates a pride of ownership and a nurturing sense of belonging, and in turn, motivates employees to strive for excellence. The Empowerment Transaction acknowledges the role that our people play in the growth and sustainability of MMH and aligns them more closely to Shareholder value creation.

3. THE EMPOWERMENT TRANSACTION

MMH wishes to establish the Scheme in order to support the Group in further enhancing its B-BBEE objectives, including the introduction of stable broad-based employee ownership in the Group, whilst also incentivising Eligible Employees. Accordingly, the Scheme will be established as an employee share ownership scheme in terms of Annexure 100(C) of Statement 100 of the B-BBEE Codes.

ESOP SPV will utilise the proceeds from the issue of the "A" Preference Shares and the "B" Preference Shares referred to in paragraph 4 below to make the Capital Contribution to the Trust which the Trust will utilise to acquire MMH Shares. The amount of the Capital Contribution will depend on the price of MMH Open Market Shares and the MMH Treasury Shares at the time of acquisition thereof by the Trust (as set out in paragraph 3.1 below), but will not exceed R1,050 million. Following the payment of the Capital Contribution, ESOP SPV will be a limited vested beneficiary of the Trust having a right to receive a portion of the income and capital distributed by the Trust until the Discharge Date. The Trust will Allocate Units to the Employee Beneficiaries which confer on the Employee Beneficiaries a vested right to Income and once the relevant Units vest and become Unrestricted, to Capital and, in particular, to acquire Trust Shares as set out in the Deed.

The Empowerment Transaction was approved by the MMH Board after thorough consideration of the structure, ensuring that risks are minimised or adequately mitigated and ensuring that the Empowerment Transaction is structured to support predictable and acceptable financial outcomes.

3.1 Salient terms

The Empowerment Transaction will extend to all Eligible Employees.

Approximately 78% of Eligible Employees are Black, as defined by the FSC, of which the majority are women. However, Allocation of Units in terms of the Scheme will be structured such that at least 85% of the economic benefits from the Scheme will accrue to Black Eligible Employees and at least 55% to female Black Eligible Employees. This will be achieved through the adoption of the Allocations Criteria which will govern the manner in which the trustees of the Trust may make Allocations.

The Trust will acquire the Trust Shares such that it will hold MMH Shares in aggregate representing 3% of the MMH issued share capital.

The acquisition of the Trust Shares will be funded by the Capital Contribution made by ESOP SPV using the proceeds of the Preference Shares issued on or before the Operative Date. ESOP SPV will, in consideration for the Capital Contribution, be a limited vested beneficiary of the Trust in respect of Capital and Income, until the Discharge Date.

The Trust will acquire the MMH Open Market Shares at the prevailing market price within 60 business days upon all conditions precedent to the Transaction Documents being satisfied. The MMH Treasury Shares will be acquired thereafter based on the trailing 30-day VWAP less the discount. The discount will be determined as 10% of the aggregate consideration paid for the MMH Open Market Shares and the 30-day VWAP value of the MMH Treasury Shares.

The Trust will Allocate Units to Eligible Employees in accordance with the instructions of MMH, but subject to the Allocation Criteria. Upon signature of an Allocations Letter, Eligible Employees will become vested beneficiaries of the Trust.

Allocated Units will be subject to a maximum seven year vesting period and will become redeemable for Trust Shares upon expiry of the Restricted Period.

Subject to the provisions of the Transaction Documents, up to 20% of all Distributable Income is payable to Employee Beneficiaries until ESOP SPV ceases to be a beneficiary of the Trust, after which Employee Beneficiaries become entitled to 100% of Distributable Income. Each Employee Beneficiary will be entitled to a pro rata share of the relevant portion of Distributable Income determined based on Allocated Units held by the respective Employee Beneficiary as a proportion of total Units, allocated and unallocated. After expiry of the Restricted Period, Allocated Units will become redeemable for Trust Shares, which on settlement, shall confer full ownership rights of such Trust Shares in favour of the respective Employee Beneficiary, including rights to all dividends and distributions paid from time to time.

The Trust will be administered by MMH with ancillary services provided by third party service providers as required. The administrative costs will be capped at R1.5 million per annum increased by CPI at the commencement of each Financial Year. In the event of a shortfall between the Costs payable by the Trust and the Income received by the Trust in any Financial Year, MMH shall loan such shortfall to the Trust on an interest-free basis, or such interest rate as agreed between the Trust and MMH, to discharge such Costs. Any such loan provided by MMH to the Trust shall be repaid annually as part of the Costs and to the extent that funds are available for this purpose, provided that MMH shall not at any one time be liable to advance more than an aggregate amount of R1.5 million (indexed) to the Trust (or such greater amount as it may from time to time agree to in writing).

The Scheme is intended to have a maximum duration of 15 years with the initial tranche of Units allocated under the Scheme eligible for full settlement after 10 years.

Any company in the MMH Group may provide financial assistance to ESOP SPV, the Preference Shareholders, the Trust and/or the Employee Beneficiaries including to provide additional security and/or credit support to the "A" Preference Shareholders and/or to fund the redemption of all or any part of the "A" Preference Shares and payment of costs of the establishment of the Scheme and the ongoing administration of the Scheme. This may, if required, be provided by way of Additional Preference Shares and Additional Capital Contributions.

3.2 Details of the Trust

3.2.1 *Establishment of the Trust*

The Trust will be established which in turn will incorporate a special purpose entity, ESOP SPV. The Trust will own 100% of the issued ordinary shares of ESOP SPV.

Absa will subscribe for the "A" Preference Shares and MMH will subscribe for the "B" Preference Shares in ESOP SPV. Additional Preference Shares may be issued or subordinated loans advanced by the Group from time to time if required to provide additional funding to discharge or refinance the Preference Share Obligations. ESOP SPV will use the proceeds of the Preference Shares to make the Capital Contribution to the Trust and, in return, will become a limited vested beneficiary of the Trust in respect of both Income and Capital to the extent of the Distribution Hurdle.

The Trust will utilise the Capital Contribution 1 to acquire the MMH Open Market Shares in accordance with the Implementation Agreement over a period of time. The Trust will utilise the Capital Contribution 2 to acquire the Treasury Shares in an once-off acquisition.

3.2.2 *Allocation of Units, vesting and restrictions*

The trustees will Allocate Units to Eligible Employees in accordance with the instructions of MMH, but subject always to the Allocation Criteria. Upon signature of an Allocation Letter, Eligible Employees will become vested beneficiaries of the Trust.

The trustees will allocate 80% of the Units to Eligible Employees on implementation of the Scheme being the Initial Allocations with 20% of Units reserved for subsequent new Eligible Employees up until the fifth anniversary of the Operative Date being the Reserve Allocations. Units which remain or become unallocated Units after the fifth anniversary of the Operative Date shall be available for Allocation to existing Employee Beneficiaries, provided that all Units shall be Allocated by the fourteenth anniversary of the Operative Date. The Trust shall have 449 242 610 Units available for Allocation and not more than 1 250 000 Units may be Allocated to any individual Employee Beneficiary over the life of the Trust. Accordingly, the maximum number of Trust Shares that an Employee Beneficiary can receive on the redemption of their Units is 125 000 (prior to the settlement of any relevant taxes) representing approximately 0.01% of the MMH Shares in issue.

Units Allocated will vest over a maximum period of seven years in accordance with the vesting profile stipulated in the Allocation Letter, provided that all Units shall automatically vest upon the termination of the Trust or death, permanent disability, retrenchment, retirement or voluntary retirement taken instead of retrenchment of the relevant Employee Beneficiary. All vested Units held by leavers will be retained by them, and unvested Units will be surrendered back to the Trust (for no consideration), unless the employment of the relevant leaver is lawfully terminated for cause as a consequence misconduct, commission of a dismissible offence or conviction of a criminal offence, in which case all vested and unvested Units Allocated to that leaver will be surrendered back to the Trust (for no consideration) and be available for Allocation to other Eligible Employees.

An Employee Beneficiary who ceases to be employed by the Group for reasons other than those contemplated above shall, notwithstanding such termination of his employment, be entitled to all vested Units allocated to him, and shall automatically forfeit all Units Allocated to him which have not become Vested Units, for no compensation. If the dismissal of a former Employee Beneficiary is reversed by any South African court or regulatory body in terms of South African law and his employment is reinstated, then on such reinstatement the Units (vested and unvested) forfeited by him pursuant to the termination of his employment shall, to the extent possible, similarly be reinstated on the same terms as if they had never been forfeited. The Trust shall also, to the extent possible, pay to such person over such period of time as it may determine, the amount of any distributions that he would have received had his dismissal never occurred.

Employee Beneficiaries will be restricted from dealing with their vested Units for the Restricted Period. After expiry of the Restricted Period, all vested Units held by Employee Beneficiaries will be redeemable for Trust Shares. The number of Trust Shares which an individual Employee Beneficiary will be entitled to will be determined with reference to the number of Unrestricted Units held by that Employee Beneficiary as a percentage of all Units (both Allocated and unallocated) multiplied by the number of Trust Shares held by the Trust on the Business Day immediately prior to that on which the calculation is made.

Upon redemption of Units Employee Beneficiaries must, in terms of section 8C(1) of the Income Tax Act, include in their "income" (as defined in section 1 of the Income Tax Act) an amount equal to the Market Value of the Trust Shares attributable to him/her pursuant to such Redemption. The relevant employer company will, in turn, be required to pay to the South African Revenue Service employees tax ("**Employee Tax**") calculated thereon. The employer company will notify the Employee Beneficiary and the trustees of the amount of the Employee Tax in question. The Employee Beneficiary may, pay to the Trust, in cash, free of costs of transfer, deduction or set off of any nature, the amount of the Employees Tax, failing which the trustees shall Dispose, from those Trust Shares attributable to the Employee Beneficiary in question, such number of Trust Shares, on the open market, as is necessary to realise the requisite cash required to settle the Employee Tax. The trustees will on receipt thereof pay over the relevant amount to the employer company on behalf of the Employee Beneficiary.

3.2.3 *Dividends and other distributions*

Dividends and other distributions declared and paid on the Trust Shares are income in the hands of the Trust, save for Special Distribution which are treated as capital and therefore payable to ESOP SPV in their entirety for so long as ESOP SPV is a beneficiary of the Trust.

Generally, 80% of all Distributable Income will be paid to ESOP SPV until such time as it has received an amount equal to the Distribution Hurdle, following which ESOP SPV will cease to be a beneficiary of the Trust.

Subject to the provisions of the Transaction Documents, up to 20% of all Distributable Income is payable to Employee Beneficiaries until ESOP SPV ceases to be a beneficiary of the Trust, after which Employee Beneficiaries become entitled to 100% of Distributable Income. The amount of Distributable Income which an individual Employee Beneficiary is entitled is determined with reference to the number of Allocated Units held by that Employee Beneficiary as a percentage of all Units (both Allocated and unallocated). Distributable Income attributable to unallocated Units will be paid to ESOP SPV for so long as it is a beneficiary of the Trust.

Distributions to the Employee Beneficiaries may be halted and/or some or all of their entitlements paid to the Preference Shareholder if required under the Transaction Documents.

3.2.4 *Voting*

The trustees will exercise the votes attaching to the Trust Shares during the life of the Trust with decisions of the trustees being made by a simple majority vote of the trustees. The trustees are obliged to convene a meeting of the Employee Beneficiaries in advance of any Shareholders meeting in order to determine how Employee Beneficiaries wish the votes attaching to Trust Shares to be exercised. The trustees must, to the extent that they are lawfully able to, exercise the votes attaching to the Trust Shares in accordance with the decisions of the Employee Beneficiaries. For example, only if giving effect to the decision of the Employee Beneficiaries would result in a breach by the Trustees of fiduciary duties to act in the best interests of the Beneficiaries and ensure that the Trust complies with all of its obligations, would the Trustees be able to deviate from such a decision. Each Employee Beneficiary is entitled to one vote for each Allocated Unit held by such Employee Beneficiary and ESOP SPV (for so long as it is a beneficiary of the Trust) has one vote.

The Trust will not be allowed to vote on resolutions of the Shareholders of MMH which are required by the JSE until such time as the majority of the trustees have been appointed by the participants and the independent chairperson has been appointed.

3.2.5 *Appointment of Trust trustees*

There will be seven trustees, three of whom can be appointed by MMH and four by the Employee Beneficiaries.

Two of the trustees appointed by MMH must be independent (one of whom will be an existing independent non-executive director of MMH) and two of the trustees appointed by the Employee Beneficiaries must be independent. Consequently, more than half of the trustees must be independent.

The remaining two trustees appointed by the Employee Beneficiaries may be participants and the remaining one trustee appointed by MMH may be a participant. Consequently not more than three trustees may be participants.

The chairperson of the trustees is elected by them from amongst their number, provided that the chairperson must be an independent trustee. Decisions of the trustees are made by simple majority vote. The chairperson has a casting vote in the event of an equality of votes between the trustees.

After the Operative Date and once the Initial Allocations have been made, the two initial trustees (who have already been appointed by MMH) will convene a meeting of the Employee Beneficiaries in order to elect additional trustees. MMH will also appoint an additional trustee at that time.

Trustees (other than independent trustees) are not be entitled to remuneration from the Trust for their services as trustees, unless (i) otherwise determined by MMH, from time to time, having regard to market norms and (ii) until the Discharge Date, approved by the Majority Preference Shareholders. Independent trustees shall be entitled to such remuneration as is (i) determined by the trustees in consultation with MMH, from time to time, having regard to market norms and (ii) until the Discharge Date, approved by the Preference Shareholders.

3.2.6 *Corporate Events*

3.2.6.1 For the purposes of this clause 2.2.7, the term “Corporate Event” means an event as a result of which:

- 3.2.6.1.1 an offer made to the holders of equity securities (or any class thereof) in MMH or any holding company thereof; and/or the holders of equity securities (or a class thereof) of MMH or any holding company Dispose of some or all of their equity securities; and/or a scheme of arrangement between MMH (or any holding company) and holders of its (or their) equity securities or any class thereof is proposed, in each case which constitutes an ‘affected transaction’ under Chapter 5 of the Companies Act and the regulations published thereunder (the “Takeover Regulations”) issued by the Takeover Regulation Panel (or equivalent provision under applicable law from time to time) or would constitute such an ‘affected transaction’ were MMH or the relevant holding company to be subject to the Takeover Regulations;
- 3.2.6.1.2 MMH is subject to any merger, consolidation, amalgamation, combination or exchange of shares or other corporate exchange, or proposed merger, consolidation, amalgamation, combination or exchange of shares or other corporate exchange, but excluding for purposes of this clause 3.2.6.1.2 (unless so designated by MMH) any issue by MMH of equity securities directly or indirectly in consideration for the acquisition by it of assets or securities from or of another person; and/or
- 3.2.6.1.3 if MMH is placed in liquidation, whether pursuant to a solvent reorganisation or otherwise, or subject to business rescue proceedings in terms of the Companies Act.

3.2.6.2 Upon the occurrence of a Corporate Event, MMH will determine whether or not the Trust should (i) be terminated and the Trust Shares held by it Distributed to the beneficiaries prior to the implementation of the Corporate Event in question and (ii) the Trust should participate in the Corporate Event and thereafter be terminated and distribute the proceeds thereof to the beneficiaries. Subject to the termination of the Trust, the Vesting of Allocated Units is automatically accelerated and all restrictions to which Units are subject are automatically terminated with effect from a date determined by MMH and notified, in writing, to the trustees. All restrictions on all Units will automatically be terminated with effect from a date so determined by MMH, and notified, in writing, to the trustees.

3.2.7 *Termination of the Trust*

3.2.7.1 The Trust shall terminate (i) upon resolution of MMH, (ii) the Final Date; or (iii) in the event that there are no longer Allocated Units held by Employee Beneficiaries, provided that in all circumstances the consent of the Majority Preference Shareholders is obtained, to the extent required in terms of the relevant Preference Share Subscription Agreement.

3.2.7.2 Upon termination of the Trust, the trustees shall realise the remaining assets of the Trust, wind-up the affairs of the Trust and within six months pay any surplus remaining in the Trust (after deduction and/or provision for all costs, expenses and liabilities) over to the Employee Beneficiaries by way of a final distribution, or if no beneficiaries remain or the trustees and MMH agree, to an entity identified by the trustees as furthering the objectives of B-BBEE

4. FUNDING FOR THE EMPOWERMENT TRANSACTION

The Empowerment Transaction will be funded by the issuance of the Preference Shares by ESOP SPV to MMH and Absa as follows:

- a) The issue of "A" Preference Shares to Absa for a total consideration of not more than R350 million (such consideration determined based on the MMH Treasury Share Price). The "A" Preference Shares will only be redeemable on the fifth anniversary of the subscription date and will attract a cumulative dividend at a rate equal to 72% of the prime lending rate, with dividends payable on a semi-annual basis. The A Preference Shares will rank ahead of the "B" Preference Shares, the Additional Preference Shares, ESOP SPV ordinary shares and any loans advanced by MMH or its nominee to the Trust. Trust will provide a guarantee in respect of the A Preference Share Obligations, which will be secured by the "A" Preference Share Security.
- b) The issue of "B" Preference Shares to MMH, or its nominee, for a total consideration of not more than R700 million (such consideration determined based on the aggregate purchase price to be paid by the Trust to acquire the MMH Open Market Shares and MMH Treasury Share Price). The "B" Preference Shares will only be redeemable on the seventh anniversary of the subscription date and will attract a cumulative dividend at a rate equal to 120% of the prime lending rate, with dividends capitalised until the "A" Preference Shares have been redeemed and the Preference Share Security has been released and thereafter, payable on a semi-annual basis. The "B" Preference Shares will be secured by a reversionary guarantee by Trust to MMH (or its nominee) in respect of the "B" Preference Share Obligations, which will in turn be secured by the "B" Preference Share Security.
- c) In order to support the required Security Cover Ratios from time to time, MMH or its nominee may (i) subscribe for Additional Preference Shares on substantially the same terms as the "B" Preference Shares (with an appropriate redemption date). The Additional Preference Shares will be secured by the "B" Preference Share Security; and/or (ii) advance subordinated loans to ESOP SPV.

In the event that the Security Cover Ratio:

- a) falls below 2.0 times but is not less than 2.0 times and the ESOP SPV Entitlement is:
 - (i) not sufficient in order to service the aggregate of the amount payable to the Preference Shareholders from time to time upon receipt by the Trust of any distributions in respect of the Trust Shares ("**Preference Share Distribution Obligations**") and any accrued and unpaid dividends in relation to the corresponding Preference Shares, or is otherwise not permitted to be paid in terms of the Transaction Documents, then the Trust shall not make payment of any Distributable Income to any Employee Beneficiary ("**Employee Beneficiary Distributable Income**") until such time as the relevant Preference Shares Distribution Obligations and any accrued and unpaid dividends in relation to the corresponding Preference Shares have been paid in full and such payment is permitted in terms of the Transaction Documents and their vested entitlement thereto shall remain outstanding on interest free loan account, until such time as payment of the Employee Beneficiary Distributable Income is permitted; and
 - (ii) sufficient in order to service the relevant Preference Share Distribution Obligations and any accrued and unpaid dividends in relation to the corresponding Preference Shares, then the Trust may make payment of Employee Beneficiary Distributable Income, or part thereof, as contemplated in the Deed; or
- b) falls below 2.0 times, then the Trust shall not make payment to the Employee Beneficiaries of any Employee Beneficiary Distributable Income, and their vested entitlement thereto shall remain outstanding on interest free loan account, until such time as the Security Cover Ratio exceeds 2.0 times and the relevant Preference Share Distribution Obligations and any accrued and unpaid dividends in relation to the corresponding Preference Shares have been discharged and payment thereof is permitted in terms of the Transaction Documents.

In order to facilitate the redemption of any Preference Shares, the trustee shall, subject to the provisions of the Transaction Documents, be entitled to dispose of such number of Trust Shares as they deem necessary from time to time in order to realise an amount, in cash, required to discharge the Preference Share Distribution Obligations and/or the Preference Share Obligations from time to time and, upon receipt thereof, distribute that amount to ESOP SPV. Accordingly, the Group is seeking specific authority to acquire MMH Shares (either directly or through a subsidiary) from the Trust from time to time upon such terms and conditions and in such amounts as the MMH Board may from time to time determine, in terms of and subject to: (i) sections 4, 46 and 48 of the Companies Act; (ii) the applicable provisions of the MMH MOI; and (iii) the Listings Requirements and provided that such repurchases must not be made at a price greater than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the repurchase.

5. FINANCIAL IMPACT OF THE EMPOWERMENT TRANSACTION ON MMH

5.1 IFRS 2: Share-based Payment

The Empowerment Transaction meets the requirements of an equity-settled IFRS 2: Share-based Payment arrangement and the associated expense of implementing the Empowerment Transaction will be calculated with reference to the requirements of IFRS and the SAICA Financial Reporting Guide 2 – Accounting for Black Economic Empowerment (BEE) Transactions.

The Empowerment Transaction will be accounted for as an equity-settled share-based payment and will result in recurring IFRS 2 charges for MMH for the duration of the Scheme. The IFRS 2 charge will be recognised in accordance with the graded vesting principle which will result in a higher proportion of the charge associated with any Allocation being recognised in the earlier years of Unit vesting.

The estimated annual share-based payment charge in respect of the Initial Allocation is set out below:

Rm	Year									
	1	2	3	4	5	6	7	8	9	10
Annual IFRS 2 charge	79.0	48.9	29.5	18.3	11.1	6.2	2.6	-	-	-
Cumulative IFRS 2 charge recognised in Equity	79.0	127.9	157.4	175.7	186.8	193.0	195.6	195.6	195.6	195.6

The IFRS 2 charge is sensitive to changes in key assumptions including the MMH Share price, outlook for dividends and dividend growth, MMH Share volatility and the applicable risk-free rate. The tables below illustrate the estimated IFRS 2 charge based on, *ceteris paribus*, various sensitivities to these key inputs. The tables below are provided for illustrative purposes only.

Sensitivity to MMH Share price

Scenario	MMH 30-day VWAP (Rand)	Total initial Allocation IFRS 2 charge (Rm)	Initial Allocation FY2021 IFRS 2 charge (Rm)	Total IFRS 2 assuming 100% initial allocation (Rm)
Last Practicable Date	15.28	195.6	79.0	235.1
52-week high	21.87	256.8	103.8	312.8
52-week low	15.23	195.1	78.9	234.5

Sensitivity to MMH dividend growth rate

Scenario	MMH dividend growth rate	Total initial Allocation IFRS 2 charge (Rm)	Initial Allocation FY2021 IFRS 2 charge (Rm)	Total IFRS 2 assuming 100% initial allocation (Rm)
Base case	16.7% CAGR	195.6	79.0	235.1
Linear growth	20.6% p.a.	195.6	79.1	235.2
High case (+200 bps)	22.6% p.a.	201.2	81.3	240.8
Low case (-200 bps)	18.6% p.a.	190.9	77.2	230.4

Sensitivity to MMH Share volatility

Scenario	MMH Share volatility	Total initial Allocation IFRS 2 charge (Rm)	Initial Allocation FY2021 IFRS 2 charge (Rm)	Total IFRS 2 assuming 100% initial allocation (Rm)
Base case	40%	195.6	79.0	235.1
High case (+300 bps)	43%	202.2	81.7	243.5
Low case (-300 bps)	37%	188.8	76.3	226.4

Sensitivity to risk-free rate

Scenario	Risk-free rate	Initial Allocation IFRS 2 charge (Rm)	Initial Allocation FY2021 IFRS 2 charge (Rm)	Total IFRS 2 assuming 100% initial allocation (Rm)
Base case	11.4%	195.6	79.0	235.1
High case (+200 bps)	13.4%	210.6	85.1	253.6
Low case (-200 bps)	9.4%	180.3	72.9	216.4

The sensitivity tables presented above have not been reported on nor reviewed by the Independent Reporting Accountant or Auditor.

5.2 Impact on Own Funds and Solvency Capital

While the “B” Preference Share will be subscribed for by MMH, the Group’s main life license, MML, is the main contributor towards MMH’s funding requirements. As such, the MML solvency cover ratio is expected to decrease by less than 0.04 times.

5.3 Summarised *Pro forma* financial information relating to the Empowerment Transaction

The table below is an extract of the *pro forma* financial information of the Empowerment Transaction set out in Annexure 1 to this Circular, based on the published audited financial results of MMH for the year ended 30 June 2020.

This *pro forma* financial information is prepared for illustrative purposes only, to provide information about how the Empowerment Transaction may have affected the financial information presented by MMH for the year ended 30 June 2020.

The *pro forma* financial information is calculated on the assumption that the Empowerment Transaction occurred on 1 July 2019 for the purposes of the *pro forma* consolidated statement of comprehensive income and at 30 June 2020 for the purposes of the *pro forma* consolidated statement of financial position.

The directors of MMH are responsible for the compilation, contents and preparation of the *pro forma* financial information included in this Circular.

The *pro forma* financial information has been prepared using IFRS accounting policies that are consistent with those applied in the published audited financial results of MMH for the year ended 30 June 2020. The *pro forma* financial information is presented in accordance with the JSE Listings Requirements and the revised SAICA Guide on *Pro forma* Financial Information.

The *pro forma* financial information has been prepared based on the assumptions indicated in Annexure 1 to this Circular. The actual MMH Share price and other observable market information at the Allocation Date will affect the actual impact of the Empowerment Transaction on the financial information.

The *pro forma* financial information of MMH is presented in Annexure 1 to this Circular. The *pro forma* financial information included in Annexure 1 to this Circular should be read in conjunction with the Independent Reporting Accountant's assurance report thereon included as Annexure 2 to this Circular.

	Before the Empowerment Transaction ¹	ESOP SPV funding ²	Acquisition of Trust Shares ³	IFRS 2 costs ⁴	Other transaction costs ⁵	After the Empowerment Transaction ⁶
	Actual	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>
Basic earnings per share (cents)	12.3	(0.8)	0.1	(5.5)	(0.9)	5.2
Diluted earnings per share (cents)	12.3	(0.8)	0.1	(5.5)	(0.9)	5.2
Basic headline earnings per share (cents)	71.3	(0.8)	0.9	(5.5)	(0.9)	65.0
Diluted headline earnings per share (cents)	71.3	(0.8)	0.9	(5.5)	(0.9)	65.0
Net asset value per share (Rand)	15.56	15.56	15.57	15.57	15.56	15.56

Notes:

1. Extracted, without adjustment, from the published audited financial results of MMH for the year ended 30 June 2020 as released on SENS on 9 September 2020.
2. Represents the adjustment for dividends on the R229 million of "A" Preference Shares issued by ESOP SPV to Absa, calculated at an all-in blended rate of 5.0%. Fees linked to the "A" Preference Share issue will be amortised over the term of the "A" Preference Shares in line with IFRS 9 Financial Instruments, which is included in the all-in blended rate. The issue of R389 million "B" Preference Shares by ESOP SPV to MMH are eliminated on consolidation.
3. Represents the adjustment for the acquisition by the Trust of 17 987 573 MMH Open Market Shares. On consolidation of the Trust, these MMH Open Market Shares will be treated as treasury shares in the financial results of MMH (and hence the increase in per share metrics). The Trust will also acquire 26 936 688 MMH Treasury Shares which are currently treated as treasury shares in the audited financial results of MMH for the year ended 30 June 2020. Accordingly, the acquisition of the MMH Treasury Shares will have no impact on the *pro forma* financial information. No tax effects relating to the Disposal are accounted for based on the current acquisition price assumption. The Trust Shares will all be fully issued and will rank in full for all dividends or other distributions declared, made or paid, however, these are excluded from the calculation of basic earnings and basic headline earnings.
4. The share-based payment benefit provided to the Trust is recognised as an equity-settled share-based payment transaction in terms of IFRS 2 – Share-based Payments. The estimated total share-based payment recognised over the lifetime of the scheme can vary significantly based on staff attrition rates, MMH Share price growth and the ultimate percentage of Units in the Trust Allocated. The total expected cost for the planned Initial Allocation in the 2021 financial year (80% of Units) is R196 million. These costs are recognised in accordance with the graded vesting principles which result in a higher proportion of the charge being recognised in the earlier years. The share-based expense recognised in the first year is R79 million (40% of the Initial Allocation). No tax benefit is recognised against these share-based payment expenses. The actual share-based payment charge will be calculated with reference to the market information on the Allocation Date.
5. The estimated transaction costs of R13 million are non-recurring and are expensed as incurred.
6. This represents the *pro forma* financial information subsequent to the Empowerment Transaction.

6. CONDITIONS PRECEDENT

The implementation of the Empowerment Transaction is subject to the fulfilment (or waiver) of the following conditions:

- all the relevant Shareholder approvals as set out in this Circular being duly obtained; and
- the Transaction Documents being entered into and becoming unconditional.

7. MAJOR SHAREHOLDERS

As at the Last Practicable Date, Shareholders beneficially interested in 5% or more of MMH Shares are as follows:

	Number of MMH Shares	% of issued share capital of MMH
RMI Holdings Limited	401 048 075	26.78
Government Employees Pension Fund (PIC)	108 654 062	7.26
Off The Shelf Investments 108 Pty Ltd (Kagiso Tiso Holdings)	80 813 600	5.40

8. MATERIAL CHANGES AND MATERIAL RISKS

There have been no material changes in the financial or trading position of MMH and its subsidiaries between the release of the audited financial statements for the year ended 30 June 2020, as released on 9 September 2020, and the date of this Circular.

Shareholders are referred to the material risks set out in the Company's Integrated Annual Report which is available at www.momentummetropolitan.co.za.

9. SHARE CAPITAL OF MMH

The share capital of MMH as at the Last Practicable Date is as follows:

<i>Number of shares</i>	<i>R</i>
Authorised	
2 000 000 000 Ordinary shares of 0.0001 cents each	2 000.00
76,000,000 A1 MMH preference shares of 0.0001 cent each	76.00
13,000,000 A2 MMH preference shares of 0.0001 cent each	13.00
40,000,000 A3 MMH preference shares of 0.0001 cent each	40.00
	2 129.00
Issued	
1,497,475,356 listed MMH ordinary shares of 0.0001 cent each	1 497.48
28,060,898 A3 MMH preference shares of 0.0001 cent each	28.06
Total share capital	1 525.54

10. INFORMATION ON DIRECTORS

10.1 Details and experience of Directors and senior management

Biographical details of the Directors and senior management of MMH and its major subsidiaries are set out in Annexure 3 to this Circular.

10.2 Directors' remuneration

Directors' remuneration will not be varied as a result of the Empowerment Transaction.

10.3 Directors' interest in MMH Shares

The interest of the Directors and their associates in MMH Shares as at the Last Practicable Date is as follows:

	Direct beneficial '000	Indirect beneficial '000	Total '000	Percentage (%)
Executive Directors				
HP Meyer	248	390	638	0.04
J Marais	189	–	189	0.01
Non-executive Directors				
FJC Truter	44	433	477	0.03
JC van Reenen	–	144	144	0.01
KC Shubane	78	7	85	0.01
P Cooper	292	150	442	0.03

10.4 Directors' interests in transactions

No Director has a direct or indirect interest in the Empowerment Transaction or any other transaction by the Company, that was effected during the current or 2 (two) immediately preceding financial years, other than the executive Directors who are Eligible Employees and will be precluded from voting on the board and Shareholder resolutions necessary to give effect the Empowerment Transaction.

11. TRANSACTION COSTS

The estimated cost of the Empowerment Transaction to MMH (VAT exclusive) is set out below. There have been no preliminary expenses incurred by MMH within the three years preceding the date of this Circular in relation to the Empowerment Transaction.

Service	Service Provider	Amount (R'000)
Financial Advisor and Transaction Sponsor	Standard Bank	8 000
Legal and Tax Advisor	Webber Wentzel	3 500
JSE inspection fees	JSE	25
Printing and publishing	GreymatterFinch	500
Transfer Secretaries	Link Market Services	30
Independent Reporting Accountant and Auditor	EY	900
Total		12 955

12. GENERAL MEETING

The General Meeting of Shareholders to consider and, if deemed fit, pass with or without modifications the resolutions set out in the Notice of General Meeting, will be held on Thursday, 26 November 2020 at 09:00 or as soon as the AGM is concluded at The MARC, Tower 2, 129 Rivonia Road, Sandton in Robben Island Meeting Room.

The Notice of General Meeting and a form of proxy (green) for use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration who are unable to attend the General Meeting are attached to this Circular. A duly completed form of proxy (green) must be received by the Transfer Secretaries by no later than 09:00 on Tuesday, 24 November 2020.

The following resolutions contained in the Notice of General Meeting are inter-conditional:

- Special resolution number 1 – Financial assistance under and for purposes of the Scheme;
- Ordinary resolution number 1: Scheme approval;
- Ordinary resolution number 2: Sale of MMH Treasury Shares; and
- Ordinary resolution number 3: General authority.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names appear in page 15 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading, and all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by the Listings Requirements.

14. LITIGATION STATEMENT

The Company is not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or had, in the previous 12 months, a material effect on the Group's financial positions.

15. CONSENTS

The Transfer Secretaries, Legal Advisers, Independent Reporting Accountant and Auditor, Financial Advisor and Transaction Sponsor have all provided their written consent to their names being published in this Circular and have not withdrawn their consent prior to the publication of this Circular.

16. DISCLOSURE OF CONFLICT

Shareholders are advised that Standard Bank has been appointed as Financial Advisor and Transaction Sponsor in relation to the Empowerment Transaction.

In its capacity as Transaction Sponsor, Standard Bank has confirmed to the JSE and MMH that there is no matter that would impact on its ability to exercise reasonable care and judgement to achieve and maintain independence and objectivity in professional dealings in relation to MMH, and that would impact on its ability to act within the Code of Conduct as set out in the Listings Requirements. The Standard Bank JSE and Regulatory team is a separate and distinct unit within the larger Standard Bank Corporate Finance department comprising of its own dedicated team members.

Standard Bank has various internal procedures in place to ensure that its ability to act independently as JSE sponsor, is not compromised. Pursuant to these internal procedures, Standard Bank has a Compliance Control Room function that identifies and manages conflicts risks and ensures that strict "chinese walls" are maintained to ensure that as JSE sponsor, it is able to act independently from other divisions within Standard Bank. Standard Bank also enforces and implements physical and logical access restrictions to information, which is limited to deal teams for whom the information is relevant, for the purpose of fulfilling the client mandate.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excluded) at the registered office of MMH and the Transaction Sponsor and, given lock-down regulations, can be also be obtained electronically from MMH's Investor Relations, InvestorRelations@mmltd.co.za upon request during normal business hours from Friday, 23 October 2020 to Thursday, 26 November 2020:

- the MOI;
- the memorandum of incorporation of ESOP SPV;
- a signed copy of this Circular;
- the audited published financial results of the Company for the three years ended 30 June 2020, 30 June 2019 and 30 June 2018;
- the Deed lodged with the Master of the High Court which is expected to be registered approximately six weeks after the issue date of the Circular and any other relevant Transaction Documents;
- the Independent Reporting Accountant's Assurance Report on the *Pro forma* Financial Information;
- the consent letters from the Advisers, Transaction Sponsor and Independent Reporting Accountant and Auditor; and
- the Treasury Share Acquisition Agreement;

By order of the Board

Risto Sakari Ketola
Group Finance Director

Friday, 23 October 2020

PRO FORMA FINANCIAL INFORMATION

The definitions and interpretations commencing on page 6 of this Circular apply, *mutatis mutandis*, to this Annexure 1 to the Circular.

The *pro forma* statement of financial position and the *pro forma* statement of comprehensive income have been prepared for illustrative purposes only and, because of their nature, may not fairly present MMH's financial position, results of operations, nor the effect and impact of the Empowerment Transaction going forward.

The directors of MMH are responsible for the compilation, contents, accuracy and presentation of the *pro forma* financial information, and for the financial information from which it has been prepared.

The *pro forma* consolidated statement of financial position and the *pro forma* consolidated statement of comprehensive income are presented in a manner consistent in all respects with IFRS, the Revised SAICA Guide on *Pro forma* Financial Information, the JSE Listings Requirements and the basis on which the published audited financial results of MMH for the year ended 30 June 2020 have been prepared by MMH.

This *pro forma* financial information is prepared for illustrative purposes only, to provide information about how the Empowerment Transaction may have affected the financial information presented by MMH for the year ended 30 June 2020.

The *pro forma* consolidated statement of financial position and *pro forma* consolidated statement of comprehensive income as set out below should be read in conjunction with the Independent Reporting Accountant's assurance report set out in Annexure 2 to this Circular.

The *pro forma* consolidated statement of financial position below presents the effects of the Empowerment Transaction on MMH for the year ended 30 June 2020, on the assumption that the Empowerment Transaction was effective on 30 June 2020.

The *pro forma* consolidated statement of comprehensive income below presents the effects of the Empowerment Transaction on MMH for the year ended 30 June 2020, on the assumption that the Empowerment Transaction was effective on 1 July 2019.

The *pro forma* financial information is based on the published audited financial results of MMH for the year ended 30 June 2020 released on SENS on 9 September 2020. All financial information has been extracted, without adjustment except as indicated in the detailed notes to this Annexure.

PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

R'000	Before the Empowerment Transaction¹	ESOP SPV funding²	Acquisition of Trust Shares³	IFRS 2 transaction costs⁴	Other transaction costs⁵	After the Empowerment Transaction⁷
Net insurance premiums	33,281	-	-	-	-	33,281
Fee income	8,418	-	-	-	-	8,418
Investment income	22,442	-	-	-	-	22,442
Net realised and fair value gains	(12,711)	-	-	-	-	(12,711)
Net income	51,430	-	-	-	-	51,430
Net insurance benefits and claims	27,000	-	-	-	-	27,000
Change in actuarial liabilities and related reinsurance	(9,524)	-	-	-	-	(9,524)
Change in long-term insurance contract liabilities	(7,501)	-	-	-	-	(7,501)
Change in non-life insurance contract liabilities	(28)	-	-	-	-	(28)
Change in investment contracts with DPF liabilities	(2,187)	-	-	-	-	(2,187)
Change in reinsurance assets	(165)	-	-	-	-	(165)
Change in reinsurance liabilities	357	-	-	-	-	357
Fair value adjustments on investment contract liabilities	6,442	-	-	-	-	6,442
Fair value adjustments on collective investment scheme liabilities	1,613	-	-	-	-	1,613
Depreciation, amortisation and impairment expenses	2,125	-	-	-	-	2,125
Employee benefit expenses	6,354	-	-	79	-	6,433
Sales remuneration	6,634	-	-	-	-	6,634
Other expenses	6,856	-	-	-	13	6,869
Total expenses	47,500	-	-	79	13	47,592
Rest of operations	3,930	-	-	(79)	(13)	3,838
Share of loss of associates and joint ventures	(282)	-	-	-	-	(282)
Finance costs	(1,085)	(12)	-	-	-	(1,097)
Profit before tax	2,563	(12)	-	(79)	(13)	2,459
Income tax expense	(2,277)	-	-	-	-	(2,277)
Earnings for year	286	(12)	-	(79)	(13)	182
Attributable to						
Owners of the parent	178	(12)	-	(79)	(13)	74
Non-controlling interests	108	-	-	-	-	108

PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020
(continued)

R'000	Before the Empowerment Transaction ¹	ESOP SPV funding ²	Acquisition of Trust Shares ³	IFRS 2 transaction costs ⁴	Other transaction costs ⁵	After the Empowerment Transaction ⁷
Basic earnings per ordinary share (cents)	12.3	(0.8)	0.1	(5.5)	(0.9)	5.2
Diluted earnings per ordinary share (cents)⁶	12.3	(0.8)	0.1	(5.5)	(0.9)	5.2
Earnings for year	178	(12)	-	(79)	(13)	74
Loss on step-up of joint venture	8	-	-	-	-	8
Intangible asset impairments	349	-	-	-	-	349
Tax on intangible asset impairments	(34)	-	-	-	-	(34)
Gain on sale of subsidiary	(118)	-	-	-	-	(118)
Impairments relating to held for sale entities	52	-	-	-	-	52
FCTR reversal on sale of foreign subsidiary	43	-	-	-	-	43
Impairment of owner-occupied property below cost	568	-	-	-	-	568
Tax on impairment of owner-occupied property below cost	(10)	-	-	-	-	(10)
Headline Earnings for year	1,036	(12)	-	(79)	(13)	932
Basic headline earnings per ordinary share (cents)	71.3	(0.8)	0.9	(5.5)	(0.9)	65.0
Diluted headline earnings per ordinary share (cents)⁶	71.3	(0.8)	0.9	(5.5)	(0.9)	65.0

Notes and assumptions to pro forma effects on the pro forma consolidated statement of comprehensive income:

1. Extracted, without adjustment, from the published audited financial results of MMH for the year ended 30 June 2020 as released on SENS on 9 September 2020.
2. Represents the adjustment for dividends on R229 million of "A" Preference Shares issued by ESOP SPV to Absa, calculated at an all-in blended rate of 5.0%. The issue of R389 million "B" Preference Shares by ESOP SPV to MMH are eliminated on consolidation. This will have a recurring impact.
3. Represents the adjustment for the acquisition by the Trust of 17 987 573 MMH Open Market Shares from the open market at an average price of R15.28 being the MMH Share VWAP for the 30 days preceding the Last Practicable Date. On consolidation of the Trust, these MMH Open Market Shares will be treated as treasury shares in the financial results of MMH. The Trust will also acquire the MMH Treasury Shares which are currently treated as treasury shares in the audited financial results of MMH for the year ended 30 June 2020. Accordingly, the acquisition of the MMH Treasury Shares will have no impact the pro forma financial information. No tax effects of the Disposal are accounted for based on the current acquisition price assumption. This will not have a recurring impact. Both the number of shares in issue as well as the diluted number of shares will decrease.
4. The share-based payment benefit provided to the Trust is recognised as an equity settled share-based payment transaction in terms of IFRS 2 – Share-based Payments. This will be a recurring impact, diminishing over time, as a higher proportion of the share-based payment charge associated with an allocation will be recognised in equity the earlier years of the underlying vesting schedule, in accordance with the graded vesting principles. The estimated expense recognised in the 2021 financial year (relating to the allocation of 80% of the units) is R79 million. The Initial Allocation (80% of Units) is expected to accrue R196 million of such costs over its life time. These costs were calculated based on the following assumptions:
 - a MMH Share price of R15.28 being the MMH Share VWAP for the 30 days preceding the Last Practicable Date.
 - Volatility of 40% in the MMH Share price, based on market-observable pricing;
 - Expected dividend growth of 16.1%; and
 - The risk-free rate of 11.4%, based on a curve constructed from market-observable information.The actual share-based payment charge will be calculated with reference to the market information on the Allocation Date. This will not have an impact on the number of issued MMH Shares, but will have an impact on the diluted number of MMH Shares. Diluted measures have been calculated assuming that the value of the trust's loans outstanding at the end of the year is R618 million (the same as at the start of the Scheme) and the share price is R15.28 (the same as the VWAP at the start of the Scheme). The IFRS 2 share-based payment valuation does not take into consideration the possibility of the security cover ratio being breached. Based on the assumptions made, this security cover ratio will start at 3.0 times and improve over time and as a result we do not expect a significant impact on the value.
5. The estimated other transaction costs of R13 million are not recurring and are expensed as incurred. These expenses will not be deductible for tax purposes.
6. For basic earnings per share, for column 1 and 2, the calculation is based on the number of MMH Shares outstanding, equal to 1 452 million, whereas from column 3 onwards, it is reduced to 1 434 012 427 for the additional treasury shares acquired. For diluted earnings per share, for column 1 and 2, the calculation is based on the number of shares outstanding equal to 1 452 million, column 3 it is reduced to 1 434 012 427 consistent with the basic number of shares and column 4 and 5 are adjusted for the dilutive impact of the equity-settled share based payment (1 434 321 919 shares). The Trust Shares rank in full for all dividends and distributions.
7. This presents the pro forma consolidated statement of comprehensive income subsequent to the Empowerment Transaction.

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

R'000	Before the Empowerment Transaction ¹	ESOP SPV funding ²	Acquisition of Trust Shares ³	IFRS 2 transaction costs ⁴	Other transaction costs ⁵	After the Empowerment Transaction ⁶
Assets (Rm)						
Intangible assets	10,339	-	-	-	-	10,339
Owner-occupied properties	3,598	-	-	-	-	3,598
Property and equipment	387	-	-	-	-	387
Investment properties	9,042	-	-	-	-	9,042
Properties under development	118	-	-	-	-	118
Investments in associates and joint ventures	905	-	-	-	-	905
Employee benefit assets	652	-	-	-	-	652
Financial assets at fair value through profit and loss	426,887	-	-	-	-	426,887
Investments in associates at fair value through income						
Derivative financial assets at fair value through income						
Held-to-maturity financial assets						
Loans and receivables						
Financial assets at amortised cost	9,743	-	-	-	-	9,743
Reinsurance contract assets	6,142	-	-	-	-	6,142
Deferred income tax	862	-	-	-	-	862
Insurance and other receivables	5,371	-	-	-	-	5,371
Current income tax assets	371	-	-	-	-	371
Assets relating to disposal groups held for sale	229	-	-	-	-	229
Cash and cash equivalents	31,747	229	(275)	-	(13)	31,688
Total Assets	506,393	229	(275)	-	(13)	506,334

R'000	Before the Empowerment Transaction ¹	ESOP SPV funding ²	Acquisition of Trust Shares ³	IFRS 2 transaction costs ⁴	Other transaction costs ⁵	After the Empowerment Transaction ⁶
Equity						
Equity attributable to owners of the parent	22,537	-	(275)	-	(13)	22,249
Non-controlling interests	410	-	-	-	-	410
Total Equity	22,947	-	(275)	-	(13)	22,659
Liabilities						
Long-term insurance contracts	114,545	-	-	-	-	114,545
Non-life insurance contracts	11,287	-	-	-	-	11,287
Capitation contracts	9	-	-	-	-	9
Investment contracts	280,174	-	-	-	-	280,174
- with discretionary participation features (DPF)	18,320	-	-	-	-	18,320
- designated at fair value through income	261,854	-	-	-	-	261,854
Financial liabilities at fair value through profit and loss	45,946	-	-	-	-	45,946
Derivative financial liabilities at fair value through income					-	-
Financial liabilities at amortised cost	4,610	229	-	-	-	4,839
Reinsurance contract liabilities	2,277	-	-	-	-	2,277
Deferred income tax	2,926	-	-	-	-	2,926
Employee benefit obligations	1,228	-	-	-	-	1,228
Other payables	19,979	-	-	-	-	19,979
Provisions	76	-	-	-	-	76
Current income tax liabilities	238	-	-	-	-	238
Liabilities relating to disposal groups held for sale	151	-	-	-	-	151
Total Liabilities	483,446	229	-	-	-	483,675
Total Equity and Liabilities	506,393	229	(275)	-	(13)	506,334
Net Asset Value per share attributed to owners of parent						
	15.56	15.56	15.57	15.57	15.56	15.56

Notes and assumptions to *pro forma* effects on the *pro forma* consolidated statement of financial position:

1. Extracted, without adjustment, from the published audited financial results of MMH for the year ended 30 June 2020 as released on SENS on 9 September 2020.
2. Represents R229 million of "A" Preference Shares issued by ESOP SPV to Absa. The issue of R389 million "B" Preference Shares by ESOP SPV to MMH are eliminated on consolidation.
3. Represents the adjustment for the acquisition by the Trust of 17 987 573 MMH Open Market Shares from the open market. On consolidation of the Trust, these MMH Open Market Shares will be treated as treasury shares in the financial results of MMH. The Trust will also acquire the MMH Treasury Shares which are currently treated as treasury shares in the audited financial results of MMH for the year ended 30 June 2020. Accordingly, the acquisition of the MMH Treasury Shares will have no impact on the *pro forma* financial information.
4. The share-based payment benefit provided to Eligible Employees is recognised as an equity settled share-based payment transaction in terms of IFRS 2. The estimated share-based payment will be recognised in Equity-settled share-based payment arrangements. Given the assumptions of the *pro-forma* being compiled on the last day of the financial year, no such expenses would have been incurred.
5. The estimated other transaction costs of R13 million are expensed as incurred and assumed to have been paid out of available cash resources by the time the transaction concludes.
6. This presents the *pro forma* consolidated statement of financial position subsequent to the Empowerment Transaction.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION INCLUDED IN A CIRCULAR

The Directors of Momentum Metropolitan Holdings Limited

Report on the Assurance Engagement on the Compilation of *Pro forma* Financial Information Included in a Circular

We have completed our assurance engagement to report on the compilation of pro forma financial information of Momentum Metropolitan Holdings Limited ("**MMH**") and its subsidiaries (collectively, the "**Group**"), by the directors.

The *pro forma* financial information, as set out in Annexure 1 on pages 30 to 36 of the circular, consists of the *Pro forma* Consolidated Statement of Financial Position as at 30 June 2020, the *Pro forma* Consolidated Statement of Comprehensive Income for the year ended 30 June 2020 and related notes (collectively the "**Pro forma Financial Information**"). The applicable criteria on the basis of which the directors have compiled the *Pro forma* Financial Information are specified in the JSE Limited ("**JSE**") Listings Requirements and described in Annexure 1 on page 30 of the circular.

The *Pro forma* Financial Information has been compiled by the directors to illustrate the impact of the corporate actions or event, described in section 3 on pages 17 to 22 of the circular, on the Group's financial position as at 30 June 2020, and the Group's financial performance for the period then ended as if the corporate action or event had taken place at 30 June 2020 and for the period then ended. As part of this process, information about the Group's financial position and financial performance has been extracted by the directors from the Group's annual financial statements for the year ended 30 June 2020, on which an auditor's report was issued on 8 September 2020.

Directors' Responsibility for the Pro forma Financial Information

The directors are responsible for compiling the *Pro forma* Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 1 on page 30 of the circular.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion about whether the *Pro forma* Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described in Annexure 1 on page 30 of the circular based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus*, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the *Pro forma* Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *Pro forma* Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *Pro forma* Financial Information.

The purpose of *Pro forma* Financial Information included in a circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the Group as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the corporate action or event at 30 June 2020 would have been as presented.

A reasonable assurance engagement to report on whether the *Pro forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the *Pro forma* Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *Pro forma* Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the Group, the corporate action or events in respect of which the *Pro forma* Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *Pro forma* Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *Pro forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 1 on page 30 of the circular.

Ernst & Young Inc.

Ernst & Young Inc.

Director: JC de Villiers CA(SA)

Registered Auditor

16 October 2020

102 Rivonia Road

Sandton

2196

INFORMATION ON DIRECTORS

JJ Njeke (Chairman)**

Age: 61, Nationality: South African

JJ spent six years as an audit partner at PricewaterhouseCoopers before taking on the role of Managing Director of Kagiso Trust Investment from 1994 to 2010. He is currently Executive Chairman of Silver Unicorn Coal and Minerals.

Hillie Meyer (Group Chief Executive Officer)

Age: 62, Nationality: South African

Hillie, an actuary, has more than 35 years' financial services experience. He has held leadership positions in insurance, pensions, investments and banking. He joined the Momentum Group in 1988 and served as its Managing Director from 1996 to 2005, after which he was a founder and managing executive of a private equity manager. He returned as Group CEO of MMH in 2018.

Jeanette Cilliers (Marais) (Deputy Chief Executive Officer)

Age: 52, Nationality: South African

Jeanette, who has a strong track record of building profitable businesses at various financial institutions, is also Chief Executive Officer of Momentum Investments. She started her career at Momentum in 1990, filling various roles in actuarial product development, marketing and as part of the team that launched Momentum Administration Services, pioneering investment platforms in South Africa. She filled executive level positions at PSG, Stanlib and Old Mutual before joining Allan Gray in 2009 as co-head of retail business, where she became Executive Director. She is passionate about the upliftment of women and making financial services accessible to all South Africans.

Risto Ketola (Group Finance Director)

Age: 45, Nationality: Finnish

Risto headed up investor relations and business performance management for the Group before taking up his current position. He has extensive experience as a financial services analyst and researcher with Standard Bank, Ketola Research and Deutsche Bank. As the Group Finance Director, he is responsible for investor relations, business performance, group reporting, finance group-wide services, mergers and acquisitions and balance sheet management.

Lisa Chiume*

Age: 41, Nationality: South African

Lisa is a senior investment executive at Rand Merchant Investment Holdings (RMI) and RMB Holdings Limited (RMH) and is responsible for a number of RMI and RMH's key investments. She is also co-portfolio manager for AlphaCode (RMI's fintech and next generation financial services incubator) and has primary responsibility for identifying, partnering with and growing Black financial services businesses as part of RMI's enterprise development programme. She was previously Director, Country Coverage and Investment Banking at Deutsche Bank South Africa.

Peter Cooper**

Age: 64, Nationality: South African

Peter served as the Chief Executive Officer and Financial Director of RMB Holdings Limited (RMH) and Rand Merchant Investment Holdings Ltd (RMI) until 2014.

Linda de Beer**

Age: 51, Nationality: South African

Linda serves on the boards of a number of JSE listed companies and was recently appointed as Chair of the Public Interest Oversight Board, a public foundation in Spain, that monitors the setting of international technical and ethical standards for auditors, which are set in the public interest. She is also an honorary professor (professor in practice) at the University of Johannesburg. She recently retired as a member of the King Committee, the Investor Advisory Group of the Public Company Accounting Oversight Board (PCAOB) in the USA and as Chair of the Financial Reporting Investigations Panel of the JSE.

Fatima Daniels**

Age: 60, Nationality: South African

Fatima, having previously had extensive corporate experience currently heads up her business consulting practice. She previously served on the Metropolitan Holdings Board (May 2005 to November 2010).

Stephen Jurisich*

Age: 55, Nationality: South African

Stephen, who is the Head of the School of Statistics and Actuarial Science at the University of Witwatersrand, has a wealth of actuarial experience, including previously being a director and consulting actuary at Quindiem Consulting and an executive committee member at Swiss Re Life Health in South Africa. He is a Fellow of the Faculty of Actuaries in Edinburgh and Fellow of the Actuarial Society of SA as well as being a member of various industry and actuarial professional committees.

Paballo Joel Makosholo*

Age: 41, Nationality: South African

Paballo is the Group Chief Executive Officer at Kagiso Tiso Holdings (Pty) Ltd ("KTH"). Paballo is an experienced, well-rounded finance professional with more than 15 years' experience in auditing, investment, finance, strategy development and implementation, governance, capital raising, mergers and acquisitions, operations and company restructures.

Sharron McPherson**

Age: 54, Nationality: United States of America

Sharron is the co-founder and executive director of The Centre for Disruptive Technologies which leverages an impressive Africa-wide and global network of experts in disruptive technologies to advise government and businesses on digital transformation strategies. She is an Adjunct Senior Lecturer – Project Finance at the University of Cape Town's Graduate School of Business and is also a co-founder and shareholder of Women in Infrastructure Development & Energy (WINDE), one of the largest and most impactful women's infrastructure investment consortiums in Africa.

Sello Moloko**

Age: 55, Nationality: South African

Sello, who was previously Chief Executive Officer of Old Mutual Asset Managers and Chairman of the Alexander Forbes Group, General Reinsurance Africa and Sibanye-Stillwater, has a wealth of business experience, with an established career in financial services. He is currently the Executive Chairman and co-founder of the Thesele Group, a Black-owned diversified investment holding company.

Vuyisa Nkonyeni**

Age: 51, Nationality: South African

Vuyisa has more than 20 years' experience in investment banking and private equity. He joined Deutsche Bank in 1997, where he gained investment banking experience before serving as the financial director of Worldwide African Investment Holdings (Proprietary) Limited and as director at Actis LLP in their Black economic empowerment funding unit. He joined Kagiso Tiso Holdings as Chief Executive Officer in January 2012 from where he resigned in 2017 to pursue various private business opportunities.

David Park*#

Age: 46, Nationality: South African

David is an independent consultant specialising in life insurance. He is an active member of the Actuarial Society of South Africa, where he sits on the Professional Matters Board and is involved in the development and provision of technical and professional training to trainee actuaries. David was previously a director/partner at Deloitte, where he was the statutory actuary of a number of life insurance companies, a key adviser to several insurance companies, and was involved in the development of the current South African insurance legislation.

Khehla Shubane*#

Age: 64, Nationality: South African

Khehla is currently an independent policy analyst and consultant. He was previously employed at the BusinessMap Foundation, a monitoring and research organisation focusing on Black economic empowerment. He has also worked for the Nelson Mandela Foundation as Chief Executive Officer. He was a member of the Soweto Civic Association, a body that represented the local community in opposition to the then official local government institutions.

Frans Truter*#

Age: 65, Nationality: South African

Frans has over 30 years' experience in the financial services industry and has a wealth of expertise in insurance, investments and banking. He joined the Momentum Group (now MMH) in 1988 as Chief Financial Officer and also served as Executive Director Strategic Investments. He is currently involved in some private equity investments and serves as non-executive director on a number of other boards.

Johan van Reenen*#

Age: 65, Nationality: South African

Johan, who is currently an executive director of Imalivest, has a wealth of expertise and experience in investment banking and asset management, both locally and internationally.

* *Non-executive*

Independent

TRADING HISTORY OF MMH SHARES ON THE JSE

Monthly

Date	High	Low	Volume	Value
30.09.2020	15,72	14,90	9 629 309,00	14 874 706 600,00
28.08.2020	16,15	15,56	3 818 843,00	6 022 879 100,00
31.07.2020	17,14	16,43	4 968 926,00	8 289 691 400,00
30.06.2020	18,30	17,50	4 486 826,00	7 994 798 500,00
29.05.2020	17,24	16,65	9 187 997,00	15 761 756 700,00
30.04.2020	17,68	17,34	3 304 431,00	5 773 164 800,00
31.03.2020	16,23	15,19	6 689 104,00	10 367 964 800,00
28.02.2020	18,89	17,05	4 632 188,00	8 356 850 800,00
31.01.2020	20,99	18,91	1 965 604,00	3 945 412 200,00
31.12.2019	22,50	21,75	1 631 615,00	3 585 368 400,00
29.11.2019	21,20	20,20	2 850 136,00	5 788 519 200,00
31.10.2019	20,49	19,08	9 170 736,00	18 516 435 900,00
30.09.2019	18,91	18,56	2 996 450,00	5 606 566 000,00

Daily

Date	High	Low	Volume	Value
05.10.2020	16,13	15,79	16 227 071,00	25 935 333 000,00
02.10.2020	15,98	15,29	5 575 566,00	8 795 956 300,00
01.10.2020	15,99	15,35	4 319 868,00	6 804 626 500,00
30.09.2020	15,72	14,90	9 629 309,00	14 874 706 600,00
29.09.2020	15,30	14,86	6 166 290,00	9 300 945 900,00
28.09.2020	15,25	14,02	4 564 665,00	6 866 569 900,00
25.09.2020	15,18	14,51	14 820 510,00	21 979 035 400,00
23.09.2020	15,29	14,70	9 648 235,00	14 606 553 500,00
22.09.2020	15,22	14,52	6 945 716,00	10 306 107 900,00
21.09.2020	15,45	14,60	14 192 333,00	21 063 779 200,00
18.09.2020	15,50	14,78	11 477 218,00	17 308 599 200,00
17.09.2020	15,36	14,77	8 428 664,00	12 598 889 300,00
16.09.2020	15,24	14,99	14 266 619,00	21 494 545 200,00
15.09.2020	15,63	14,95	4 229 647,00	6 436 609 200,00
14.09.2020	15,92	15,44	2 974 004,00	4 636 302 000,00
11.09.2020	16,01	15,20	7 492 914,00	11 759 833 300,00
10.09.2020	16,36	15,58	5 471 609,00	8 828 342 500,00
09.09.2020	15,81	14,67	5 067 974,00	7 824 759 000,00
08.09.2020	15,36	14,65	2 045 238,00	3 108 105 000,00
07.09.2020	15,53	14,88	2 037 680,00	3 075 177 400,00
04.09.2020	15,29	14,68	2 754 903,00	4 148 881 300,00
03.09.2020	15,19	14,78	4 572 176,00	6 824 649 100,00
02.09.2020	16,00	15,01	1 423 473,00	2 154 202 800,00
01.09.2020	15,41	14,87	4 884 941,00	7 397 601 900,00
31.08.2020	15,87	15,09	6 281 289,00	9 564 787 000,00

momentum

METROPOLITAN

Momentum Metropolitan Holdings Limited

Incorporated in the Republic of South Africa

Registration number: 2000/031756/06

JSE and A2X share code: MTM NSX share code: MMT

ISIN code: ZAE000269890

(“MMH” or the “Group” or “Company”)

NOTICE OF THE GENERAL MEETING OF SHAREHOLDERS

All terms defined in the Circular to which this Notice of General Meeting is attached (“Circular”) shall bear the same meanings herein.

Notice is hereby given that a general meeting of Shareholders will be held on Thursday, 26 November 2020 at 09:00 for the purpose of considering and, if deemed fit, passing with or without modification, the special and ordinary resolutions set out below in the manner required by the Companies Act and the Listings Requirements.

Due to the COVID-19 (Coronavirus) pandemic and the uncertainty surrounding any restrictions that may be placed on public gatherings when the Company’s General Meeting is due to take place on 26th November 2020, the Company has determined it prudent and appropriate to ensure that it will make the meeting accessible only through electronic participation, should it become necessary, as provided for by the JSE Limited and in terms of the provisions of the Companies Act 71 of 2008, as amended, and the Company’s Memorandum of Incorporation. Shareholders are required to submit completed proxy forms as provided for in the Notice of General Meeting in order for their votes to be counted. Shareholders are encouraged to vote in advance of the meeting to reduce unnecessary complexity and complications.

Shareholders are reminded that:

- a Shareholder entitled vote at the General Meeting is entitled to appoint a proxy to participate in the General Meeting in the place of the Shareholder and Shareholders are referred to the attached form of proxy in this regard;
- a proxy need not be a Shareholder;
- a Shareholder may appoint up to two proxies to exercise voting rights attached to different MMH Shares held by the Shareholder which entitle the MMH Shareholder to vote at the General Meeting; and
- the proxy may delegate the authority granted to it as proxy, subject to any restriction in the proxy itself.

Record Date

The Directors have determined that the record date on which a Shareholder must be registered in the Register in order to:

- receive notice of the General Meeting is Friday, 9 October 2020; and
- participate in and vote at the General Meeting is Friday, 20 November 2020.

Therefore, the Last Day to Trade in order to be able to participate at the General Meeting is Tuesday, 17 November 2020.

Electronic Participation

Shareholders or their proxies may also participate in the General Meeting by way of electronic means. Such shareholders will need to contact Momentum Metropolitan's Investor Relations, InvestorRelations@mmltd.co.za or +27 21 917 3196 by no later than 09:00 on Tuesday, 24 November 2020 so that the Company can provide for a teleconference dial-in facility. Please note that shareholders or their proxies will not be entitled to exercise voting rights at the General Meeting by way of teleconference call. Shareholders must ensure that, when intending to participate via teleconference, the voting proxies are sent through to the transfer secretaries by no later than 09:00 on Tuesday, 24 November 2020. Participants must dial the provided teleconference number, five minutes prior to the start of the General Meeting.

Identification

In terms of section 63(1) of the Companies Act, before any person may attend or participate in the General Meeting, that person must present reasonably satisfactory identification and the person presiding at the General Meeting must be reasonably satisfied that the right of the person to participate in and vote at the General Meeting, either as a Shareholder, or as a proxy for a Shareholder, has been reasonably verified.

Special resolution number 1 – Financial assistance under and for purposes of the Scheme

IT IS RESOLVED, as a special resolution of Shareholders and subject to the passing of Ordinary Resolutions number 1,2 and 3, that the MMH Board may, subject to compliance with the requirements of the MMH memorandum of incorporation ("**MMH MOI**"), the Companies Act (including, but not limited to, the MMH Board being satisfied that, immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test (as contemplated in section 4 of the Companies Act) and that the terms under which the financial assistance (in terms of sections 44 and/or 45) is proposed to be given are fair and reasonable to the Company) and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance to ESOP SPV, the holders of the "A" Preference Shares, the Trust and Beneficiaries under and in terms of the Scheme, for the purpose of, or in connection with the acquisition of MMH Shares under an in terms of the Scheme, such authority to endure for the duration of the Scheme.

The MMH Group seeks the ability to provide financial assistance to ESOP SPV, the holders of the "A" Preference Shares, the Trust and Beneficiaries in accordance with sections 44 and/or 45 of the Companies Act for purposes of establishing and implementing the Scheme. The financial assistance provided will include subscribing for the "B" Preference Shares (and, to the extent applicable, any Additional Preference Shares), subordinating its claims in terms of the "B" Preference Shares and "B" Preference Share Security and any other claims against ESOP SPV, in favour of the holders of the "A" Preference Shares, providing subordinated loans to ESOP SPV from time to time to provide additional security and/or credit support to the holders of the "A" Preference Shares and/or to fund the redemption of all or any part of the "A" Preference Shares, payment of costs of the establishment of the Scheme and the ongoing administration of the Scheme. The authorisation from the Shareholders sought in terms of Special Resolution Number 1 is required only to the extent that the provision of the financial assistance falls outside the parameters of sections 44(3)(a)(i) or 45(3)(a)(i) of the Companies Act, namely where the financial assistance is given pursuant to an employee share scheme that satisfies the requirements of section 97 of the Companies Act. The Company will not provide such financial assistance unless the MMH Board is satisfied that: (i) immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act; (ii) the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company; and (iii) the provisions of the MMH MOI relating to the provision of such financial assistance are complied with, all as required by the relevant provisions of the Companies Act.

The percentage voting rights required for Special Resolution Number 1 to be adopted: is at least 75% of the voting rights exercised on the resolution.

Special resolution number 2: Specific authority to repurchase MMH Shares

IT IS RESOLVED, as a special resolution of Shareholders that the Company and/or any subsidiary of the Company be and is hereby authorised, by way of a specific authority, to acquire MMH Shares (either directly or through a subsidiary) from the Trust from time to time upon such terms and conditions and in such amounts as the MMH Board may from time to time determine, in terms of and subject to: (i) sections 4, 46 and 48 of the Companies Act; (ii) the applicable provisions of the MMH MOI; and (iii) the Listings Requirements and provided that such repurchases must not be made at a price greater than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the repurchase.

- The Company or its subsidiaries may not repurchase securities during a prohibited period as defined in the Listings Requirements unless it has in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed and full details of the programme have been submitted to the JSE, in writing, prior to the prohibited period.

The reason for and effect of Special Resolution Number 2 is to afford the Company or a subsidiary of the Company, a specific authority to repurchase MMH Shares from the Trust from time to time should it become necessary in order to place the Trust in funds to make distributions to ESOP SPV such that ESOP SPV can discharge its obligations in terms of the "A" Preference Shares, "A" Preference Share Security, "B" Preference Shares and "B" Preference Share Security. The effect of the resolution will be that the MMH Board will have the authority, subject to the Listings Requirements and the Companies Act, to effect repurchases of the MMH Shares held by the Trust. The MMH Board will authorise and implement a repurchase of the MMH Shares only if prevailing circumstances warrant same and after considering the effect of the share repurchase, the MMH Board is satisfied that: (i) for a period of 12 months after the date of the repurchase, the consolidated assets of the Company and the MMH Group, fairly valued in accordance with International Financial Reporting Standards and in accordance with the accounting policies used in the Annual Report, will be in excess of the consolidated liabilities of the Company and the MMH Group; (ii) the Company and the MMH Group will be able to pay their debts as they become due in the ordinary course of business for a period of 12 months after the date of the repurchase.

The percentage voting rights required for Special Resolution Number 2 to be adopted: is at least 75% of the voting rights exercised on the resolution.

Ordinary resolution number 1: Scheme approval

IT IS RESOLVED, as an ordinary resolution of Shareholders and subject to the passing of Special Resolution number 1 and Ordinary Resolutions number 2 and 3, that the Scheme, details of which are set out in the written document titled "The Deed of the iSabelo Trust", be and is hereby approved and adopted.

The percentage voting rights required for ordinary resolution number 1 to be adopted by more than 50% (fifty percent) of the voting rights exercised on the resolution.

Ordinary resolution number 2: Sale of MMH Treasury Shares

IT IS RESOLVED, as an ordinary resolution of MMH Shareholders and subject to the passing of Special Resolution number 1 and Ordinary Resolutions number 1 and 3, that the Company be and is hereby authorised to sell the MMH Treasury Shares to the Trust for an aggregate consideration determined in accordance with the formula set out in the Treasury Share Acquisition Agreement, (which will be such amount as is necessary to result in the aggregate consideration paid by the Trust to acquire all of the Trust Shares being at an effective discount of 10% to the aggregate value of the Open Market Shares and the product of the number of MMH Treasury Shares and the trailing 30-day VWAP as calculated on the date immediately preceding the date on which the acquisition of the Open Market Shares is completed being no later than 60 business days from the date of the first acquisition of the Open Market) on the terms and subject to the conditions of the Treasury Shares Repurchase Agreement and any other transaction agreements.

The percentage voting rights required for ordinary resolution number 2 to be adopted is more than 50% (fifty percent) of the voting rights exercised on the resolution .

Ordinary resolution number 3: General authority

IT IS RESOLVED, as an ordinary resolution of Shareholders and subject to the passing of Special Resolution number 1 and Ordinary Resolutions number 1 and 2, that any one director of the Company be and is hereby authorised to do all such things, perform all such actions and sign all such documents as may be necessary to implement the resolutions, as set out in this notice convening the AGM at which these resolutions will be considered.

The percentage voting rights required for Ordinary Resolution Number 2 to be adopted: more than 50% of the voting rights exercised on the resolution.

Voting requirements and proxies

The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the company (the share register) for purposes of being entitled to receive this notice of General Meeting is Friday, 9 October 2020, with the last day to trade being Tuesday, 17 November 2020.

Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the General Meeting before being entitled to participate in the General Meeting and must accordingly submit a copy of their identity document, passport or driver's licence to the transfer secretaries at the meeting. Any shareholder of the Company that is a legal entity must authorise a person to act as its representative at the AGM through a letter of representation. This process may be facilitated by the Company's transfer secretaries, Link Market Services (Pty) Ltd. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.

Certificated Shareholders and own-name dematerialised Shareholders entitled to attend and vote at the General Meeting may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a shareholder of the company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed for use by such Shareholders who wish to be represented at the General Meeting. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the General Meeting.

Forms of proxy must be completed and lodged at or posted to the transfer secretaries, Link Market Services (13th Floor, 9 Ameshoff Street, Braamfontein, 2001 or PO Box 4844, Johannesburg, 2000, South Africa), or emailed to meetfax@linkmarketservices.co.za so as to be received by the transfer secretaries by no later than 09:00 on Tuesday, 24 November 2020, provided that any form of proxy not delivered to the transfer secretaries by this time may be submitted to the transfer secretaries via email at meetfax@linkmarketservices.co.za at any time before the appointed proxy exercises any shareholder rights at the General Meeting.

Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the General Meeting will need to request their central securities depository participant ("**CSDP**") or broker to provide them with the necessary authority in terms of the custody agreement entered into between such shareholders and the CSDP or broker.

Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the General Meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between them and the CSDP or broker in the manner and time stipulated therein. Such shareholder should contact their CSDP or broker with regard to the cut-off time for their voting instructions.

By order of the Board

Gcobisa Tyusha
Company Secretary

Friday, 23 October 2020

momentum

METROPOLITAN

Momentum Metropolitan Holdings Limited
Incorporated in the Republic of South Africa
Registration number: 2000/031756/06
JSE and A2X share code: MTM NSX share code: MMT
ISIN code: ZAE000269890
("MMH" or the "Company" or the "Group")

FORM OF PROXY

For use only by:

- holders of certificated ordinary shares in the Company; and
- holders of dematerialised ordinary shares in the company held through a Central Securities Depository Participant ("CSDP") or Broker and who have selected "own name" registration,

at the general meeting of MMH shareholders to be held at 09:00 on Thursday, 26 November 2020 and at any adjournment thereof ("General Meeting").

Due to the COVID-19 (Coronavirus) pandemic, electronic participation at the meeting, rather than physical attendance is required. Shareholders are required to submit completed proxy forms as provided for in the Notice of General Meeting in order for their votes to be counted. Shareholders are encouraged to vote in advance of the meeting to reduce unnecessary complexity and complications.

If you are a Shareholder referred to above, and are entitled to vote at the General Meeting, you can appoint a proxy or proxies to vote and speak in your stead at the General Meeting. A proxy need not be a shareholder of the Company. If you are an MMH Ordinary Shareholder and have dematerialised your ordinary shares through a CSDP (and have not selected "own name" registration in the sub-register maintained by a CSDP), do not complete this form of proxy but provide your CSDP with your voting instructions in terms of your custody agreement entered into with it. Generally, a shareholder will not be an own name dematerialised MMH shareholder unless the MMH shareholder has specifically requested the CSDP to record the MMH shareholder as the holder of shares in the MMH shareholder's own name in the Company's sub-register.

I/We (full names in BLOCK LETTERS please) _____

of (address) _____

Telephone: (_____) _____ Cell-phone number: _____

Email address: _____

being the holder(s) of _____ ordinary shares in the Company (delete whichever is inapplicable), hereby appoint:

of _____ or failing him/her,

of _____ or failing him/her,

the Chairman of the company, or failing him the chairman of the General Meeting, as my/our proxy to speak and on a poll to vote or abstain from voting on my/our behalf, as indicated below, at the General Meeting and/or at any adjournment thereof:

Resolution		For	Against	Abstain
1	Special resolution number 1 – Financial assistance under and for purposes of the Scheme			
2	Special resolution number 2 – Specific authority to repurchase MMH Shares			
3	Ordinary resolution number 1 – Scheme approval			
4	Ordinary resolution number 2 – Sale of MMH Treasury Shares			
5	Ordinary resolution number 3 – General Authority			

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares which you desire to vote (see note 2).

This proxy shall be valid only for the General Meeting of shareholders of the Company to be held on Thursday, 26 November 2020 and any adjournment thereof.

Signed at _____ this _____ day of _____ 2020

Signature _____

Assisted by me (if applicable) _____

(Authority of the signatory to be attached if applicable – see note 6)

Please read the notes on the reverse side hereof.

Notes:

1. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space(s) provided, with or without deleting 'the chairman of the General Meeting'. The person whose name appears first on the form of proxy and who is participating in the General Meeting will be entitled to act as proxy, to the exclusion of those whose names follow.
2. A Shareholder's instructions to the proxy must be indicated by inserting in the appropriate box provided the relevant number of shares to be voted on behalf of that Shareholder. Failure to comply with the above will be deemed to authorise the chairman of the General Meeting, if they are the authorised proxy, to vote in favour of the resolutions at the meeting, or any other proxy to vote or to abstain from voting at the meeting as they deem fit, in respect of all the Shares concerned. A Shareholder or their proxy is not obliged to use all the votes exercisable by the shareholder or their proxy, but the total of the votes cast and in respect of which abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or their proxy.
3. When there are joint registered holders of any Shares, any one of such persons may vote at the meeting in respect of such Shares as if they were solely entitled thereto, but, if more than one of such joint holders are present or represented at any meeting, only that one of the said persons whose name stands first in the register in respect of such shares, or their proxy, as the case may be, will be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any shares stand will be deemed joint holders thereof.
4. Forms of proxy must be completed and lodged at or posted to the transfer secretaries, Link Market Services (13th Floor, 9 Ameshoff Street, Braamfontein, 2001 or PO Box 4844, Johannesburg, 2000), or emailed to meetfax@linkmarketservices.co.za so as to be received by the transfer secretaries by no later than 09:00 (South African time) on Tuesday, 24 November 2020, provided that any form of proxy not delivered to the Transfer Secretaries by this time may be submitted to the Transfer Secretaries via email at meetfax@linkmarketservices.co.za at any time before the appointed proxy exercises any Shareholder rights at the General Meeting.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company's Transfer Secretaries or waived by the chairman of the General Meeting.
7. The completion and lodging of this form of proxy will not preclude the relevant Shareholder from participating in the General Meeting and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

