

# Shareholder Information



Jumbo  
Crown Mines



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# NOTICE OF ANNUAL GENERAL MEETING

for the year ended 27 June 2010

Notice is hereby given that the annual general meeting of the Company will be held at 08h30 at Massmart House, 16 Peltier Drive, Sunninghill Ext 6, Sandton, on Wednesday, 24 November 2010, for purposes of:

1. Transacting the following business:
  - 1.1 to receive and adopt the annual financial statements of the Company and the Group for the year ended 27 June 2010;
  - 1.2 to elect directors in the place of those retiring in accordance with the Company's Articles of Association; and
  - 1.3 to transact such other business as may be transacted at an annual general meeting.
2. Considering and, if deemed fit, passing, with or without modification, the following ordinary and special resolutions:

## ORDINARY RESOLUTIONS

1. "Resolved that the annual financial statements of the Company and the Group for the year ended 27 June 2010, circulated together with this notice, be and are hereby adopted."
2. "Resolved that Mr KD Dlamini, who retires by rotation and has offered himself for re-election, be and is hereby re-elected to the Board of Directors of the Company."
3. "Resolved that Dr NN Gwagwa, who retires by rotation and has offered herself for re-election, be and is hereby re-elected to the Board of Directors of the Company."
4. "Resolved that Mr MJ Lamberti, who retires by rotation and has offered himself for re-election, be and is hereby re-elected to the Board of Directors of the Company."
5. "Resolved that Ms P Langeni, who retires by rotation and has offered herself for re-election, be and is hereby re-elected to the Board of Directors of the Company."
6. "Resolved that Mr IN Matthews, who retires by rotation and has offered himself for re-election, be and is hereby re-elected to the Board of Directors of the Company."
7. "Resolved that the non-executive directors' annual remuneration for the 2011 financial year, be set as follows:
 

f Chairman of the Board	R725,000
f Deputy Chairman	R520,000
f Directors	R215,000
f Committee Chairmen	R210,000
f Committee Members	R100,000

with members of the Audit Committee each receiving an additional R25,000 due to the increased meetings and responsibilities brought about by the Corporate Laws Amendment Act and King III on Corporate Governance for South Africa."
8. "Resolved that Deloitte & Touche (with Mr André Dennis as the Audit Partner) be and are hereby re-elected as the Company's auditors for the ensuing financial year, as approved by the Massmart Audit Committee and recommended to shareholders."
9. "Resolved that the appointments of the following as members of the Audit Committee be and are hereby ratified and confirmed:

IN Matthews (Chairman)  
CS Seabrooke  
P Maw  
P Langeni."

### Insight

Initial appointment dates of directors standing for re-election

KD Dlamini	1 November 2006
NN Gwagwa	1 November 2006
MJ Lamberti	30 August 1990
P Langeni	25 August 2008
IN Matthews	1 November 2001

### Read more

Biographical details of these directors can be found on page 15 – 17

### Massmart at a Glance

Further details relating to the directors can be found on page 120

### Corporate Governance

# NOTICE OF ANNUAL GENERAL MEETING

for the year ended 27 June 2010

10. "Resolved that all the ordinary shares in the authorised but unissued share capital of the Company be and are hereby placed under the control of the directors in terms of section 221(2) of the Companies Act, No. 61 of 1973, as amended (the "Act"), who shall be authorised to allot and issue such shares to such person or persons on such terms and conditions as they may deem fit but not exceeding 5% (five percent) of the number of ordinary shares already in issue. Such allotment will be in accordance with the Act and the JSE Limited ("JSE") Listings Requirements ("JSE Listings Requirements")."
11. "Resolved that, subject to the JSE Listings Requirements, the directors be and are hereby authorised to issue the ordinary shares in the authorised but unissued share capital of the Company for cash to such person or persons on such terms and conditions as they may deem fit, subject to the following:
- 11.1 the shares shall be of a class already in issue;
- 11.2 the shares shall be issued to public shareholders (as defined in the JSE Listings Requirements) and not to related parties (as defined in the JSE Listings Requirements);
- 11.3 the issues in the aggregate in any one financial year shall not exceed 5% (five percent) of the number of shares already in issue;
- 11.4 the maximum discount at which the shares may be issued shall be 10% (ten percent) of the weighted average traded price of the shares over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the shares;
- 11.5 the authority hereby granted will be valid until the Company's next annual general meeting, provided that it will not extend to beyond 15 (fifteen) months; and
- 11.6 once the shares have been issued, the Company shall publish an announcement in accordance with paragraph 11.22 of the JSE Listings Requirements."

Pursuant to the JSE Listings Requirements, the Company will only be entitled to implement this general authority to allot and issue ordinary shares for cash if this Ordinary Resolution Number 11 is passed by a majority of 75% (seventy-five percent) or more of the votes cast by all Massmart shareholders present or represented by proxy at the annual general meeting, excluding any votes which may be cast by the Massmart Holdings Limited Employee Share Trust.

12. "Resolved that in terms of Schedule 14 of the JSE Listings Requirements and in accordance with section 222 of the Act, where applicable, the Company hereby amends the rules of the Massmart Holdings Limited Employee Share Scheme (first adopted by the Company at a General Meeting held on 12 June 2000) incorporated in the Massmart Holdings Limited Employee Share Trust (the "Trust") by the substitution in their entirety of the existing terms of the Trust with the amended and restated terms of the Trust. The amended and restated terms of the Trust will be tabled at this annual general meeting and initialled by the Chairman for identification, the salient terms and conditions of which are as set out in the Notice of Amendment to the Massmart Holdings Limited Employee Share Scheme annexed to this notice of annual general meeting."

Pursuant to the JSE Listings Requirements, the Company will only be entitled to effect the amendments to the terms of the Trust if this Ordinary Resolution Number 12 is passed by a majority of 75% (seventy-five percent) or more of the votes cast by all Massmart shareholders present or represented by proxy at the annual general meeting, excluding all the votes attaching to all shares held by the Trust. In compliance with Schedules 14.6 and 14.7 of the JSE Listings Requirements, a summary of the principal terms of the Trust has been circulated together with this notice of annual general meeting and the amended and restated

## Definitions



### "Related party" means

- f a material shareholder
- f any person that is, or within the 12 months preceding the date of the transaction was, a director of the issuer or of any subsidiary of its holding company
- f any advisor to the issuer that has, or within the 12 months preceding the date of the transaction had, a beneficial interest, whether direct or indirect, in the listed company or any of its associates
- f any person that is, or within the 12 months preceding the date of the transaction was, a principal executive officer of the issuer, by whatever position he may be, or may have been, designated and whether or not he is, or was, a director
- f the asset manager or management company of a property entity including anyone whose assets they manage or administer
- f the controlling shareholder of the above asset manager/management company
- f an associate of any of the persons mentioned above

## Read more



Details of the Schedule 14 changes to the Trust and a summary of the principal terms of the Trust can be found on page 247

## Shareholder Information

terms (both in marked-up format showing the exact changes to the current terms and in clean format) will be made available for inspection by shareholders during normal business hours at the registered office of the Company for a period of not less than 14 (fourteen) days prior to the annual general meeting.

## SPECIAL RESOLUTIONS

Provided shareholders holding in the aggregate not less than 25% (twenty-five percent) of the total votes of all shareholders entitled to vote at the annual general meeting are present in person or by proxy, the approval of a 75% (seventy-five percent) majority of the votes cast by shareholders present or represented by proxy at the annual general meeting and entitled to vote is required for the special resolutions to become effective:

### Special Resolution Number 1

“Resolved that the Company and/or its subsidiaries be and are hereby authorised in terms of sections 85(2) and 85(3) of the Companies Act, No. 61 of 1973, as amended (the “Act”), and the JSE Limited (“JSE”) Listings Requirements (“JSE Listings Requirements”), from time to time to acquire the ordinary and/or preference shares in the issued share capital of the Company from such shareholder/s, at such price, in such manner and subject to such terms and conditions as the directors may deem fit, but subject to the Articles of Association of the Company, the Act and the JSE Listings Requirements, and provided that:

- 1.1 the authority hereby granted will be valid until the Company’s next annual general meeting, provided that it will not extend to beyond 15 (fifteen) months from the date of registration of this special resolution;
- 1.2 acquisitions may not be made at a price greater than 10% (ten percent) above the weighted average of the market value for the shares determined over the 5 (five) business days prior to the date that the price for the acquisition is effected;
- 1.3 acquisitions in the aggregate in any one financial year shall not exceed 15% (fifteen percent) of that class of the Company’s issued share capital;
- 1.4 the repurchase of shares will be effected through the order book operated by the JSE trading system and will be done without any prior understanding or arrangement between the Company and the counterparty;
- 1.5 the Company may only appoint one agent, at any point in time, to effect the repurchases on the Company’s behalf;
- 1.6 neither the Company nor its subsidiaries may repurchase shares during a prohibited period (as defined in the JSE Listings Requirements) unless a repurchase programme is in place where the dates and quantities of shares to be traded during the relevant period are fixed (not subject to any variation) and where full details of the programme have been disclosed in an announcement over the Stock Exchange News Service prior to the commencement of the prohibited period; and
- 1.7 an announcement complying with paragraph 11.27 of the JSE Listings Requirements will be published by the Company when the Company and/or its subsidiaries have cumulatively repurchased 3% (three percent) of the Company’s issued ordinary and/or preference share capital and for each 3% (three percent) in aggregate thereafter.”

### Statement by the Board of Directors

In accordance with the JSE Listings Requirements, the directors state that:

- (a) the intention of the directors is to utilise the authority at a future date, provided that the cash resources of the Company are in excess of its requirements. In this regard, the directors will take into account, *inter alia*, an appropriate capitalisation structure for the Company and the long-term cash needs of the Company, and will ensure that any such utilisation is in the interests of the shareholders.

### Insight

Buybacks in the 2010 financial year

Date	Number of shares	Share price	Total transaction value (Rm)
16-Mar-10	100,000	101.73	10.2
1-April-10	200,000	108.75	21.9
29-April-10	30,843	109.97	3.4
7-May-10	18,070	109.49	2.0
11-May-10	50,000	113.00	5.7
12-May-10	50,000	122.25	6.1
14-May-10	50,000	120.00	6.0
14-May-10	50,000	119.99	6.0
19-May-10	100,000	119.43	12.0
20-May-10	50,000	117.88	5.9
20-May-10	50,000	116.70	5.9
21-May-10	50,000	114.83	5.8
21-May-10	50,000	113.43	5.7
25-May-10	50,000	112.62	5.7
26-May-10	100,000	113.22	11.4
27-May-10	50,000	116.04	5.8
28-May-10	50,000	116.96	5.9
28-May-10	50,000	117.71	5.9
31-May-10	50,000	118.33	5.9

## NOTICE OF ANNUAL GENERAL MEETING

for the year ended 27 June 2010

(b) having considered the effect of the maximum number of ordinary and preference shares that may be acquired pursuant to the authority and the date upon which such acquisition/s will take place:

- f the Company and its subsidiaries (the "Group") will in the ordinary course of business be able to pay its debts for a period of twelve months after the date of this notice of annual general meeting;
- f the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of twelve months after the date of this notice of annual general meeting, such assets and liabilities being fairly valued in accordance with International Financial Reporting Standards and in accordance with the accounting policies used in the annual financial statements of the Company and the Group for the year ended 27 June 2010;
- f the issued share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of twelve months after the date of this notice of annual general meeting; and
- f the working capital available to the Company and the Group will be adequate for ordinary business purposes for a period of twelve months after the date of this notice of annual general meeting.

The Company will ensure that its sponsor provides the necessary sponsor letter on the adequacy of the working capital in terms of the JSE Listings Requirements, prior to the commencement of any repurchase of the Company shares on the open market.

### Reason and effect

The reason for Special Resolution Number 1 is to give a mandate to the directors to repurchase ordinary and preference shares in the Company.

The effect of Special Resolution Number 1 will be that the Company and its subsidiaries will be authorised to acquire ordinary and preference shares in the Company.

### Special Resolution Number 2

"Resolved that Article 43.1.7 of the Articles of Association of the Company be and is hereby amended by the replacement of the words 'Black Management Trust' with 'Black Scarce Skills Trust'."

### Reason and effect

The reason for Special Resolution Number 2 is that the name of the Black Management Trust has been changed to the Black Scarce Skills Trust (the "BSST").

The effect of Special Resolution Number 2 is that the Articles of Association of the Company will be rendered conformant with the new name of the BSST.

### Special Resolution Number 3

"Resolved that Article 43.2.12 of the Articles of Association of the Company be and is hereby deleted in its entirety and replaced with the following:

*'43.2.12 A "B" Preference Share shall, unless it is converted into an ordinary share in the Company pursuant to the provisions of Article 43.2.9, be automatically redeemed at an amount equal to its par value on the date that is the 7th (seventh) anniversary of the date on which that "B" Preference Share was allocated to a Beneficiary in terms of the Management Trust, or if that "B" Preference Share has not been allocated in terms of the Management Trust, on 30 September 2016 or such later date as the board of directors of the Company may determine.'*"

### Reason and effect

The reason for Special Resolution Number 3 is that it is presently provided in Article 43.2.12 of the Articles of Association of the Company that if a "B" Preference Share has not been allocated to a beneficiary of the Black Scarce Skills Trust (the "BSST") by 30 September 2016, it will automatically be redeemed on such date. The amendment of this Article will introduce a degree of flexibility into the BSST.

The effect of Special Resolution Number 3 will be to permit the trustees of the BSST to continue to allocate unallocated "B" Preference Shares to beneficiaries of the BSST beyond 30 September 2016 if the board of directors of the Company so determines.

## VOTING AND PROXIES

All holders of ordinary and preference shares in the share capital of the Company are entitled to attend and vote at the annual general meeting. Subject to any rights or restrictions for the time being attached to any ordinary and/or preference shares, on a show of hands, every holder of ordinary and/or preference shares who is present in person, or a proxy, or in the case of a company, the representative appointed in terms of section 188 of the Companies Act, No. 61 of 1973, as amended (the "Act"), has one vote irrespective of the number of shares he/she holds or represents. On a poll, each holder of ordinary and/or preference shares or his/her proxy has so many votes for each ordinary and preference share (as the case may be) as is determined in accordance with section 195 of the Act read with the Company's Articles of Association.

In terms of the JSE Limited ("JSE") Listings Requirements ("JSE Listings Requirements"), Massmart ordinary shares held by and registered in the name of the Massmart Holdings Limited Employee Share Trust will not have their votes at the annual general meeting taken into account for JSE Listings Requirements resolution approval purposes.

However, Massmart preference shares held by the Massmart Thuthukani Empowerment Trust and the Massmart Black Scarce Skills Trust will have their votes at the annual general meeting taken into account for JSE Listings Requirements resolution approval purposes.

If you hold certificated shares (ie have not dematerialised your shares in the Company) or are registered as an 'own name' dematerialised shareholder, then:

- f you may attend and vote at the annual general meeting; alternatively
- f you may appoint a proxy to represent you at the annual general meeting by completing the attached form of proxy and returning it to the registered office of the Company to be received by no later than 48 (forty-eight) hours prior to the time appointed for the holding of the annual general meeting (excluding Saturdays, Sundays and public holidays within South Africa).

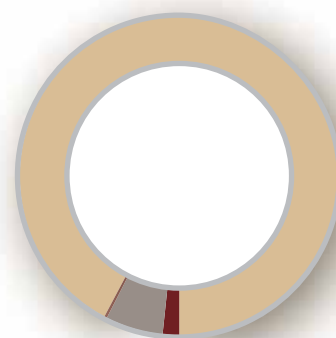
If you own dematerialised shares (ie have replaced the paper share certificates representing the shares with electronic records of ownership under the electronic and clearing settlement system for transactions that take place on the JSE, Strate Limited, and are not registered as an 'own name dematerialised shareholder' (ie you have not specifically instructed your Central Securities Depository Participant ("CSDP") to hold your shares in your own name on the Company's sub-register), then, subject to the mandate between yourself and your CSDP or broker:

- f if you wish to attend the annual general meeting you must contact your CSDP or broker, as the case may be, and obtain the relevant letter of representation from it; alternatively
- f if you are unable to attend the annual general meeting but wish to be represented at the annual general meeting, you must contact your CSDP or broker, as the case may be, and furnish it with your voting instructions in respect of the annual general meeting. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, as the case may be, within the time period required by your CSDP or broker, as the case may be.

CSDPs, brokers or their nominees, as the case may be, recorded in the Company's sub-register should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares in the Company, vote by either appointing a duly authorised representative to attend and vote at the annual general meeting or by completing the attached form of proxy in accordance with the instructions thereon and returning it to the registered office of the Company to be received not less than 48 (forty-eight) hours prior to the time appointed for the holding of the annual general meeting.

### Voting percentages

Ordinary shares	201,495,504
'A' Preference shares	17,673,670
'B' Preference shares	3,871,523
Issued share capital	223,040,697



	%
■ Massmart Holdings Limited Employee Share Trust	1.5
■ Massmart Thuthukani Empowerment Trust	5.8
■ Massmart Black Scarce Skills Trust	0.1
■ Public shareholders	92.6

Shares held by the employee share trust will not be taken into account for Special Resolution Number 1

# NOTICE OF ANNUAL GENERAL MEETING

for the year ended 27 June 2010

In terms of the JSE Listings Requirements for Special Resolution Number 1, general information is included in the annual report to which this notice of annual general meeting is attached, including:

(i) Directors and management	15 – 19
(ii) Major shareholders	225
(iii) Material changes	156
(iv) Directors' interests in shares	155
(v) Share capital of the Company	192
(vi) Litigation	156

The Directors whose names appear on pages 15 to 17 of the annual report, collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this notice of the annual general meeting contains all information required by law and the JSE Listings Requirements.

By order of the Board



**Ilan Zwarenstein**  
*Company Secretary*

6 October 2010

# NOTICE OF AMENDMENTS TO THE MASSMART HOLDINGS LIMITED EMPLOYEE SHARE SCHEME (the “TRUST” or the “SCHEME”)

## 1. INTRODUCTION AND RATIONALE

On 15 October 2008, the JSE Limited (“JSE”) replaced Schedule 14 of the Listings Requirements (“JSE Listings Requirements”) in its entirety which requires all existing employee share trusts to be rendered conformant with the revised Schedule 14 by not later than 1 January 2011. The amendments to the Trust, as authorised by Ordinary Resolution Number 12, are primarily designed to render the Trust conformant with the revised Schedule 14.

For convenience, the Company is proposing to substitute in their entirety the existing terms of the Trust, first adopted by the Company at the general meeting on 12 June 2000, with the amended and restated terms. The amended and restated terms are the same terms that were adopted on 12 June 2000, save for the key proposed amendments set out below.

## 2. SUMMARY OF THE PROPOSED AMENDMENTS TO THE TRUST

Below is a summary of the key proposed amendments to the Trust:

### Key amendments

- ƒ the back-dating of options is prohibited;
- ƒ the “rolling over” of the scheme allocation is prohibited;
- ƒ to the extent that any director may be the recipient of an award, such director shall recuse himself from the decision-making process in this regard;
- ƒ a fixed maximum Scheme allocation and fixed cumulative maximum individual limit has been set. The maximum number of shares that may be allocated to the Trust shall be 39,500,000 (thirty-nine million, five hundred thousand) ordinary shares. The cumulative maximum number of shares that may be allocated in respect of any one offeree (as defined in the Trust) shall be 4,000,000 (four million) shares. It is recorded that as at the date hereof, 10,141,910 ordinary shares have already been allocated and are to be taken into account as part of the approved allocation. For clarity, in addition to whatever shares have been allocated prior to 24 November 2010, new allocations shall be permitted and limited to a cumulative maximum of 4,000,000 (four million) shares per offeree;
- ƒ no executive director of the Company shall be capable of accepting an appointment as a trustee of the Trust;
- ƒ trustees may not participate under the Scheme;
- ƒ the Trust has been specifically empowered to acquire shares on the open market, if authorised by the directors, or otherwise for the purposes of the Scheme. Shares purchased through the open market for the purpose of the Scheme shall not be taken into account when calculating the number of shares authorised to be utilised by the Trust for offerees;
- ƒ shares may only be offered to the trustees or options granted to the trustees for the purpose of this Scheme once participants or groups of participants to whom the shares will be allocated have been formally identified;
- ƒ a new clause 16 has been introduced clarifying that the Trust acts as agent for the employer when it extends offers or grants options;
- ƒ the time period within which to exercise options granted or to sell shares before they lapse has been extended from 6 (six) years to 10 (ten) years. The amendment extends the period in respect of all options and shares granted, and makes no distinction between options or shares granted on or before 24 November 2010. This period has been extended to increase the retention aspect of the Scheme;
- ƒ the Trust provides, in the event of a sub-division or consolidation, for an adjustment to the number of shares that may be utilised and the amount payable. Such adjustment must give a participant entitlement to the same proportion of the equity capital as that to which he/she was previously entitled. The Company’s auditors or other independent advisors must confirm to the JSE in writing that such adjustments are made in accordance with the provisions of the Trust. In addition, to the extent that there is a capitalisation issue, a special dividend, a rights issue or reduction of capital, the individual limits and the amounts payable should be adjusted to give a participant entitlement to the same proportion of equity capital as that to which he/she was previously entitled;

## NOTICE OF AMENDMENTS TO THE MASSMART HOLDINGS LIMITED EMPLOYEE SHARE SCHEME (the “TRUST” or the “SCHEME”)

- f the disclosure required to be given by the Company in its annual financial statements have been enhanced in accordance with the revised Schedule 14; and
- f allocated shares which are not subsequently issued to identified beneficiaries for any reason, will revert back to the Scheme.

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Save as is set out above, which amendments are required to render the Trust conformant with the revised Schedule 14, the Trust remains unchanged from that which was adopted by the Company on 12 June 2000, as amended.

### 3. REVISED SUMMARY OF PRINCIPAL TERMS

Below is a revised updated summary of the principal terms of the Trust prepared on the assumption that the amendments proposed by Ordinary Resolution Number 12 are adopted:

#### Establishment of the Trust

The Trust, which was first adopted by the Company at the general meeting on 12 June 2000, is intended to incentivise employees (as defined in the Trust) to promote the continued successful growth of the Company by giving them an opportunity to acquire shares therein.

#### Appointment of trustees

There shall at all times be a minimum of 2 (two) and a maximum of 4 (four) trustees of the Trust. No person who is a trustee of the Trust shall be a beneficiary under the Trust. No person who is an executive director of the Company shall be a trustee. The current trustees are Stephen Anthony Lewis, David Mark Franklin and Ian Nigel Matthews.

#### Powers of trustees

In terms of the trust deed, the trustees will be conferred with the powers necessary to implement and administer the Trust.

#### Duties of trustees

Along with the other duties imposed by the trust deed, the trustees shall make offers and grant options to offerees (as defined in the Trust) as directed by the directors from time to time and shall ensure that the Trust is effected in accordance with its terms.

#### Funding

The Company shall, with the prior approval of the directors, lend and advance monies to the trustees for the purpose of carrying out their duties under the Trust to the extent that the Trust's own resources, if any, are insufficient. The Trust may also borrow money from third parties, if authorised by the Board.

#### Eligibility

Employees shall be eligible to and shall participate in the Scheme to the extent that offers are made to and accepted by them, options are granted, accepted and, to the extent specified in the Trust, exercised by them. The trustees may not participate under the Scheme. To the extent that any director may be the recipient of an award, such director shall recuse himself from the decision-making process in this regard.

Beneficiaries are entitled to hold their shares in a trust established primarily for the benefit of the relevant beneficiary or his/her immediate relations or in any private company or close corporation, all of the shares of which or the entire interest in which is and continues to be held or beneficially owned by the relevant beneficiary and/or his/her immediate relations, subject to certain conditions.

Continued employment is a condition of exercising the options subject to certain limited exceptions in respect of, *inter alia*, retirement and death.

#### Purchase price

The purchase price for any shares awarded in terms of an offer or option is the weighted average traded price per ordinary share determined over a period of 5 (five) trading days on the JSE (as evidenced by a certificate issued by the Company's then sponsor) immediately preceding the offer or option date, as the case may be, or the par value of such share, whichever is the greater. The re-pricing of options is prohibited.

### Limitation

The maximum number of shares that may be allocated to the Trust shall be 39,500,000 (thirty-nine million, five hundred thousand) ordinary shares. The cumulative maximum number of shares that may be allocated in respect of any one employee shall be 4,000,000 (four million) shares. It is recorded that as at the date hereof, 10,141,910 ordinary shares have already been allocated and are to be taken into account as part of the approved allocation. For clarity, in addition to whatever shares have been allocated prior to 24 November 2010, new allocations shall be permitted and limited to a cumulative maximum of 4,000,000 (four million) shares per employee.

Upon any beneficiary paying the outstanding purchase price in respect of his/her reserved shares in full, whether pursuant to the exercise of an option or pursuant to the acceptance of an offer:

1. such shares and any rights issue and capitalisation shares and dividend capitalisation shares linked thereto shall cease to be reserved shares and any burden attaching to such shares in terms of the Trust shall cease to operate; and
2. save as may be expressly provided for to the contrary and subject to certain other relaxation of restrictions, the Company Secretary from time to time and the trustees shall upon payment of the share tax, if any, payable thereon, release such shares together with any capitalisation, dividend capitalisation and rights issue shares financed by the Trust. The trustees shall, subject to the attainment of the relevant performance criteria, if any, and subject to discharge of the share debt (as defined in the Trust), if applicable, release the shares only as to:
  - ƒ 25% (twenty-five percent) of the initial offer or allocation on or after the 2nd (second) anniversary as from the offer date or the option date;
  - ƒ 50% (fifty percent) of the initial offer or allocation on or after the 3rd (third) anniversary as from the offer date or the option date;
  - ƒ 75% (seventy-five percent) of the initial offer or allocation on or after the 4th (fourth) anniversary as from the offer date or the option date; and
  - ƒ 100% (one hundred per cent) of the initial offer or allocation on or after the 5th (fifth) anniversary as from the offer date or the option date,

as the case may be, to the beneficiary, on a cumulative basis and, provided further, the directors of the Company shall be entitled to determine shorter or longer periods than those provided for above *ab initio* or at any time thereafter, and whether pursuant to the failure to meet performance criteria or not.

### Voting

In terms of Schedule 14 of the JSE Listings Requirements, the shares held by a share scheme or trust will not have their votes at general/annual general meetings taken into account for purposes of determining approval of resolutions in terms of the JSE Listings Requirements. Such shares will also not be allowed to be taken into account for purposes of determining categorisations as detailed in Section 9 of the JSE Listings Requirements.

### Corporate events and other adjustments

Where a merger, take-over or other corporate event occurs (other than acquisitions, issue of shares for cash and the issue of shares or vendor consideration placings which will not be regarded as circumstances requiring adjustment), the Company in its discretion will adjust the number of options and/or grant price in an attempt to put the employee in the same economic position in which he/she was prior to the corporate event. The Trust provides, in the event of sub-division or consolidation of shares, for an adjustment to the number and/or grant price of options so as to give the employee entitlement to the same proportion of equity capital to which he/she was previously entitled.

## NOTICE OF AMENDMENTS TO THE MASSMART HOLDINGS LIMITED EMPLOYEE SHARE SCHEME (the “TRUST” or the “SCHEME”)

Where an offer is made to shareholders which would see control of the company pass to the offeror then, unless there is provision in the offer for a substitution of the existing offers and options which places the beneficiaries in no worse a position than that in which they are currently under, the beneficiaries are able to accept existing offers and exercise all existing options granted to them, whether vested or not, such that they may participate in any such proposed offer.

### Reporting and reversion of unissued shares

Additional reporting obligations have been imposed on the Company in accordance with the revised Schedule 14, in particular the Company must summarise in its annual financial statements the number of shares that may be utilised for the purpose of the Trust at the beginning of the financial year, changes in such number during the accounting period and the balance of shares available for utilisation for purposes of the Trust at the end of the financial year. In addition, any adjustments made to the Trust limits in the event of sub-division or consolidation, capitalisation issues, special dividends, rights issues or reductions of capital must be reported in the annual financial statements in the year during which the adjustment is made. The Company's auditors or other independent advisors acceptable to the JSE must confirm to the JSE in writing that any adjustments made are in accordance with the provisions of the Trust at the time that any such adjustment is finalised.

To the extent that any allocated shares are not subsequently issued to identified participants, same must revert back to the Trust.

### Termination of the Trust

The Trust shall terminate as soon as all the following events have taken place:

- f the Trust ceases to hold any Scheme shares and the directors resolve that the Trust shall terminate;
- f as soon as it has received payment in full of all amounts owed to it by the beneficiaries, which are recoverable; and
- f as soon as the trustees have discharged all of their obligations to the beneficiaries.