

Tradehold Limited
Incorporated in the Republic of South Africa
(Registration number 1970/009054/06)
Incorporated in the Republic of South Africa
Share code: TDH
ISIN: ZAE000152658
("Tradehold")

Mettle Investments Limited
(formerly Mettle Investments Proprietary
Limited)
(Registration number: 2008/002061/06)
Incorporated in the Republic of South Africa
Share code: MLE
ISIN: ZAE000257622
("Mettle Investments")

TAX APPORTIONMENT AND MARKET VALUE IN RESPECT OF THE TRADEHOLD DISTRIBUTION IN SPECIE

Shareholders of Tradehold and Mettle Investments ("**Shareholders**") are referred to the announcements released on the Stock Exchange News Service ("**SENS**") of the JSE Limited ("**JSE**") on 14 May 2018, in respect of the separation of Tradehold's financial services' businesses from its property businesses into Mettle Investments, the listing of all the issued shares of Mettle Investments ("**Mettle Investments Shares**") on the Alternative Stock Exchange of the JSE ("**the Listing**") and subsequent distribution of Mettle Investments Shares held by Tradehold to its shareholders ("**the Distribution**").

As detailed in the Mettle Investments pre-listing statement dated 14 May 2018, the Distribution will not qualify as an "unbundling transaction" as envisaged in section 46 of the Income Tax Act, No 58 of 1962 ("**the Income Tax Act**") and will constitute a "foreign dividend" as defined in section 1 of the Income Tax Act. Accordingly, Tradehold shareholders that are subject to South African Income Tax will:

- be required to include the "foreign dividend" in their gross income for South African income tax purposes, but may claim an exemption for all or part of the foreign dividend depending on their particular facts and circumstances;
- obtain the Mettle Investments Shares on the date of the Distribution, if the Mettle Investments Shares are acquired and held by the Tradehold Shareholders as a long term investment on capital account and not with the intention to hold or dispose thereof as part of a scheme of profit making and/or as trading stock ("**the Base Cost**"); and
- should not be liable for any dividends tax in respect of the Distribution.

The purpose of this announcement is to advise Shareholders of:

- the market value of a Mettle Investments Share for South African tax purposes; and
- the apportionment of the expenditure incurred by Shareholders between the Mettle Investments Shares and the Tradehold shares held at the time of the Distribution.

Market value

Shareholders are further advised that Tradehold has declared a dividend to the value of R604 389 676, which will be settled through the Distribution of 247 174 375 Mettle Investments Shares.

The market value of a Mettle Investments Share for the purpose of the Base Cost is 245 cents per Mettle Investment Share, based on the closing share price per Mettle Investments Share on Wednesday, 23 May 2018.

Apportionment

As stated above, the Distribution will not qualify as an "unbundling transaction" as envisaged in section 46 of the Income Tax Act and accordingly there is no apportionment of the expenditure incurred by Tradehold shareholders in respect of their Tradehold shares.

Tradehold Shareholders are therefore advised that the expenditure incurred in respect of their Tradehold shares remains unchanged, and that the deemed expenditure in respect of the Mettle Investment Shares will be equal to the market value of the Mettle Investment Shares, as indicated above, provided that the Mettle Investments Shares will be acquired and held by the Tradehold Shareholders as a long term investment on capital account and not with the intention to hold or dispose thereof as part of a scheme of profit making and/or as trading stock.

Cape Town
24 May 2018

JSE Designated Advisor to Mettle Investments

Questco Corporate Advisory Proprietary Limited

JSE Sponsor to Tradehold

Mettle Corporate Finance Proprietary Limited

Joint financial advisors

Rand Merchant Bank, a division of FirstRand Bank Limited

Mettle Corporate Finance Proprietary Limited

Transaction legal advisors

Cliffe Dekker Hofmeyr Inc.

Joint independent reporting accountants

PricewaterhouseCoopers Inc.

Joint independent reporting accountants

BDO Cape Incorporated