

**HOLDSPORT LIMITED**

(Incorporated in the Republic of South Africa)  
(Registration number 2006/022562/06)  
Share code: HSP  
ISIN: ZAE000157046  
("Holdsport")

**LONG4LIFE LIMITED**

(Incorporated in the Republic of South Africa)  
(Registration number 2016/216015/06)  
Share code: L4L  
ISIN: ZAE000243119  
("Long4Life")

---

**POSTING OF THE SCHEME CIRCULAR AND PROSPECTUS, NOTICE OF SCHEME MEETING, SUMMARISED PRO FORMA FINANCIAL EFFECTS, SALIENT DATES AND TIMES AND WITHDRAWAL OF CAUTIONARY**

---

**1. Introduction**

Shareholders of Holdsport ("Holdsport Shareholders") and Long4Life ("Long4Life Shareholders") (collectively, "Shareholders") are referred to the joint cautionary announcement released on the Stock Exchange News Service ("SENS") of the JSE Limited ("JSE") on Monday, 3 July 2017, and the firm intention announcement released on SENS ("Firm Intention Announcement") on Tuesday, 25 July 2017, regarding the firm intention by Long4Life to acquire the entire issued share capital, net of treasury shares and shares registered in the name of and beneficially owned by Long4Life ("Scheme Shares") of Holdsport ("the Proposed Transaction") through a scheme of arrangement ("Scheme") in terms of section 114(1)(c) of the Companies Act 71 of 2008, as amended ("Companies Act").

Holdsport Shareholders are hereby advised that the following documents will be posted to Holdsport Shareholders today, Thursday, 31 August 2017:

- a Scheme circular ("Scheme Circular") containing, *inter alia*, details of the Proposed Transaction, a report prepared by the independent expert in terms of section 114(3) of the Companies Act, a form of proxy, a form of election, surrender and transfer, and a notice convening the Scheme meeting ("Scheme Meeting") of Holdsport Shareholders ("Notice of Scheme Meeting"); and
- a prospectus ("Prospectus") in terms of the Companies Act and the regulations promulgated in terms thereof ("Takeover Regulations"), in respect of Long4Life as it will be constituted after the implementation of the Scheme.

The Scheme Circular and the Prospectus will also be made available on Holdsport's website (<http://www.holdsport.co.za/>) and Long4Life's website (<http://www.long4life.co.za/>).

**2. Notice of Scheme Meeting**

Holdsport Shareholders are advised that the Scheme Meeting will be held at 11:00 on Tuesday, 3 October 2017 at the registered office of Holdsport at The Mill House, 1 Canterbury Street, Cape Town for the purposes of considering, and, if deemed fit, passing, with or without modification, the resolutions set out in the Notice of Scheme Meeting.

**3. Summarised pro forma financial effects**

The outstanding *pro forma* financial information and effects (the "Financial Effects") of the Proposed Transaction on Shareholders, for which the Holdsport board and the Long4Life board is responsible, are provided for illustrative purposes only to provide information about how the Proposed Transaction will affect the financial results and financial position of Shareholders. Words and expressions in the Financial Effects shall have the same meaning as assigned to them in the Scheme Circular.

The *pro forma* financial information of the consolidated group has been prepared in accordance with IFRS and Long4Life's accounting policies. The *pro forma* financial information of the consolidated group has been prepared on the assumption that the Proposed Transaction became effective on 1 March 2016 for the statement of comprehensive income and 28 February 2017 in respect of the statement of financial position from a Holdsport perspective and on 1 April 2016 for the statement of comprehensive income and 31 March 2017 in respect of the statement of financial position from a Long4Life perspective.

## Financial Effects – Holdsport Shareholders

Financial Effects assuming 100% of Holdsport Shareholders elect the Option A Scheme Consideration, and alternatively assuming 100% of Holdsport Shareholders elect the Option B Scheme Consideration:

R'000		Before the Proposed Transaction	After the Proposed Transaction - Option A	% change	After the Proposed Transaction - Option B	% change
Basic and diluted earnings per ordinary share	cents	455.6	390.7	-14.2%	388.9	-14.6%
Headline earnings per ordinary share	cents	455.0	390.4	-14.2%	388.6	-14.6%
Core headline earnings per ordinary share	cents	489.0	420.5	-14.0%	417.7	-14.6%
Core headline earnings before foreign exchange effects per ordinary share	cents	522.3	439.4	-15.9%	435.9	-16.6%
Weighted average ordinary shares in issue	'000	41 969	899 260	2042.7%	862 497	1955.1%
Net asset value per share	cents	2 444.7	6 775.7	177.2%	6 740.8	175.7%
Tangible net asset value per share	cents	1 123.1	3 227.5	187.4%	3 349.5	198.2%
Number of ordinary shares in issue	'000	41 889	899 260	2046.8%	862 497	1959.0%

### Notes:

- The Financial Effects on Holdsport Shareholders have been adjusted by multiplying the pro forma financial information of the consolidated group by the switch ratio applicable to the Scheme Consideration, being:
  - 12.10 Long4Life Shares per Scheme Share under the Option A Scheme Consideration; and
  - 11.20 Long4Life Shares and R5.00 payable in cash ("**Cash Component**") per Scheme Share under the Option B Scheme Consideration
- The Financial Effects for the Holdsport Shareholders that have selected the Option B Scheme Consideration has been adjusted to include the R5 cash to the net asset value per share and the after-tax interest (assumed for the purposes of this calculation to be taxed at the corporate tax rate) on that cash at 7.2875% added to their earnings per share figures

## Financial Effects – Long4Life Shareholders

Financial Effects assuming 100% of Holdsport Shareholders elect the Option A Scheme Consideration, and alternatively assuming 100% of Holdsport Shareholders elect the Option B Scheme Consideration:

R'000		Before the Proposed Transaction	After the Proposed Transaction - Option A	% change	After the Proposed Transaction - Option B	% change
Basic and diluted earnings per ordinary share	cents	26.8	32.3	20.7%	32.4	21.0%
Headline earnings per ordinary share	cents	26.8	32.3	20.6%	32.4	20.9%
Weighted average ordinary shares in issue	'000	405 000	899 260	122.0%	862 497	113.0%
Net asset value per share	cents	489.2	560.0	14.5%	557.2	13.9%
Tangible net asset value per share	cents	489.2	266.7	-45.5%	254.4	-48.0%
Number of ordinary shares in issue	'000	405 000	899 260	122.0%	862 497	113.0%

Detailed notes and assumptions regarding the Financial Effects have been included in the Scheme Circular.

#### 4. Salient dates and times

The salient dates and times relating to the Proposed Transaction are set out in the timetable hereunder (“**Timetable**”). Words and expressions in the Timetable and notes thereto shall have the same meaning as assigned to them in the Scheme Circular.

	<b>2017</b>
Record date to determine which Holdsport Shareholders are eligible to receive the Scheme Circular ( <b>Record Date</b> )	Friday, 25 August
Circular posted to Holdsport Shareholders and notice convening the Scheme Meeting released on SENS on	Thursday, 31 August
Notice convening Scheme Meeting published in the South African press	Friday, 1 September
Last day to trade Holdsport Shares in order to be recorded in the Register to vote at the Scheme Meeting ( <b>Voting Last day to Trade</b> )	Tuesday, 19 September
Record date to be eligible to vote at the Scheme Meeting, being the <b>Scheme Voting Record Date</b> , by close of trade on	Friday, 22 September
Last day to lodge forms of proxy in respect of the Scheme Meeting by 11:00 on	Friday, 29 September
Last date for Holdsport Shareholders to give notice of their objections to the special resolution approving the Scheme by no later than 11:00 on	Tuesday, 3 October
<b>Scheme Meeting to be held at 11:00 on</b>	Tuesday, 3 October
Results of the Scheme Meeting released on SENS on	Tuesday, 3 October
Results of Scheme Meeting published in the South African press	Wednesday, 4 October
<b><i>If the Scheme is approved by Holdsport Shareholders at the Scheme Meeting:</i></b>	
Last day for Shareholders who voted against the Scheme to require Holdsport to seek court approval for the Scheme in terms of section 115(3)(a) of the Companies Act, if at least 15% of the total votes of Shareholders at the Scheme Meeting were exercised against the Scheme	Tuesday, 10 October
Last date on which Holdsport Shareholders can make application to the Court in terms of section 115(3)(b) of the Companies Act	Tuesday, 17 October
Last date for Holdsport to give notice of adoption of the special resolution approving the Scheme to Dissenting Shareholders in accordance with section 164 of the Companies Act	Tuesday, 17 October
<b><i>The following dates assume that no Court approval or review of the Scheme is required and will be confirmed in the finalisation announcement if the Scheme becomes unconditional</i></b>	
Finalisation Date expected to be on	Tuesday, 10 October
Finalisation Date announcement expected to be released on SENS on	Tuesday, 10 October
Finalisation Date announcement expected to be published in the South African Press on	Wednesday, 11 October
Expected Scheme last day to trade, being the last day to trade Holdsport Shares on the JSE in order to be recorded in the Register to receive the Scheme Consideration ( <b>Scheme Last Day to Trade</b> )	Tuesday, 17 October
Suspension of listing of Holdsport Shares on the JSE expected to take place at the commencement of trade on	Wednesday, 18 October
Announcement released on SENS in respect of the cash payment applicable to fractional entitlements to the Scheme Consideration, based on the VWAP of a Long4Life Share traded on the JSE on Wednesday, 18 October 2017, discounted by 10%, on	Thursday, 19 October
Expected <b>Scheme Consideration Record Date</b> , being the date on which Scheme Participants must be recorded in the Register to receive the Scheme Consideration, by close of trade on	Friday, 20 October
Last date on which the Scheme Participants can make an election in respect of the Scheme Consideration by 12:00 on	Friday, 20 October
Expected <b>Operative Date</b> of the Scheme on	Monday, 23 October
Scheme Consideration expected to be paid/posted to certificated Scheme Participants, who do not apply for Excess Scheme Cash, (provided their Form of	Monday, 23 October

Election, Surrender and Transfer ( <i>blue</i> ) and Documents of Title are received on or prior to 12:00 on the Scheme Consideration Record Date) on or about	
Dematerialised Scheme Participants, who do not apply for Excess Scheme Cash, expected to have their accounts (held at their CSDP or Broker) credited with the Scheme Consideration on or about	Monday, 23 October
Announcement released on SENS in respect of the Excess Scheme Cash Allocation payable to Shareholders that applied for Excess Scheme Cash by 11:00	Tuesday, 24 October
Scheme Consideration expected to be paid/posted to certificated Scheme Participants, who do apply for Excess Scheme Cash, (provided their Form of Election, Surrender and Transfer ( <i>blue</i> ) and Documents of Title are received on or prior to 12:00 on the Scheme Consideration Record Date) on or about	Wednesday, 25 October
Dematerialised Scheme Participants, who do apply for Excess Scheme Cash, expected to have their accounts (held at their CSDP or Broker) credited with the Scheme Consideration on or about	Wednesday, 25 October
Termination of the listing of Holdsport Shares on the JSE expected to take place at the commencement of trade on or about	Thursday, 26 October

---

**Notes:**

1. All dates and times in respect of the Scheme are subject to change by mutual agreement between Holdsport and Long4Life and with the approval of the JSE and/or TRP. The dates have been determined based on certain assumptions regarding the dates by which certain regulatory approvals including, but not limited to, that of the relevant Competition Authorities, JSE and TRP, will be obtained and that no court approval or review of the Scheme will be required. Any change will be released on SENS and published in the South African press.
2. Shareholders are referred to paragraph 5.7 of the Circular (which contains a summary of Dissenting Shareholders' Appraisal Rights in respect of the Scheme) regarding timing considerations relating to the Appraisal Rights afforded to Shareholders.
3. Shareholders should note that as transactions in Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore persons who acquire Shares after the Voting Last Day to Trade (i.e. 19 September 2017) will not be eligible to vote at the Scheme Meeting, but will, provided the Scheme is approved and they acquire the Holdsport Shares on or prior to the Scheme Last Day to Trade (expected to be 17 October 2017), participate in the Scheme (i.e. sell their Shares to Long4Life, or its nominee in accordance with the Scheme for the Scheme Consideration).
4. A Shareholder may submit a Form of Proxy at any time before the commencement of the Scheme Meeting (or any adjournment of the Scheme Meeting) or hand it to the Chairman of the Scheme Meeting before the appointed proxy exercises any of the relevant Shareholder's rights at the Scheme Meeting (or any adjournment of the Scheme Meeting), provided that should a Shareholder lodge a Form of Proxy with the Transfer Secretaries less than 48 hours (excluding Saturdays, Sundays and official public holidays) before the Scheme Meeting, such Shareholder will also be required to furnish a copy of such Form of Proxy to the Chairman of the Scheme Meeting before the appointed proxy exercises any of such Shareholder's rights at the Scheme Meeting (or adjourned or postponed Scheme Meeting).
5. If the Scheme Meeting is adjourned or postponed, Forms of Proxy submitted for the initial Scheme Meeting will remain valid in respect of any adjournment or postponement of the Scheme Meeting.
6. Dematerialised Shareholders are required to notify their duly appointed CSDP or Broker of their election in accordance with the custody agreement entered into between them and their CSDP or Broker in the manner and time stipulated therein. The CSDP or Broker must, in turn, make the election on such Dematerialised Shareholder's behalf, by no later than the designated date and time set out above, as to the form of the Scheme Consideration selected. Certificated Shareholders are required to have completed the attached Form of Election, Surrender and Transfer (*blue*) in accordance with its instructions and returned it, together with the relevant Documents of Title, to the Transfer Secretaries, to be received by no later than the designated time and date set out above.
7. All times given in this Circular are local times in the Republic of South Africa.
8. If the Scheme becomes operative, Share certificates may not be Dematerialised or rematerialised after the Scheme Last Day to Trade.
9. The salient dates and times assume that approval from the relevant Competition Authorities is obtained prior to the finalisation announcement on Tuesday, 10 October 2017.

**5. General**

The Scheme is governed by the law of the Republic of South Africa and is subject to any applicable laws and regulations, including the Companies Act and the Takeover Regulations.

## **6. Extension of Scheme Circular posting date**

In terms of regulation 102(2)(a) of the Takeover Regulations, the Scheme Circular must be posted within (i) 20 business days after the date of publication of the Firm Intention Announcement, or (ii) such longer period allowed by the Executive Director, on good cause shown. Upon application to the Takeover Regulation Panel ("**TRP**") ("**TRP Application**"), the Executive Director has granted an extension to the aforementioned posting period ("**TRP Extension**"), allowing the Scheme Circular to be posted on or before 31 August 2017.

The TRP is of the view that, taking into consideration the reasons provided in the TRP Application and section 119(6)(c) of the Companies Act, granting the TRP Extension is reasonable and justifiable in the circumstances having regard to the principles and purposes of Parts B and C of the Companies Act and Takeover Regulations.

The TRP Extension has been provided by the TRP without considering the views of any other person who may have an interest in the Proposed Transaction taking into consideration regulation 118(4) of the Takeover Regulations. Accordingly, it does not affect the rights and interests of such persons, and such persons may approach the TRP or the Takeover Special Committee and request a hearing in terms of the procedures laid out in the Companies Act relating to affected transactions, and the Takeover Regulations.

## **7. Removal of Holdsport cautionary**

Holdsport Shareholders are advised that, following the release of the Scheme Circular and the Prospectus, caution is no longer required to be exercised when dealing in Holdsport shares.

Long4life Shareholders are referred to the cautionary announcement released on SENS on Wednesday, 30 August 2017 regarding Long4Life having entered into discussions relating to a potential acquisition unrelated to the Proposed Transaction. Following this, Long4Life Shareholders are advised that, although caution is no longer required to be exercised with respect to the Proposed Transaction, they should continue to exercise caution when dealing in Long4Life shares.

Cape Town / Johannesburg

31 August 2017

### **Financial adviser to Long4Life**

Investec Bank Limited

### **Sponsor to Long4Life**

The Standard Bank of South Africa Limited

### **Sponsor to Holdsport**

UBS South Africa (Pty) Ltd

### **Reporting accountants to Holdsport and Long4Life**

KPMG Inc.

### **Legal adviser to Long4Life**

Edward Nathan Sonnenbergs Inc.

### **Legal adviser to Holdsport**

Cliffe Dekker Hofmeyr

### **Competition legal advisor**

Baker McKenzie