

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

### Action required by shareholders:

- This entire Circular is important and should be read with particular attention to the section entitled “Action required by Shareholders”, commencing on page 3.
- If you are in any doubt as to what action you should take in relation to this Circular, please consult your CSDP, Broker, banker, attorney, accountant or other professional adviser immediately.
- If you have disposed of all of your Shares in HCI, please forward this Circular and the attached Form of Proxy (*yellow*) to the purchaser of such Shares or to the CSDP, Broker, banker, attorney or other agent through whom the disposal was effected.

**HCI, Squirewood Investments 64 Proprietary Limited and the Board do not accept responsibility and will not be held liable for any action of, or omission by, any CSDP or Broker including, without limitation, any failure on the part of the CSDP or Broker of any Person that beneficially owns Shares in HCI to notify such Person of the Proposed Transactions set out in, or the content of, this Circular or to take any action on behalf of such Person.**



Hosken Consolidated Investments Limited

### HOSKEN CONSOLIDATED INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Registration Number: 1973/007111/06

Share code: HCI ISIN: ZAE000003257

(“HCI” or “the Company”)

## CIRCULAR TO SHAREHOLDERS

### Relating to:

transactions between HCI, its wholly-owned Subsidiary, Squirewood Investments 64 Proprietary Limited (“**Squirewood**”) and the Southern African Clothing Textile Workers Union (“**SACTWU**”), comprising:

- a purchase by Squirewood of 1 100 000 HCI Shares from SACTWU (“**a related party**”), for a purchase consideration of R131.00 per HCI Share and an aggregate consideration of R144 100 000 (“**the Squirewood Cash Purchase**”);
- a disposal by HCI of all its shares in and claims against three of its Subsidiaries to SACTWU for an aggregate consideration of R549 724 863 (“**the Property Company Purchase**”);
- a subscription by SACTWU for 54.5% of the total shares in the issued share capital of Squirewood, for an aggregate consideration of R888 755 872 (“**the Squirewood Subscription**”);
- an option granted by Squirewood to SACTWU in terms of which Squirewood shall have an irrevocable option to purchase 16 012 469 HCI Shares beneficially owned by SACTWU for a purchase consideration of R131.00 per HCI Share and an aggregate consideration of R2 097 633 439 (“**the Squirewood Option**”); and
- a cession in terms of which SACTWU shall cede and assign to HCI its rights to receipt of:
  - R549 724 863 of the purchase consideration payable to it pursuant to the exercise of the Squirewood Option, to the extent that the Squirewood Option is exercised; or
  - a loan amount advanced by SACTWU with a face value of R549 724 863, to the extent that the Squirewood Option is not exercised,

in full and final settlement of HCI’s right to claim payment of the purchase consideration payable to it in terms of the Property Company Purchase (“**the Cession**”);

### and incorporating:

- an Independent Expert’s Opinion in respect of the Property Company Purchase, the Squirewood Subscription and the Cession;
- the Reporting Accountant’s assurance report on the *pro forma* financial information;
- a Notice of General Meeting; and
- a Form of Proxy (*yellow*) for purposes of the General Meeting (only for use by Certificated Shareholders and Dematerialised Shareholders who have selected Own Name Registration).

Sponsor to HCI



Legal Adviser to HCI

WHITE & CASE

Independent Expert



**Date of issue: Monday, 15 December 2025**

*This Circular is available in English only. Copies may be obtained during normal business hours from the registered office of HCI, whose address is set out in the “Corporate Information and Advisers” section of this Circular, from Monday, 15 December 2025 until Thursday, 29 January 2026, both days inclusive. A copy of this Circular will also be available on HCI’s website (<https://www.hci.co.za/shareholder-circulars/>).*

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## CORPORATE INFORMATION AND ADVISERS

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### DIRECTORS

JA Copelyn (Chief Executive Officer)  
AF Pereira (Financial Director)  
MH Ahmed\*\*  
A Singh\*  
TG Govender  
Y Shaik  
L McDonald\*  
MF Magugu\*\*  
VE Mphande\*\* (Chairperson)  
JG Ngcobo\*\*  
RD Watson\*\*

\* Non-executive Directors

\*\* Independent Non-executive Directors

### DATE AND PLACE OF INCORPORATION

11 June 1973  
South Africa

### REGISTERED ADDRESS

Suite 801  
76 Regent Road  
Sea Point  
Cape Town, 8005  
(PO Box 5251, Cape Town, 8000)

### COMPANY SECRETARY

HCI Managerial Services Proprietary Limited  
(Registration number 1996/017874/07)  
Suite 801  
76 Regent Road  
Sea Point  
Cape Town, 8005  
(PO Box 5251, Cape Town, 8000)

### SPONSOR

Investec Bank Limited  
(Registration number 1969/004763/06)  
100 Grayston Drive, Sandown  
Sandton, Johannesburg, 2196  
(PO Box 785700, Sandton, 2146)

### HCI LEGAL ADVISER

White and Case Inc.  
(Registration number 2013/220413/21)  
1st Floor, Katherine Towers, 1 Park Lane  
Wierda Valley, Sandton, Johannesburg, 2196  
(PO Box 784440, Sandton, 2146)

### INDEPENDENT EXPERT

BDO Corporate Finance Proprietary Limited  
(Registration number 1983/002903/07)  
Wanderers Office Park  
52 Corlett Drive  
Illovo, Johannesburg, 2196

### REPORTING ACCOUNTANT

Forvis Mazars in South Africa  
(Practice number 900 222)  
Rialto Road  
Grand Moorings Precinct, Century City  
Cape Town, 7441

### TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited  
(Registration number 2004/003647/07)  
Rosebank Towers  
15 Biermann Avenue  
Rosebank, 2196  
(Private Bag X9000, Saxonwold, 2132)

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## CERTAIN FORWARD-LOOKING STATEMENTS

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The definitions and interpretations commencing on page 6 of this Circular apply throughout this Circular including this section.

### **FORWARD-LOOKING STATEMENTS**

This Circular contains statements about HCI, SACTWU, Squirewood, RDM, GEH and SSH 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 on the industry in which the aforementioned entities operate; 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. HCI cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments including within the industry in which HCI, SACTWU, Squirewood, RDM, GEH and SSH operate 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 HCI 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 HCI, 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.

HCI 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 HCI, SACTWU, Squirewood, RDM, GEH and SSH 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. HCI 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.

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## ACTIONS REQUIRED BY SHAREHOLDERS

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This Circular is important and requires your immediate attention.

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

If you have disposed of all of your Shares in HCI, please forward this Circular and the attached Form of Proxy (*yellow*) to the purchaser of such Shares or to the CSDP, Broker, banker, attorney or other agent through whom the disposal was effected.

**The General Meeting will be held at the registered offices of HCI, Suite 801, 76 Regent Road, Sea Point, 8005 on Thursday, 29 January 2026 at 10:00 (South African Standard Time) at which General Meeting HCI Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the resolutions set out in the Notice of General Meeting attached to this Circular.**

HCI is making provision to allow HCI Shareholders (including proxies) who cannot attend the in-person General Meeting to participate in the meeting via electronic communication as permitted by the Companies Act and by the MOI. Participants will require an internet connection and an active e-mail address. The cost (e.g. for mobile data consumption or internet connectivity) of electronic participation in the General Meeting will be carried by the participant.

HCI Shareholders are strongly encouraged to submit their votes before the General Meeting at their earliest convenience. Certificated HCI Shareholders and Dematerialised HCI Shareholders with "Own Name" Registration can submit their votes before the General Meeting by completing a proxy form or submitting proxy instructions in accordance with the instructions set out below. Dematerialised HCI Shareholders without "Own Name" Registration can submit their voting instructions before the General Meeting to their CSDP or Broker by the cut-off time and date advised by their CSDP or Broker for instructions of this nature in the manner stipulated in their respective custody agreements.

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

HCI Shareholders that wish to participate in the General Meeting are referred to the instructions set out below.

### 1. DEMATERIALISED HCI SHAREHOLDERS WHO ARE NOT OWN NAME DEMATERIALISED SHAREHOLDERS

#### 1.1 Voting at the General Meeting

- (a) Your CSDP or Broker 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 the custody agreement concluded between you and your CSDP or Broker.
- (b) If your CSDP or Broker has not contacted you, it is advisable for you to contact your CSDP or Broker and furnish it with your voting instructions.
- (c) If your CSDP or Broker 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 CSDP or Broker.
- (d) **You must not complete the attached Form of Proxy (*yellow*).**

#### 1.2 Attendance and Representation at the General Meeting

- (a) In accordance with the custody agreement between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to:
  - (i) attend, speak and vote at the General Meeting; or
  - (ii) send a proxy to represent your CSDP or Broker at the General Meeting.
- (b) Your CSDP or Broker should then issue the necessary letter of representation to you for you or your proxy to attend, speak and vote at the General Meeting.

### 2. CERTIFICATED HCI SHAREHOLDERS AND DEMATERIALISED HCI SHAREHOLDERS WHO ARE OWN NAME DEMATERIALISED SHAREHOLDERS

#### 2.1 Voting and attendance at the General Meeting

- (a) You may attend the General Meeting in person and may vote at the General Meeting.
- (b) Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Form of Proxy (*yellow*) in accordance with the instructions contained therein and lodging it, posting it or sending it via e-mail to the Transfer Secretaries to be received by them preferably by no later than 10:00 on Wednesday,

28 January 2026 provided that any Form of Proxy not delivered to the Transfer Secretaries by this time may be handed to the chairperson of the General Meeting prior to the commencement of the General Meeting, at any time before the appointed proxy exercises any Shareholder rights at the General Meeting.

### **3. VOTING AND FORMS OF PROXY**

On a show of hands, every Shareholder, present in person or represented by proxy, shall have one vote only. On a poll, every Shareholder, present (i.e. in attendance for the electronic General Meeting) in person or by proxy, shall have one vote for every HCI Share held or represented.

Certificated Shareholders and Dematerialised Shareholders with "Own Name" Registration are entitled to appoint a proxy or proxies (for which purpose a Form of Proxy (*yellow*) is included) to vote in their stead. The person so appointed need not be a HCI Shareholder.

The Forms of Proxy attached to the Notice of General Meeting must be completed only by Certificated Shareholders and Dematerialised Shareholders with "Own Name" Registration. Forms of Proxy must be lodged with the Transfer Secretaries by no later than 10:00 (South African Standard Time) on Wednesday, 28 January 2026, by way of:

- (a) hand delivery at their offices, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196; posted to the Transfer Secretaries at Private Bag X9000, Saxonwold, 2132; or
- (b) e-mail to [proxy@computershare.co.za](mailto:proxy@computershare.co.za).

Dematerialised Shareholders without "Own Name" Registration must contact their CSDP or Broker in the manner and time stipulated in their agreement, to furnish their CSDP or Broker with their voting instructions by the cut-off time and date advised by their CSDP or Broker for instructions of this nature.

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## SALIENT DATES AND TIMES

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The definitions and interpretations commencing on page 6 apply to the section below.

### 2025

Record date for HCI Shareholders to be recorded in the Register in order to receive this Circular	Friday, 5 December
Circular incorporating the Notice of General Meeting and Form of Proxy ( <i>yellow</i> ), distributed to HCI Shareholders on	Monday, 15 December
Announcement of distribution of Circular and notice convening the General Meeting released on SENS on	Monday, 15 December

### 2026

Last day to trade HCI Shares in order to be recorded in the Register to vote at the General Meeting (see note 2 below) on	Tuesday, 13 January
Record date for a Shareholder to be registered in the Register in order to be eligible to attend and participate in the General Meeting and to vote thereat, by close of trade on	Friday, 16 January
Forms of proxy ( <i>yellow</i> ) in respect of the General Meeting to be lodged, for administrative purposes, by 10:00 on	Wednesday, 28 January
Forms of Proxy ( <i>yellow</i> ) not lodged with the Transfer Secretaries, are to be handed/e-mailed to the chairperson of the General Meeting before the proxy exercises the rights of the Shareholder at the General Meeting held at 10:00 on	Thursday, 29 January
General Meeting held at 10:00 on	Thursday, 29 January
Results of the General Meeting published on SENS on	Thursday, 29 January

#### Notes:

1. The above dates and times are subject to amendment at the discretion of HCI (and, to the extent necessary, with the approval of the JSE). Any such amendment will be released on SENS.
2. HCI Shareholders are referred to page 3 of this Circular for information on the action required to be taken by them.
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, HCI Shareholders who acquire Shares after close of trade on Tuesday, 13 January 2026 will not be eligible to attend at, participate in and to vote at the General Meeting.
4. All dates and times indicated above are South African Standard Times.
5. Share Certificates may not be dematerialised or rematerialised between Tuesday, 13 January 2026 and Friday, 16 January 2026 (both dates inclusive).

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## DEFINITIONS AND INTERPRETATIONS

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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 others, words and expressions denoting natural persons include juristic persons and associations of persons, and the words and expressions in the first column have the meanings stated opposite them in the second column.

<b>“Board” or “Directors”</b>	the board of directors of HCI whose names appear in the “Corporate information and advisers” section of this Circular;
<b>“Broker”</b>	any person registered as a “broker member (equities)” in terms of the rules of the JSE and in accordance with the provisions of the Financial Markets Act;
<b>“Business Day”</b>	a day other than a Saturday, Sunday or official public holiday in South Africa;
<b>“Cash Consideration”</b>	the purchase consideration payable by Squirewood to SACTWU in respect of the Squirewood Cash Purchase, being R131.00 per HCI Share, which comprises an aggregate purchase consideration of R144 100 000;
<b>“Certificated HCI Shares”</b>	HCI Shares represented by a share certificate or other physical document of title, which have not been surrendered for Dematerialisation in terms of the requirements of Strate;
<b>“Certificated HCI Shareholders”</b>	HCI Shareholders who hold Certificated HCI Shares;
<b>“Cession Agreement”</b>	<p>the cession agreement entered into between HCI, Squirewood and SACTWU in terms of which, <i>inter alia</i>, SACTWU shall cede and assign its rights to receive:</p> <ul style="list-style-type: none"><li>(i) R549 724 863 of the purchase consideration payable to it pursuant to the exercise by Squirewood of the Squirewood Option in terms of the Squirewood Option Agreement, in the event that Squirewood exercises the Squirewood Option; or</li><li>(ii) a loan amount advanced by SACTWU to Squirewood with a face value of R549 724 863, in the event that the Squirewood Option is not exercised by Squirewood,</li></ul> <p>in full and final settlement of the HCI Claim, as amended by the parties thereto on or about 29 September 2025;</p>
<b>“Circular”</b>	this circular to HCI Shareholders, dated Monday, 15 December 2025 including the annexures hereto, the notice of General Meeting and the form of proxy;
<b>“Companies Act”</b>	the Companies Act, No. 71 of 2008, as amended;
<b>“Competition Act”</b>	the Competition Act, No. 89 of 1998, as amended;
<b>“Competition Authorities”</b>	collectively or, if the context is appropriate, any one of the following: the competition commission, the competition tribunal and/or the competition appeal court and/or any higher court in South Africa, as the case may be, as established by the Competition Act;
<b>“CSDP”</b>	a Central Securities Depository Participant appointed by a shareholder for purposes of, and in regard to, dematerialisation and/or to hold and administer dematerialised shares or an interest in dematerialised shares on behalf of a shareholder;
<b>“Dematerialisation”</b>	the process by which securities held in certificated form are converted to or held in electronic form as uncertificated securities and recorded as such in a sub-register of securities holders maintained by a CSDP and “Dematerialised” shall bear the corresponding meaning;
<b>“Dematerialised HCI Shareholder(s)”</b>	those HCI Shareholders who hold Dematerialised HCI Shares;
<b>“Dematerialised HCI Share(s)”</b>	HCI Shares which have been Dematerialised;
<b>“Equalisation Shares”</b>	means 355 (three hundred and fifty-five) ordinary shares in the issued share capital of Squirewood, which shares were issued by Squirewood to HCI, at a nominal price of R1 (one Rand) per share, prior to the implementation of, and in accordance with the terms of, the Squirewood Subscription Agreement;

<b>“Financial Markets Act”</b>	the Financial Markets Act, No. 19 of 2012;
<b>“Form of Proxy”</b>	for purposes of the General Meeting, the form of proxy ( <i>yellow</i> ) for use only by Certificated Shareholders and Own Name Dematerialised Shareholders;
<b>“GEH”</b>	Gallagher Estate Holdings Proprietary Limited (Registration Number 1989/001668/07) a private company duly registered and incorporated with limited liability in accordance with the laws of South Africa and a wholly-owned Subsidiary of HCI;
<b>“General Meeting”</b>	the general meeting of HCI Shareholders to be held in the boardroom at HCI’s offices, Suite 801, 76 Regent Road, Sea Point, 8005 on Thursday, 29 January 2026 at 10:00 for the purpose of considering and, if thought fit, passing the special and ordinary resolutions set out in the notice of General Meeting forming part of this Circular;
<b>“HCI” or “the Company”</b>	Hosken Consolidated Investments Limited (Registration Number 1973/007111/06), a public company incorporated in accordance with the laws of South Africa, the issued ordinary share capital of which is listed on the JSE;
<b>“HCI Claim”</b>	the purchase consideration payable by SACTWU to HCI in respect of the Property Company Purchase Agreement, being an aggregate purchase consideration of R549 724 863;
<b>“HCI Group”</b>	HCI and its Subsidiaries;
<b>“HCI Shareholders”</b>	the registered holders of HCI Shares appearing on the main and sub-registers of HCI at the Last Practicable Date;
<b>“HCI Shares”</b>	ordinary shares in the issued share capital of HCI, all of which shares are listed on the JSE at the Last Practicable Date;
<b>“Implementation Agreement”</b>	an implementation agreement entered into between HCI, Squirewood and SACTWU which, <i>inter alia</i> , regulates some of the overarching terms applicable to the Property Company Purchase, the Squirewood Subscription and the Cession, as amended by the parties thereto on or about 29 September 2025;
<b>“Income Tax Act”</b>	the Income Tax Act, No. 58 of 1962, as amended;
<b>“Independent Expert”</b>	BDO Corporate Finance Proprietary Limited (Registration Number 1983/002903/07), a private company duly incorporated and registered in accordance with the laws of South Africa;
<b>“IFRS”</b>	the International Financial Reporting Standards as issued from time to time by the International Accounting Standards Board or its successor body, as adopted or applied in South Africa;
<b>“JSE”</b>	the JSE Limited (Registration Number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa, and licensed to operate an exchange under the Financial Markets Act;
<b>“Last Practicable Date”</b>	the last practicable date prior to the finalisation of the Circular, being Thursday, 27 November 2025;
<b>“Listings Requirements”</b>	the listings requirements of the JSE, as amended from time to time;
<b>“Main Board”</b>	the main board of the list maintained by the JSE of securities admitted to listing;
<b>“MOI”</b>	the memorandum of incorporation of HCI;
<b>“Own Name Dematerialised HCI Shareholders”</b>	HCI Shareholders that have Dematerialised their HCI Shares and have instructed their CSDP to hold their HCI Shares in their own name on the sub-register maintained by the CSDP and forming part of the Register;
<b>“Parties”</b>	HCI, the Subject Companies, Squirewood and SACTWU, a major shareholder of HCI, with whom the Transaction Agreements have been concluded;
<b>“Prime Rate”</b>	the South African prime lending rate as quoted by HCI’s primary bank or such other bank as may be elected by HCI, SACTWU and Squirewood (as certified by any manager of such bank, whose certificate shall, in the absence of manifest error, be final and binding on HCI, SACTWU and Squirewood, and whose appointment or designation need not be proved) from time to time;
<b>“Property Company Purchase”</b>	the sale of shares and claims transaction contemplated in the Property Company Purchase Agreement;

<b>“Property Company Purchase Agreement”</b>	a sale of shares and claims agreement entered into between HCI, SACTWU and the Subject Companies in terms of which, <i>inter alia</i> , HCI will sell its shares in and shareholder loan claims against the Subject Companies to SACTWU for an aggregate consideration of R549 724 863, as amended by the parties thereto on or about 29 September 2025;
<b>“Proposed Transactions”</b>	collectively means the transactions contemplated in the Transaction Agreements, comprising the Squirewood Cash Purchase; the Property Company Purchase; the Squirewood Subscription; and the Cession, and <b>“Proposed Transaction”</b> shall refer to any one of them as the context may require;
<b>“Rand” or “R”</b>	South African Rand, the official currency of South Africa;
<b>“Reporting Accountants”</b>	Forvis Mazars in South Africa (Practice Number 900 222);
<b>“RDM”</b>	HCI Rand Daily Mail Proprietary Limited (Registration Number 2014/021480/07), a private company duly registered and incorporated with limited liability in accordance with the laws of South Africa and a wholly-owned Subsidiary of HCI;
<b>“Related Party Transaction”</b>	a “related party transaction” as defined in paragraph 10.1(a) of the Listings Requirements;
<b>“Related Party”</b>	a “related party” as defined in paragraph 10.1(b) of the Listings Requirements;
<b>“Register”</b>	the securities register of HCI Shareholders maintained by HCI in terms of the Companies Act including the register of Certificated HCI Shareholders and the sub-registers of Dematerialised HCI Shareholders maintained by the relevant CSDPs in accordance with the Companies Act;
<b>“SACTWU”</b>	the Southern African Clothing and Textile Workers Union (Registration Number LR2/6/2/128), a trade union duly registered in accordance with the laws of South Africa;
<b>“SACTWU Claim”</b>	a claim with a face value of R549 724 863 which may become owing by Squirewood to SACTWU in due course pursuant to the sale by SACTWU of HCI Shares to Squirewood on loan account pursuant to the exercise by Squirewood of the Squirewood Option, or SACTWU otherwise advancing a loan amount in cash to Squirewood equal to at least R549 724 863;
<b>“SENS”</b>	the Stock Exchange News Service of the JSE;
<b>“Solvency and Liquidity Test”</b>	the solvency and liquidity test set out in section 4(1) of the Companies Act;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“Squirewood”</b>	Squirewood Investments 64 Proprietary Limited (Registration Number 2006/027305/07), a private company duly registered and incorporated with limited liability in accordance with the laws of South Africa and prior to the implementation of the Squirewood Subscription, a wholly-owned Subsidiary of HCI;
<b>“Squirewood Cash Purchase”</b>	the share purchase transaction contemplated in the Squirewood Cash Purchase Agreement;
<b>“Squirewood Cash Purchase Agreement”</b>	a share purchase agreement entered into between Squirewood and SACTWU, in terms of which, <i>inter alia</i> , Squirewood will purchase 1 100 000 HCI Shares beneficially owned by SACTWU, for the Cash Consideration;
<b>“Squirewood Claim”</b>	a claim with a face value of R888 755 872, which shall become owing by SACTWU to Squirewood pursuant to SACTWU subscribing for 54.5% (fifty-four point five percent) of the total shares in the issued share capital of Squirewood in terms of the Squirewood Subscription Agreement;
<b>“Squirewood Option”</b>	an irrevocable option granted by SACTWU to Squirewood, to purchase 16 012 469 HCI Shares beneficially owned by SACTWU for a purchase consideration of R131.00 per HCI Share and an aggregate consideration of R2 097 633 439, which consideration shall (to the extent the Squirewood Option is exercised by Squirewood) be automatically set off against the Squirewood Claim and the balance shall remain owing on loan account;
<b>“Squirewood Option Agreement”</b>	an option agreement entered into between SACTWU, Squirewood and HCI in terms of which, <i>inter alia</i> , SACTWU shall grant Squirewood the Squirewood Option;
<b>“Squirewood Subscription”</b>	the share subscription transaction contemplated in the Squirewood Subscription Agreement;

<b>“Squirewood Subscription Agreement”</b>	the subscription agreement entered into between Squirewood and SACTWU in terms of which, <i>inter alia</i> , SACTWU shall subscribe for 54.5% (fifty-four point five percent) of the total shares in the issued share capital of Squirewood, for an aggregate consideration of R888 755 872, which consideration shall remain owing on loan account;
<b>“SSH”</b>	HCI Solly Sachs House Proprietary Limited (Registration Number 2014/021480/07), a private company duly registered and incorporated with limited liability in accordance with the laws of South Africa and a wholly-owned Subsidiary of HCI;
<b>“Strate”</b>	Strate Limited (Registration Number 1998/022242/06), a public company incorporated in accordance with the laws 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;
<b>“Subject Companies”</b>	collectively means GEH, RDM and SSH, which are each wholly-owned Subsidiaries of HCI, and <b>“Subject Company”</b> shall refer to any one of them as the context may require;
<b>“Subsidiary”</b>	a subsidiary as defined in the Listings Requirements;
<b>“Subscription Shares”</b>	means 545 (five hundred and forty-five) ordinary shares in the issued share capital of Squirewood, constituting after their issue to SACTWU in terms of the Squirewood Subscription Agreement, and after issuance of the Equalisation Shares, 54.5% (fifty-four point five percent) of the entire issued share capital of Squirewood;
<b>“Transaction Agreements”</b>	the Squirewood Cash Purchase Agreement; the Implementation Agreement; the Property Company Purchase Agreement; the Squirewood Subscription Agreement; and the Cession Agreement, and <b>“Transaction Agreement”</b> shall refer to any one of them as the context may require;
<b>“Transfer Secretaries”</b>	Computershare Investor Services Proprietary Limited (Registration Number 2004/003647/07), a private company incorporated in accordance with the laws of South Africa;
<b>“VAT”</b>	value-added tax in terms of the Value Added Tax Act, No. 89 of 1991, as amended; and
<b>“VWAP”</b>	volume weighted average price of an HCI Share.



Hosken Consolidated Investments Limited

## HOSKEN CONSOLIDATED INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Registration Number: 1973/007111/06

Share code: HCI ISIN: ZAE000003257

("HCI" or "the Company")

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### Directors

JA Copelyn (Chief Executive Officer)

AF Pereira (Financial Director)

MH Ahmed\*\*

A Singh\*

TG Govender

Y Shaik

L McDonald\*

MF Magugu\*\*

VE Mphande\*\* (Chairperson)

JG Ngcobo\*\*

RD Watson\*\*

\* Non-executive Directors

\*\* Independent Non-executive Directors

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## CIRCULAR TO SHAREHOLDERS

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### 1. INTRODUCTION

1.1 As set out in the announcements released on SENS on Friday, 4 July 2025 and on Monday, 29 September 2025, HCI and its wholly-owned Subsidiary Squirewood have concluded the following Transaction Agreements with HCI's material shareholder, SACTWU:

- (a) the Squirewood Cash Purchase Agreement, in terms of which, *inter alia*, Squirewood will purchase 1 100 000 HCI Shares beneficially owned by SACTWU, for a purchase consideration of R131.00 per HCI Share and an aggregate consideration of R144 100 000;
- (b) an Implementation Agreement which, *inter alia*, regulates the overarching terms applicable to the Property Company Purchase, the Squirewood Subscription and the Cession Agreement contemplated below;
- (c) the Property Company Purchase Agreement, in terms of which, *inter alia*, HCI will sell its Shares in and shareholder loan claims against the Subject Companies to SACTWU for an aggregate consideration of R549 724 863, which shall remain owing on loan account and create the HCI Claim;
- (d) the Squirewood Subscription Agreement, in terms of which, *inter alia*, SACTWU shall subscribe for 54.5% (fifty-four point five percent) of the total issued shares in Squirewood, for an aggregate consideration of R888 755 872, creating the Squirewood Claim; and
- (e) the Cession Agreement, in terms of which, *inter alia*, SACTWU shall cede and assign its rights to receive:
  - (i) R549 724 863 of the purchase consideration payable to it in terms of the Squirewood Option Agreement, in the event that Squirewood exercises the Squirewood Option; or
  - (ii) a loan amount to be advanced by SACTWU with a face value of R549 724 863, in the event that the Squirewood Option is not exercised by Squirewood,in full and final settlement of the HCI Claim.

1.2 In addition, Squirewood and SACTWU have concluded the Squirewood Option Agreement in terms of which, *inter alia*, SACTWU shall grant to Squirewood an irrevocable option to purchase 16 012 469 HCI Shares beneficially owned by SACTWU for a purchase consideration of R131.00 per HCI Share and an aggregate consideration of R2 097 633 439, which option only becomes exercisable after the implementation of the Squirewood Subscription, after Squirewood ceases to be a Subsidiary of HCI.

1.3 The:

- (a) Squirewood Cash Purchase Agreement is not conditional upon any of the other Transaction Agreements and can, therefore, be implemented notwithstanding that the conditions precedent to the remaining Transaction Agreements have not yet been fulfilled and/or waived (as the case may be); and
- (b) Squirewood Option shall be capable of being exercised by Squirewood for a period of 12 (twelve) months from the 1st (first) Business Day after the date on which the Squirewood Subscription Agreement is implemented in accordance with its terms.

1.4 As at the Last Practicable Date, Squirewood is a wholly-owned Subsidiary of HCI. Squirewood is an investment holding company with its assets comprising 5 664 037 HCI Shares and a loan claim against HCI's wholly-owned Subsidiary, HCI-Treasury Proprietary Limited, with a face value of R202 879 068.

1.5 If the Squirewood Subscription is implemented, SACTWU will acquire the majority shareholding of Squirewood, including the ability to exercise the majority of the voting rights in Squirewood through its subscription for 54.5% (fifty-four point five percent) of the issued shares of Squirewood. HCI will hold 45.5% (forty-five point five percent) of the issued shares and voting rights pursuant thereto. As such, at the time that the Squirewood Option becomes exercisable, Squirewood shall be a Subsidiary of SACTWU and will no longer be a Subsidiary of HCI.

## 2. PURPOSE OF THIS CIRCULAR

2.1 The Squirewood Cash Purchase constitutes a "specific repurchase" from a Related Party in terms of paragraph 5.67(C) of the Listings Requirements, as read with paragraph 10.1(b)(i) of the Listings Requirements and, therefore, requires the approval of HCI Shareholders by way of special resolution (excluding the votes exercisable by SACTWU and its associates).

2.2 The Property Company Purchase, the Squirewood Subscription and the Cession each constitute Related Party Transactions in terms of paragraphs 9 (as read with paragraph 3.35) and 10 of the Listings Requirements and, therefore, require the approval of HCI Shareholders by ordinary resolution (excluding the votes exercisable by SACTWU and its associates).

2.3 As Squirewood will no longer be a Subsidiary of HCI at the time when the Squirewood Option becomes exercisable, the Squirewood Option does not constitute a repurchase of shares in terms of the Listings Requirements, nor does it constitute a categorisable transaction. Any further Listings Requirements provisions which may apply shall be determined at the time at which the Squirewood Option is exercised by Squirewood, if at all. The information disclosed in this Circular relating to the Squirewood Option is disclosed voluntarily to provide HCI Shareholders with all the necessary information they may require in order to make informed decisions regarding the resolutions set out in the Notice of General Meeting attached to this Circular.

2.4 Accordingly, the purpose of this Circular is to:

- (a) in compliance with the Listings Requirements, provide HCI Shareholders with relevant information regarding the Proposed Transactions, including, among others, the Independent Expert's Opinion;
- (b) advise the HCI Shareholders of the Independent Expert's Opinion in respect of the Property Company Purchase, the Squirewood Subscription and the Cession; and
- (c) give notice convening the General Meeting in order for HCI Shareholders to consider and, if deemed fit, pass with or without modification, the resolutions set out in the Notice of General Meeting.

## 3. RATIONALE FOR THE PROPOSED TRANSACTIONS

(a) As at the Last Practicable Date, SACTWU is the beneficial owner of approximately 23.8% of the total HCI Shares in issue (net of the treasury shares).

(b) SACTWU has held its interest in HCI since 1997, primarily as an income-generating asset and significant investment vehicle to fund the Union's objectives, aiming to benefit Union members through investments in, *inter alia*, media, hotels, casinos, coal mines and transport.

(c) SACTWU holds property interests outside of its investment in HCI with most of its properties being occupied by SACTWU itself. SACTWU has expressed a desire to increase its interests in investment property so as to generate more regular, ideally monthly cash flow to fund its operational and member benefit programmes and other related employment projects.

(d) Since HCI distributes cash dividends to its Shareholders on a six-monthly basis, SACTWU has recently been disposing of HCI Shares on market through the JSE order book to enable it to fund its ongoing obligations. Such disposals are not sustainable over a longer period of time and raised concerns about the possible unintended prejudicial impact such sales may have (if they continue) on HCI's (and consequently its other investee companies') ownership credentials in terms of the Broad-Based Black Economic Empowerment ("B-BBEE") Codes of Good Practice.

- (e) In this regard, it is important to note that as the largest shareholder of HCI, SACTWU has been HCI's B-BBEE partner for the past 28 (twenty-eight) years. SACTWU's shareholding in HCI has not only allowed HCI to acquire and hold a number of lucrative licensed businesses over a lengthy period, generating significant returns for HCI Shareholders, but its B-BBEE ownership credentials have also benefited those businesses and entities (listed and unlisted) of which HCI is the holding company or a material shareholder. These include Tsogo Sun Limited, which holds various gaming licences containing various degrees of ownership requirements; Southern Sun Limited, which benefits from HCI's ownership credentials in various respects, including the successful procurement of business for its hotels and conferencing facilities; HCI Resources Proprietary Limited (formerly known as HCI Coal Proprietary Limited), which is required to comply with certain ownership requirements in procuring new licences and contracts; HCI's various oil and platinum investments, including Impact Oil & Gas Limited and Africa Energy Corp, which benefit from HCI's ownership credentials; and various others which have similar requirements.
- (f) The Board is unanimous in its opinion that the relationship between HCI and SACTWU is fundamental to HCI's ability to hold a number of the above-mentioned assets in the medium to long term, and the investee companies' ability to continue to benefit from such credentials.
- (g) The Proposed Transactions are a result of engagements between SACTWU and HCI with the objective of providing solutions to SACTWU's cash flow requirements, while taking into consideration the impact that SACTWU's B-BBEE credentials have on HCI and its businesses.
- (h) Accordingly, the parties agreed, given SACTWU's desire to increase its interests in immovable property, that investments in immovable property generating sustainable monthly cash flows would likely be the most appropriate asset class for SACTWU to acquire to service its needs. As a result, HCI granted SACTWU the opportunity to conduct a due diligence in respect of the HCI Group's immovable property assets and provided SACTWU with independent valuations conducted in respect of such assets. Pursuant to their investigation, SACTWU selected the three Subject Companies it wishes to acquire, which ultimately culminated in the conclusion of the Transaction Agreements.
- (i) In addition, Squirewood has agreed to acquire 1 100 000 HCI Shares from SACTWU for cash, thereby avoiding the need for further disposals of HCI Shares on market through the JSE order book. SACTWU has also agreed to grant Squirewood an irrevocable option to acquire further HCI Shares (being the Squirewood Option).
- (j) HCI considers the purchase consideration payable by Squirewood of R131.00 per HCI Share in terms of the Proposed Transactions, which represents a discount of approximately 2% (two percent) to the 30-day VWAP of HCI Shares as at 2 July 2025, to be value accretive to HCI Shareholders.
- (k) Furthermore, the implementation of the Squirewood Subscription will result in SACTWU acquiring 54.5% (fifty-four point five percent) of the issued shares in Squirewood and becoming a Subsidiary of SACTWU. Squirewood shall be the holder of 5 664 037 HCI Shares if the Squirewood Cash Purchase and the Squirewood Subscription are implemented, and will be the holder of 21 676 506 HCI Shares, comprising approximately 25.3% (twenty-five point three percent) of the aggregate issued HCI Shares (net of treasury shares), if the Squirewood Option is exercised thereafter. This will have the effect of consolidating the largest portion of SACTWU's shareholding in HCI into a single entity, strengthening and significantly enhancing HCI's B-BBEE ownership credentials, while still benefiting other Shareholders in the manner explained herein.

#### 4. THE SQUIREWOOD CASH PURCHASE

##### 4.1 Transaction Terms

- (a) Squirewood has agreed to purchase 1 100 000 HCI Shares from SACTWU (representing approximately 1.3% (one point three percent) of the total HCI Shares in issue as at the Last Practicable Date), for a purchase consideration of R131.00 per HCI Share, comprising an aggregate purchase consideration of R144 100 000 (the "**Cash Consideration**"). The purchase consideration represents a discount of approximately 2% (two percent) to the 30-day VWAP of HCI Shares as at the last business day before the Squirewood Cash Purchase Agreement was concluded. Accordingly, the Squirewood Cash Purchase is not subject to a fairness opinion in accordance with paragraph 5.69(e) of the Listings Requirements.
- (b) The Cash Consideration shall be settled in cash and paid by Squirewood to SACTWU by crediting SACTWU's account held at its CSDP or Broker with the Cash Consideration on the effective date thereof.

##### 4.2 Conditions Precedent

As at the Last Practicable Date, the Squirewood Cash Purchase remains subject to the fulfilment or, to the extent permitted, waiver of the condition precedent ("**Cash Sale Condition Precedent**"), that by no later than 31 January 2026, the HCI Shareholders have adopted the requisite resolutions required to approve the "specific repurchase" of the HCI Shares in terms of the Squirewood Cash Purchase Agreement in terms of paragraph 5.69 of section 5 of the Listings Requirements.

### 4.3 Effective Date

- (a) The effective date of the Squirewood Cash Purchase Transaction shall be the 3rd (third) Business Day after the day on which the condition precedent thereto has been fulfilled or waived (as the case may be).
- (b) The Squirewood Cash Purchase is not inter-conditional with any of the other Transaction Agreements, and can therefore be implemented notwithstanding that the conditions precedent to the remaining Transaction Agreements not having been fulfilled or, to the extent permitted, been waived by the relevant parties.

## 5. THE REMAINING PROPOSED TRANSACTIONS

### 5.1 The Property Company Purchase

- (a) In terms of the Property Company Purchase Agreement, HCI has agreed to sell all of its shares in, and shareholder loan claims against, three wholly-owned Subsidiaries in the HCI Group, namely GEH, RDM and SSH, for an aggregate consideration of R549 724 863.
- (b) The purchase consideration is allocated as follows:
  - (i) in respect of HCI's shares in, and claims against, RDM, R39 513 598;
  - (ii) in respect of HCI's shares in, and claims against, GEH, R394 884 623;
  - (iii) in respect of HCI's shares in, and claims against, SSH, R115 326 633.

The purchase consideration payable pursuant to the implementation of the Property Company Purchase Agreement shall remain owing by SACTWU and payable to HCI on loan account (being the "**HCI Claim**"), which HCI Claim shall be settled in terms of and in accordance with the Cession Agreement, or if not settled in accordance with the Cession Agreement, settled in accordance with the terms set out in paragraph 5.1(c) below.

- (c) If the HCI Claim is not settled in accordance with the Cession Agreement by the date that is 3 (three) months after the date on which the Property Company Purchase Agreement becomes effective in accordance with its terms, then:
  - (i) the amounts outstanding in respect of the HCI Claim shall accrue interest at the Prime Rate, from the date that is 3 (three) months after the date on which the Property Company Purchase Agreement becomes effective in accordance with its terms until the date of payment in full by SACTWU; and
  - (ii) SACTWU shall be required to settle the entire HCI Claim amount (including all interest accrued) in cash by electronic funds transfer into the bank account nominated by HCI for that purpose, by no later than the 1st (first) anniversary of the date on which the Property Company Purchase Agreement becomes effective in accordance with its terms.

### 5.2 The Squirewood Subscription

- (a) In terms of the Squirewood Subscription Agreement, SACTWU has agreed to subscribe for, and Squirewood has agreed to allot and issue to SACTWU, 54.5% (fifty-four point five percent) of the total issued shares of Squirewood, for an aggregate consideration of R888 755 872.
- (b) Prior to the allotment and issuance of the Subscription Shares (as contemplated in paragraph 5.2(a) above), Squirewood issued to the Company (in its capacity as the sole shareholder of Squirewood), the Equalisation Shares, at a nominal price of R1 (one Rand) per share.
- (c) The subscription consideration payable pursuant to the implementation of the Squirewood Subscription Agreement shall remain owing by SACTWU and payable to Squirewood on loan account (being the "**Squirewood Claim**"), which SACTWU Claim shall be settled in terms of and in accordance with the terms set out in paragraph 5.2(d) below.
- (d) The Squirewood Claim shall:
  - (i) unless otherwise agreed upon by Squirewood:
    - (A) accrue no interest during the first 30 (thirty) days after the date on which the Squirewood Subscription Agreement is implemented in accordance with its terms; and
    - (B) thereafter, accrue interest at the Prime Rate from the 31st (thirty-first) day after the date on which the Squirewood Subscription Agreement is implemented until the Squirewood Claim is settled in full; and
  - (ii) be payable upon the earlier of:
    - (A) the date on which Squirewood exercises the Squirewood Option granted to it under the Squirewood Option Agreement, and the sale triggered by the exercise of that Squirewood Option becoming unconditional in accordance its terms; and

- (B) the date that is 4 (four) months after the date on which the Squirewood Subscription Agreement is implemented in accordance with its terms.
- (e) If the Squirewood Claim (including all interest accruing thereon) is not settled by the first anniversary of the date on which the Subscription Shares were first allotted and issued to it, then the relevant shares subscribed for by SACTWU shall be cancelled and Squirewood shall again become a subsidiary of HCI, and consequently the relevant portion of the Squirewood Claim shall no longer be due and owing to Squirewood.
- (f) Immediately after the allotment and issuance of the Subscription Shares (as contemplated in paragraph 5.2(a) above), Squirewood shall cause, as contemplated in section 40(5)(ii) of the Companies Act, the immediate transfer of the Subscription Shares to an independent third-party stakeholder, as contemplated in section 40(6A) of the Companies Act (the “**Third-party Stakeholder**”), to be held in trust by the Third-party Stakeholder in accordance with the terms of an escrow agreement to be concluded between Squirewood and the Third-party Stakeholder (“**Stakeholder Agreement**”).
- (g) The Third-party Stakeholder Arrangement
  - (i) As contemplated in paragraph 5.2(e) above, the Third-party Stakeholder shall, in terms of section 40(5) of the Companies Act and the Stakeholder Agreement, hold the Subscription Shares, from the date of their allotment and issuance until the date on which the Squirewood Claim is paid and/or settled in full pursuant to the terms set out in paragraph 5.2(d) above (the “**Trust Period**”).
  - (ii) For the duration of the Trust Period:
    - (A) SACTWU shall be entitled to exercise all of the voting rights and any appraisal rights associated with the Subscription Shares;
    - (B) SACTWU shall be entitled to all dividends declared and paid in respect of the Subscription Shares, provided that, unless otherwise agreed by Squirewood, it shall be obliged to utilise the dividends received to reduce the outstandings in respect of the Squirewood Claim;
    - (C) SACTWU shall be entitled to exercise any and all pre-emptive and other similar rights associated with the Subscription Shares; and
    - (D) SACTWU shall not be entitled to transfer, sell or otherwise dispose of any portion of the Subscription Shares that have not been paid and settled in full.
  - (iii) As soon as the Squirewood Claim has been paid and/or settled in full, Squirewood and the Third-party Stakeholder shall procure the immediate transfer of the Subscription Shares to SACTWU. However, if:
    - (A) prior to the date contemplated in paragraph 5.2(d)(ii), a deemed offer occurs in accordance with the memorandum of incorporation of Squirewood which results in SACTWU being forced and/or obliged to dispose of all of its Subscription Shares to the remaining shareholders of Squirewood (being HCI as at the date of this Circular); or
    - (B) SACTWU fails to pay and/or settle the Squirewood Claim (including any interest accrued thereon) by the 1st (first) anniversary of the date on which the Subscription Shares were first allotted and issued to it, then, in such event, the Subscription Shares which remain held by the Third-party Stakeholder (to the extent not yet paid for and settled in full) shall, as contemplated in section 40(6)(d)(iv) of the Companies Act, be returned by the Third-party Stakeholder to Squirewood and subject to obtaining any shareholder approvals as may at that time be required from the shareholder(s) of Squirewood or to the extent legally necessary, the HCI Shareholders, cancelled by Squirewood.

### 5.3 The Squirewood Option Agreement

- (a) In terms of the Squirewood Option Agreement, SACTWU has agreed to grant Squirewood an irrevocable right and option to purchase 16 012 469 HCI Shares beneficially owned by SACTWU for a purchase price of R131.00 per HCI Share, comprising an aggregate purchase consideration of R2 097 633 439.
- (b) The Squirewood Option shall only be capable of being exercised by Squirewood for a period of 12 (twelve) months from the 1st (first) Business Day after the allotment and issuance of the Subscription Shares to SACTWU in accordance with the Squirewood Subscription Agreement. As such, at the time that the Squirewood Option may be exercised, Squirewood shall no longer be a Subsidiary of HCI.
- (c) To the extent that Squirewood elects to exercise the Squirewood Option (which it shall be entitled to exercise at its sole and absolute discretion), the purchase consideration payable by Squirewood to SACTWU shall be automatically set off against the Squirewood Claim and the balance shall remain owing by Squirewood and payable to SACTWU on loan account (being the “**SACTWU Claim**”).

- (d) The SACTWU Claim shall:
  - (i) unless otherwise agreed upon between Squirewood and SACTWU, be interest free and unsecured; and
  - (ii) be repayable as and when the board of Squirewood determines that there is sufficient free cash flow available to repay a portion of the claim provided that a portion of the SACTWU Claim, being an amount of R549 724 863, shall be ceded to HCI in terms of and in accordance with the Cession Agreement.

#### 5.4 The Cession

- (a) In terms of the Cession Agreement, SACTWU has agreed to cede and assign its rights to receipt of (i) R549 724 863 of the purchase consideration payable to it in terms of the Squirewood Option Agreement (being a portion of the SACTWU Claim) or, in the event that the Squirewood Option is not exercised, (ii) a loan amount advanced by SACTWU to Squirewood with a face value of R549 724 863, in full and final settlement of HCI's right to claim payment of the purchase consideration payable to it in terms of the Property Company Sale Agreement (being the HCI Claim).
- (b) Upon implementation of the above-mentioned assignment of R549 724 863 of the SACTWU Claim or, if applicable, a loan advanced by SACTWU to Squirewood with a face value of R549 724 863 (in either case the "**Cession Consideration**"), the HCI Claim shall be settled in full.

#### 5.5 The Subject Companies

- (a) GEH is a holding company with unlisted property holding subsidiaries involved in the exhibition, conferencing and catering sector and commercial property letting sector, including the following properties:
  - (i) Portion 34 of Farm Office Park 16740 FU, La Lucia, KwaZulu-Natal, which property has been let to commercial tenants;
  - (ii) Erf 541 Halfway House Ext 78; Erf 840 Halfway House Ext 114 and Erf 104 Allandale Ext 43, in Midrand, Gauteng. These properties are used for the purpose of providing exhibition and conferencing services by the Gallagher Convention Centre, and also include an office block and warehouse facilities;
  - (iii) 10 (ten) vacant plots of land, measuring in aggregate 99 627 square metres. These are vacant erven of land, which are used for parking by attendees of the exhibitions and conferences hosted at Gallagher Convention Centre; and
  - (iv) Erven 13878 – 13881, in Constantia. These properties are residential developments, called Steenberg Green. As at September 2025, one property has been sold but has not yet been transferred.

The total net assets attributable to this asset is R346.1 million and a profit attributable to HCI of R18.6 million for the period ended September 2025. As stated above, two units in Steenberg Green were held as inventory as at the date of the Property Company Purchase Agreement (as the houses have been sold but not transferred). As such, the profits on the sale of these properties have been specifically excluded in the Property Company Purchase Agreement and the distribution of these profits included as a condition precedent to the Proposed Transaction (refer to paragraph 5.6(a)(iv)).

- (b) RDM is a residential and commercial property letting company. The total net assets attributable to this asset is R39.4 million and a profit attributable to HCI of R0.7 million for the period ended September 2025.
- (c) SSH is a residential and commercial property letting company. The total net assets attributable to this asset is R148.9 million, which includes a portion of the building which was previously sold to SACTWU for R33 million (this is included in the entity's attributable net asset value, as a non-current asset held for sale, but was not included in the net asset value used to calculate the purchase consideration) pending transfer. SSH made a profit attributable to HCI of R1.0 million for the period ended September 2025.

#### 5.6 Conditions Precedent

- (a) The Implementation Agreement contains various conditions precedent ("**Conditions Precedent**") which are required to be fulfilled (or waived, in whole or in part, to the extent legally permissible) in order for the Property Company Purchase Agreement, the Squirewood Subscription Agreement and the Cession Agreement to become effective, including that, by no later than 31 January 2026 (or such later date as the Parties may determine):
  - (i) to the extent required in terms of the lease agreements concluded in respect of the immovable properties owned by the Subject Companies and their respective subsidiaries, the relevant lessees of such properties have consented to the change in shareholding of the Subject Companies pursuant to the conclusion and implementation of the Property Company Purchase Agreement;
  - (ii) HCI's Group funders and the funders of the Subject Companies (and their respective subsidiaries) consent to the release of any security held by each of them over the shares in and/or claims against the Subject Companies, and any other security which the funders have against HCI in relation to the Subject Companies or their underlying property assets, on terms acceptable to HCI;

- (iii) the HCI Shareholders have adopted the requisite resolutions to approve the Property Company Purchase, the Squirewood Subscription and the Cession as Related Party Transactions in terms of sections 9 and 10 of the Listings Requirements, in each case, in accordance with the requirements of the MOI, the Companies Act and the Listings Requirements;
  - (iv) the board of directors of G E Property and Marketing Proprietary Limited and GEH, have declared the proceeds associated with the sale of certain houses in the Steenberg Green development (which are excluded from the transaction and valuations performed) as a dividend distribution to its sole shareholder, to be paid as and when such proceeds are received;
  - (v) a restructure by HCI in respect of its interests in GEH has been implemented;
  - (vi) the Transaction Agreements have been concluded and such agreements have become unconditional in accordance with their terms, save for any conditions contained therein requiring the Implementation Agreement to have become unconditional;
  - (vii) the Stakeholder Agreement (as contemplated in paragraph 5.2(e) above) has been concluded and such agreement has become unconditional in accordance with its terms, save for any conditions therein requiring the Squirewood Subscription Agreement to have become unconditional;
  - (viii) the transactions contemplated in the Property Company Purchase Agreement and Squirewood Subscription Agreement have, to the extent legally required, been unconditionally approved by the Competition Authorities in terms of the Competition Act, or conditionally approved on terms and conditions which each of SACTWU and HCI confirms in writing to the other (by not later than the aforesaid date, and provided that such approval shall not be unreasonably withheld or delayed) to be acceptable to them; and
  - (ix) the sole shareholder of Squirewood as at the relevant date approves the replacement of the existing memorandum of incorporation of Squirewood by the adoption of a new memorandum of incorporation, and the requisite special resolution approving same and any applicable notice of amendment required in terms of the Companies Act has been lodged for filing with the South African Companies and Intellectual Property Commission.
- (b) The parties to the Implementation Agreement have undertaken to engage with each other in good faith with a view to extending the dates for fulfilment of the foregoing conditions precedent, to the extent that the delay in fulfilment of the conditions precedent is a result of a delay in obtaining the regulatory approvals required to fulfil the relevant condition/s precedent. If the parties fail to engage with each other or are unable to reach an agreement with regards to the period of time for which the date/s should be extended, then the relevant date/s shall automatically be extended by a period of 90 (ninety) days, on a once-off basis and without any further action being required from any party.

## 5.7 Effective Date

- (a) The effective date of the Property Company Purchase Agreement and the Squirewood Subscription Agreement shall be the 5th (fifth) Business Day after the day on which all of the conditions precedent contemplated in paragraph 5.6 above have been fulfilled or, to the extent permissible, waived.
- (b) The effective date of Cession Agreement shall be the 1st (first) Business Day after the earlier of:
  - (i) the date on which Squirewood exercises the Squirewood Option in terms of the Squirewood Option Agreement (if applicable); or
  - (ii) the date on which SACTWU advances a loan amount in cash to Squirewood equal to the face value of R549 724 863.
- (c) For the avoidance of doubt, it is recorded that the:
  - (i) Squirewood Cash Purchase Agreement is not conditional upon any of the other Transaction Agreements, and can therefore be implemented notwithstanding that the conditions precedent to the remaining Transaction Agreements have not yet been fulfilled and/or waived (as the case may be); and
  - (ii) Squirewood Option shall only be capable of being exercised by Squirewood for a period of 12 (twelve) months from the 1st (first) Business Day after the date on which the Squirewood Subscription Agreement is implemented in accordance with its terms.

## 5.8 Other Material Terms of the Proposed Transactions

- (a) In terms of the Implementation Agreement, during the period commencing on 4 July 2025 (being the signature date of the Implementation Agreement) and ending on the 4th (fourth) anniversary of such date ("**Lock-in Period**"):
  - (i) SACTWU has undertaken not to dispose or encumber, whether directly or indirectly, any of the HCI Shares which it holds other than:
    - (A) the HCI Shares sold in terms of the Proposed Transactions;

- (B) no more than 700 000 HCI Shares which SACTWU may sell in the market through the JSE order book; and
  - (C) such other HCI Shares which SACTWU may otherwise dispose of with the prior written consent of HCI; and
- (ii) HCI has granted SACTWU a pre-emptive right to acquire any of the shares in, and claims against, HCI's property holding companies in the HCI Group which HCI intends to dispose of to third parties. Accordingly, before HCI disposes of such shares in or claims against such property companies, it shall be obliged to first engage with SACTWU with a view to agree the terms of the sale with SACTWU. For the avoidance of doubt, this does not constitute an outright option by SACTWU to acquire such shares as this right only grants SACTWU the right to be offered shares in, and claims against, HCI's property holding companies, and HCI can, at its discretion, elect to accept or reject same.
- (b) To reflect the aforementioned lock-in, both HCI and SACTWU have further undertaken not to dispose or encumber, whether directly or indirectly, any interest held by any of them in Squirewood during the Lock-in Period. HCI and SACTWU shall, however, be entitled to provide Squirewood with 6 (six) months written notice requiring that Squirewood unbundles (by way of a distribution *in specie*) all HCI Shares and/or such other shares held by Squirewood at that time. Should HCI or SACTWU deliver such a notice, then the parties shall take such steps as may be legally required, subject to compliance with the Companies Act and the Listings Requirements, to implement the unbundling of such HCI Shares and/or other shares, *pro rata* to shareholding of the Squirewood shareholders at the time. Any shares so unbundled to SACTWU will again be subject to the lock-in provisions contemplated in paragraph 5.8(a) above.
  - (c) HCI's wholly-owned Subsidiary HCI Managerial Services Proprietary Limited will continue to provide asset management services in respect of the property assets and the Subject Companies on market-related terms (including an annual fee of 1% (one percent) of the asset value of the Subject Companies), in accordance with the terms of the management agreement concluded between HCI Managerial Services Proprietary Limited and the Subject Companies.
  - (d) In 2013 GEPM concluded a sale of rental enterprise agreement with Silver Vanity Investments (RF) Proprietary Limited ("**Silver Vanity**") in terms of which the Pan African Parliament buildings at Gallagher Estate were sold to Silver Vanity. In terms of those agreements, GEPM undertook to comply with certain requirements relating to town planning commitments, including proclamation of the land, obtaining site development plans, plan approvals and notarial tying of the property. While an accrual has been raised for an amount of approximately R4 404 428 and some cash amounts have been retained in GEPM to enable it to comply with such obligations, HCI Managerial Services Proprietary Limited shall, in terms of the management agreement referred to above, remain responsible for procuring the completion of such town planning commitments, and to the extent that the cash amounts retained by GEPM are insufficient for the completion of such town planning commitments, HCI shall incur such costs for and on behalf of GEPM.
  - (e) HCI, Squirewood, SACTWU and the Subject Companies are each duly registered in South Africa and there are no exchange control regulation implications or approvals required in respect of the Proposed Transactions.
  - (f) The Transaction Agreements otherwise contain warranties, undertakings and breach provisions that are customary for transactions of their nature.

## 6. THE GENERAL MEETING

- 6.1 The General Meeting of HCI Shareholders will be held at the registered offices of HCI, Suite 801, 76 Regent Road, Sea Point, 8005 on Thursday, 29 January 2026 at 10:00 (South African Standard Time) at which General Meeting HCI Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the resolutions required to be approved by HCI Shareholders in order to approve and implement the Proposed Transactions (as set out in the Notice of General Meeting attached to this Circular).
- 6.2 Details of the action required by HCI Shareholders in relation to the General Meeting are set out on page 3 of this Circular.
- 6.3 As a material shareholder of HCI, and a party to the Proposed Transactions, the votes exercisable by SACTWU and its associates (if any) will be taken into account in determining whether a quorum of HCI Shareholders is present at the General Meeting, but such votes will not be taken into account in determining the results of the voting at the General Meeting in respect of the transactions in which SACTWU is a related party, being the Proposed Transactions.

## 7. FINANCIAL INFORMATION

### 7.1 Effect of the Squirewood Cash Purchase

- (a) If Squirewood purchases the shares in terms of the Squirewood Cash Purchase Agreement, such HCI Shares shall become treasury shares and accordingly, in terms of section 48 of the Companies Act, Squirewood shall not be entitled to exercise any voting rights attaching to such HCI Shares for so long as Squirewood remains a Subsidiary of HCI.

- (b) The Squirewood Cash Purchase is payable in cash and will be funded out of Squirewood's available cash resources and/or facilities. The HCI Group has sufficient cash resources and/or facilities available to implement the Squirewood Cash Purchase Transaction.
- (c) If implemented, the Squirewood Cash Purchase will result in HCI's cash balances decreasing by the Cash Consideration with a corresponding reduction in HCI's consolidated reserves.

## 7.2 Pro forma Financial Information of the Company

- (a) The consolidated *pro forma* financial effects of the Proposed Transactions, as set out below, are the responsibility of the Directors. The consolidated *pro forma* financial effects are presented in a manner consistent with the basis on which the historical financial information of HCI has been prepared and in terms of HCI's accounting policies. The *pro forma* financial effects have been presented for illustrative purposes only and, because of their nature, may not fairly present HCI's financial position, changes in equity, results of operations or cash flows post the implementation of the Proposed Transactions.
- (b) The *pro forma* financial information of HCI has been prepared based on the published unaudited condensed consolidated financial information of HCI for the six months ended 30 September 2025.
- (c) The consolidated *pro forma* financial effects set out below should be read in conjunction with the consolidated *pro forma* income statement, the consolidated *pro forma* statement of comprehensive income and the consolidated *pro forma* statement of financial position as set out in Annexure II, together with the assumptions upon which the financial effects are based, as indicated in the notes thereto in Annexure II.
- (d) The report of the Independent Reporting Accountant in respect of the *pro forma* financial statements referred to in paragraph 7.2(c) above, appears in Annexure III to this Circular.

<b>Pro forma financial effects</b>		<b>Unaudited results as at 30 September 2025</b>	<b>Pro forma after the Proposed Transactions</b>	<b>% Change</b>
		1	2, 3, 4, 5	
Basic earnings per share <sup>6</sup>	(cents)	793.52	743.11	(6.4%)
Diluted earnings per share <sup>6</sup>	(cents)	786.14	736.56	(6.3%)
Basic headline earnings per share <sup>6</sup>	(cents)	921.99	846.69	(8.2%)
Diluted headline earnings per share <sup>6</sup>	(cents)	913.41	839.23	(8.1%)
Net asset value per share <sup>6</sup>	(cents)	48 156	46 117	(4.2%)
Tangible net asset value per share <sup>6</sup>	(cents)	14 984	14 746	(1.6%)
Number of shares in issue excluding treasury shares <sup>6, 7, 8</sup>	(m)	80.33	84.89	5.7%
Weighted average number of shares in issue <sup>6, 7, 8</sup>	(m)	80.66	85.21	5.6%
Diluted weighted average number of shares in issue <sup>6, 7, 8</sup>	(m)	81.42	85.97	5.6%

### Notes and assumptions:

1. Extracted from the unadjusted unaudited results of HCI for the six months ended 30 September 2025, as approved on 27 November 2025. For the purposes of preparing the *pro forma* effects on the statement of profit or loss it is assumed that the "Proposed Transactions" were effective on 1 April 2025. For the purposes of preparing the *pro forma* effects on the statement of financial position it is assumed that the "Proposed Transactions" were effective on 30 September 2025.
2. The impact of tax was using the standard tax rate prevailing in South Africa, which was 27% (twenty-seven percent) as at the date of the Circular. The transactions which resulted in a tax adjustment was the interest loss for the cash repurchase and the interest earned on the loan receivable (both disclosed as investment income in Annexure II) and the asset management fee earned from the Property Companies. No tax consequences have been showed for the gain on disposal of the Property Companies as the Group has a capital loss against which it can off-set the profit realised.
3. A subsidiary of GEH had a residential development called Steenberg Green. As at September 2025 1 (one) unit was held in inventory. This house was sold but not transferred; transfer took place during November 2025 and another was sold during the 6 (six) months ended September 2025. As such, the profits on the sale of these properties were specifically excluded in the Property Company Purchase Agreement and the distribution of these profits were included as a condition precedent to the Property Company Purchase Agreement. For the purposes of the *pro forma* financial information presented herein, management has shown the effect on the statement of financial position on the assumption that these properties have transferred and the profits are distributed prior to the sale of the entities. The total dividend included is R20.7 million. In 2013 GEPM concluded a sale agreement with Silver Vanity Investments (RF)

Proprietary Limited (“**Silver Vanity**”) in terms of which the Pan African Parliament buildings at Gallagher Estate were sold to Silver Vanity. In terms of those agreements GEPM undertook to comply with certain town planning requirements, for which an accrual was raised totalling R4.4 million. The Steenberg dividend of R20.7 million excludes the cash required to comply with the town planning requirements.

4. Included is the asset management fee charge to SACTWU, in respect of the management of the Subject Companies, in terms of an Asset Management Agreement signed by HCI Managerial Services Proprietary Limited and the Subject Companies. The asset management fee is determined as 1% (one percent) of the asset value of the Subject Companies.
5. The Group loses control of Squirewood on the date that SACTWU obtains contractual decision-making rights attached to their acquisition of a 54.5% (fifty-four point five percent) majority shareholding in the Company. Squirewood is consequently deconsolidated from the Group and recognised as an investment in a joint venture at a cost of R596 million. This follows the rationale that the consideration transferred for the investment in the joint venture equals the cost of the HCI Shares (treasury shares at Group level) deconsolidated by the Group. The deconsolidation of the treasury shares results in a corresponding increase of R596 million in the Group’s equity, with R595 million being credited to accumulated profits. This is consistent with the Group’s treatment of share repurchases where any portion of the purchase price that exceeds the par value of the shares, is debited to accumulated profits on consolidation.
6. It is the Group’s policy to exclude treasury shares from the calculation of its earnings per share and headline earnings per share based on best practice and guidance available in the market. The Group’s total number of shares in issue, used to calculate the net asset value and tangible net asset value per share, and weighted average number of shares in issue, used to calculate earnings per share and headline earnings per share, both net of treasury shares, increase as a result of the 1 100 000 share buy-back and decrease by 5 664 037 following the deconsolidation of Squirewood. It has been assumed that these shares were repurchased, and the Group’s treasury shares held by Squirewood deconsolidated, on 1 April 2025. It was further assumed that there would be no impact on the Group’s profit or loss, its earnings or headline earnings as a result of Squirewood becoming a joint venture of the Group, on the basis that any equity-accounted profits or losses after the elimination of reciprocal interests, would be trivial. These transactions consequently result in a decrease in the Group’s basic and diluted earnings per share, basic and diluted headline earnings per share and the net asset and tangible net asset value per share.
7. The Group’s weighted average number of shares in issue remains unchanged. This transaction has no impact on the Group’s results. This treatment reflects the legal position that the 16 012 469 are not treasury shares, however, through its remaining interest in Squirewood, the Group will gain an effective 45.5% (forty-five point five percent) interest in these shares.
8. Squirewood has an option to purchase 16 012 469 HCI Shares from SACTWU for a purchase consideration of R2 097 million. It has been assumed that the option will be exercised, with R888 million of the consideration payable to be off-set against the SACTWU receivable which originated from its acquisition of a 54.5% (fifty-four point five percent) interest in Squirewood (refer to note 3). The remaining purchase consideration of R1 209 million owed by Squirewood will remain payable to SACTWU on loan account. SACTWU will subsequently cede R549 million of this loan receivable to HCI as settlement of the purchase consideration payable for the Property Company Sale as detailed in footnote 5. As a result, Squirewood will owe HCI the R549 million consideration payable in respect of the Property Company Sale. The loan will bear no interest and will be repayable from HCI dividends received from time to time or if liquidation or other proceedings for the winding up of Squirewood are instituted.
9. The *pro forma* statement of financial position after the implementation of the Proposed Transactions and other adjustments as detailed above.
10. The *pro forma* statement of profit or loss after the implementation of the Proposed Transactions and other adjustments as detailed.
11. This transaction has no impact on the Group’s results. This treatment reflects the legal position that the 16 012 469 are not treasury shares; however, through its remaining interest in Squirewood, the Group will gain an effective 45.5% (forty-five point five percent) interest in these shares, all adjustments are of a continuing effect.

### **7.3 Adequacy of Capital**

- (a) The Directors have considered the impact of the Squirewood Cash Purchase and are of the opinion that the provisions of section 4 and section 48 of the Companies Act have been complied with and that:
  - (i) HCI and the HCI Group will be able to pay its debts as they become due in the ordinary course of business for a period of 12 (twelve) months from the date of approval of this Circular;

- (ii) the assets of HCI and the HCI Group will exceed the liabilities of HCI and the HCI Group for a period of 12 (twelve) months from the date of approval of this Circular, where for this purpose the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements of HCI;
  - (iii) the share capital and reserves of HCI and the HCI Group will be adequate for ordinary business purposes for a period of 12 (twelve) months from the date of approval of this Circular; and
  - (iv) the working capital of HCI and the HCI Group will be adequate for ordinary business purposes for a period of 12 (twelve) months from the date of approval of this Circular.
- (b) Furthermore, in terms of section 46(1) of the Companies Act and paragraph 5.69(d) of the Listings Requirements, the Directors state as follows:
- (i) the Board has authorised the Squirewood Cash Purchase by resolution;
  - (ii) it reasonably appears that HCI and the HCI Group will satisfy the Solvency and Liquidity Test immediately after the Squirewood Cash Purchase is completed; and
  - (iii) the Board has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test, and reasonably concluded that HCI and the HCI Group will satisfy the Solvency and Liquidity Test immediately after the Squirewood Cash Purchase is completed.

#### 7.4 Statement of Working Capital

The Directors, after considering the impact of the Squirewood Cash Purchase, are of the opinion that the working capital of HCI and the HCI Group will be adequate for HCI's and the HCI Group's ordinary business purposes for a period of 12 (twelve) months from the date of approval of this Circular.

#### 7.5 Material Changes

There have been no material changes to the financial or trading position of HCI or the HCI Group since the end of the last financial period, being 30 September 2025 up to and including the Last Practicable Date.

### 8. HCI SHARE CAPITAL INFORMATION

#### 8.1 Major beneficial HCI Shareholders

The following major beneficial HCI Shareholders were, as at the Last Practicable Date, the direct beneficial owners of 5% (five percent) or more of the issued share capital of HCI:

Shareholder	Number of HCI Shares held	Percentage of total issued share capital held in HCI
SACTWU	19 009 045	23.8%
Chearsley Investments Proprietary Limited	6 694 953	8.3%
Squirewood	4 564 037	5.6%
Rivetprops 47 Proprietary Limited	4 470 872	5.5%
Total	34 738 907	42.9%

## 8.2 Directors' Interests

- (a) Direct and indirect beneficial interests of the Directors' (and their associates), including Directors who have resigned during the past 18 (eighteen) months, holdings in the share capital of HCI, as at the Last Practical Date, are as follows:

	Number of HCI Shares held as at the Last Practical Date		Percent of total issued share capital (%) <sup>*</sup>
	Direct beneficial	Indirect beneficial and associates	
<b>Executive Directors</b>			
JA Copelyn	–	15 367 938	19.0
AF Pereira	28 000	–	–
JR Nicolella	260 117	6 060	0.3
A Singh	–	–	–
TG Govender	79 615	915 534	1.2
Y Shaik	66 755	–	0.1
<b>Non-executive Directors</b>			
L McDonald	1 100	–	–
JG Ngcobo	1 750	–	–
<b>Total</b>	<b>437 337</b>	<b>16 289 532</b>	<b>20.6</b>

<sup>\*</sup> Net of treasury shares.

- JA Copelyn purchased 176 084 shares on 30 July 2025 through the exercise of employee share scheme options. These shares were subsequently sold to an associate of JA Copelyn on 30 July 2025.
  - JR Nicolella purchased 91 520 shares on 30 July 2025 through the exercise of employee share scheme options and 16 500 HCI Shares on 29 September 2025.
  - AF Pereira acquired 10 000 shares on 29 September 2025.
  - TG Govender purchased 76 388 shares on 30 July 2025 through the exercise of employee share scheme options.
  - TG Govender purchased 3 227 shares on market on 31 July 2025.
  - Y Shaik purchased 21 569 shares on 30 July 2025 through the exercise of employee share scheme options. These were sold on market on 1 August 2025.
- (b) At the Last Practicable Date, none of the Directors noted above (or their associates), including previous Directors of the Company who had resigned in the 18 (eighteen) months prior to the Last Practicable Date, had a material beneficial interest in the transactions entered into by the Company other than as a result of their shareholdings in HCI as disclosed above.

## 8.3 Director's Service Contracts

The total remuneration packages of Executive Directors comprises:

- (a) a guaranteed remuneration package, which is market related and paid to executive management and staff irrespective of HCI Group's performance;
- (b) a short-term discretionary cash-based incentive bonus, determined on an annual basis and with reference to the financial and non-financial performance of the HCI Group. The non-financial performance factors include preservation of long-term growth of the HCI Share; identification of new growth opportunities for HCI; legal matters; and other negotiations that are drivers of value creation and the impact on all stakeholders;
- (c) participation in a long-term incentive scheme (the HCI Employee Share Scheme), in terms of which shares in the Group are offered on a share option basis to participants, provided they remain in HCI Group's employ until the options vest.

The Proposed Transactions will not result in any changes to the remuneration and benefits payable to the Directors.

## 8.4 Share Capital

The table below sets out the authorised and issued share capital of HCI before and after the Squirewood Cash Purchase:

	R000's
<b>Share capital as at the Last Practical Date</b>	
Authorised share capital – 450 000 000 ordinary shares R0.25 each	112 500
Issued share capital, net of treasury shares held by the Company – 86 088 701 ordinary shares of R0.25 each*	21 522
Share premium	102 430
Treasury shares held by HCI Subsidiaries and employee share trust – 6 179 584 ordinary shares R0.25 each *	1 545
<b>Share capital after the Squirewood Cash Purchase**:</b>	
Authorised share capital – 450 000 000 ordinary shares R0.25 each	112 500
Issued share capital, net of treasury shares held by the Company – 86 088 701 ordinary shares R0.25 each	21 522
Share premium	102 430
Treasury shares held by HCI Subsidiaries and employee share trust – 7 279 584 ordinary shares R0.25 each	1 820

### Notes:

\* Consists of the issued share capital before Squirewood repurchases 1 100 000 HCI Shares pursuant to the Squirewood Cash Purchase.

\*\* Consists of treasury shares before Squirewood repurchases 1 100 000 HCI Shares pursuant to the Squirewood Cash Purchase.

## 9. COSTS

The expenses (exclusive of VAT) that are estimated to be incurred by HCI for the Proposed Transactions are set out in the table below:

Description	Estimated amount (Rand)
Sponsor – Investec Bank Limited	125 000
Legal and other advisory fees – White & Case Incorporated	1 600 000
Independent Expert's fees – BDO Corporate Finance Proprietary Limited	730 000
Reporting Accountant fees – Forvis Mazars	203 000
JSE documentation fees – Rulings, Specific Repurchase; Related Party, Independent Expert's Opinion	123 000
Printing and related costs – BetterSalted Corporate Communications Proprietary Limited	88 000
Total	2 869 000

## 10. MATERIAL RISKS

The material risks, available in HCI's audit and risk committee report as set out on pages 44 to 47 of the 31 March 2025 integrated annual report and pages 7 to 10 of the audited annual financial statements for the year ended 31 March 2025, remain unchanged. The integrated annual report and audited financial statements can be accessed on the Company's website: <https://www.hci.co.za/financials/>.

## 11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names appear on page 10 of this document, collectively and individually accept full responsibility for the accuracy of the information given in this Circular in relation to HCI and certify that, to the best of their knowledge and belief there are no facts that have been omitted which would make any statement in this Circular false or misleading, that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listings Requirements.

## 12. OPINIONS AND RECOMMENDATIONS

12.1 As a material shareholder of HCI, and a party to the Proposed Transactions, SACTWU is, according to the Listings Requirements, a related party to HCI.

12.2 Accordingly, the votes exercisable by SACTWU and its associates (if any) will be taken into account in determining whether a quorum of HCI Shareholders is present at the General Meeting, but such votes will not be taken into account in determining the results of the voting at the General Meeting in respect of the transactions in which the relevant Party is a related party.

12.3 In terms of the Listings Requirements:

- (a) the Squirewood Cash Purchase constitutes a “specific repurchase” from a related party in terms of paragraph 5.67(C) of the Listings Requirements, as read with paragraph 10.1(b)(i) of the Listings Requirements, and therefore requires the approval of HCI Shareholders by way of special resolution (excluding the votes exercisable by SACTWU and its associates); and
- (b) the Property Company Purchase, the Squirewood Subscription and the Cession constitute “related party” transactions in terms of sections 9 and 10 of the Listings Requirements, and therefore require the approval of HCI Shareholders by ordinary resolution (excluding the votes exercisable by SACTWU and its associates).

12.4 As a result of the Property Company Purchase, the Squirewood Subscription and the Cession being classified as Related Party Transactions, HCI was required to obtain a fairness opinion from an Independent Expert in compliance with Listings Requirements paragraph 10.4(f).

12.5 The Directors have appointed BDO Corporate Finance Proprietary Limited as the Independent Expert to provide the fairness opinions on the Related Party Transactions referred to in paragraph 12.4 above. The fairness opinions will be available for inspection at HCI’s registered office for the required period of 28 (twenty-eight) days from the date of this Circular.

12.6 The Independent Expert has advised that it has considered the terms and conditions of each of the Property Company Purchase and the Cession, and at the Last Practicable Date its opinion and advice to the Board is that the terms and conditions of each of the Property Company Purchase and the Cession are fair to HCI Shareholders.

12.7 The Board, taking into account the fairness opinion by the Independent Expert has considered the terms and conditions of the Proposed Transaction and is of the opinion that the terms and conditions thereof are fair to HCI Shareholders.

12.8 Accordingly, the Board recommends to HCI Shareholders to vote in favour of the resolutions proposed in the Notice of General Meeting. The Directors who hold HCI Shares intend to vote in favour of all of the resolutions in respect of the Proposed Transactions.

### 13. CONSENTS

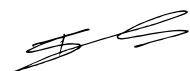
The Legal Advisers, Independent Expert, Reporting Accountants, Sponsor and Transfer Secretaries have consented in writing to act in their respective capacities and to their names being stated in this Circular and in the case of the Independent Expert and the Reporting Accountants, the inclusion of their reports in the form and context in which they appear, and none of the aforementioned parties have withdrawn their consent prior to the publication of this Circular.

### 14. DOCUMENTS AVAILABLE FOR INSPECTION

14.1 The following documents, or copies thereof, will be available for inspection by HCI Shareholders during normal office hours, from 08:00 to 17:00, from the date of issue of this Circular on Monday, 15 December 2025 up to and including the date of the General Meeting on Thursday, 29 January 2026, at the registered offices of the Company and at the offices of the Transfer Secretaries and/or through a secure electronic manner at the election of the person requesting inspection from the Company Secretary at info@hci.co.za:

- (a) a signed copy of this Circular;
- (b) the MOI of HCI and its major subsidiaries;
- (c) the published, audited annual financial statements of HCI for each of the three years ended 31 March 2023, 31 March 2024 and 31 March 2025;
- (d) the signed consent letters referred to in paragraph 13 above;
- (e) summaries of the Directors’ service contracts referred to in paragraph 8.3 above;
- (f) copies of the executed Transaction Agreements;
- (g) the Independent Expert’s Opinion together with the Property Valuation Reports referred to therein; and
- (h) the signed Reporting Accountant’s assurance report on the *pro forma* financial information.

By order of the Board



**VE Mphande**

The Chairperson of the Board

Monday, 15 December 2025

#### Registered office

Suite 801, 76 Regent Road,  
Sea Point, Cape Town, 8005  
(PO Box 5251, Cape Town, 8000)

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## INDEPENDENT EXPERT'S OPINION

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The Directors  
Hosken Consolidated Investments Limited  
Suite 801  
76 Regent Road  
Sea Point  
Western Cape  
8005

9 December 2025

Dear Sirs/Mesdames

### **FAIRNESS OPINION TO THE DIRECTORS OF HCI REGARDING RELATED PARTY TRANSACTIONS BETWEEN HCI, ITS WHOLLY-OWNED SUBSIDIARY, SQUIREWOOD AND SACTWU**

#### **Introduction**

In terms of the announcement released by Hosken Consolidated Investments Limited ("**HCI**" or the "**Company**") on the Stock Exchange News Service ("**SENS**") of the exchange operated by the JSE Limited ("**JSE**") on Monday, 29 September 2025, shareholders of HCI ("**Shareholders**") are referred to the Company's announcement published on 4 July 2025 ("**Original Announcement**"), in terms of which Shareholders were advised that HCI and its wholly-owned subsidiary, Squirewood Investments 64 Proprietary Limited ("**Squirewood**") concluded the following suite of agreements with the Southern African Clothing and Textile Workers' Union ("**SACTWU**" or the "**Union**");

- a Share Purchase Agreement ("**Squirewood Cash Purchase Agreement**") in terms of which, *inter alia*, Squirewood will purchase 1 100 000 ordinary shares in the capital of HCI ("**HCI Shares**") beneficially owned by SACTWU for a purchase price of R131.00 per HCI Share and an aggregate consideration of R144 100 000 ("**Squirewood Cash Purchase**");
- an Implementation Agreement ("**Implementation Agreement**");
- a Sale of Shares and Claims Agreement ("**Property Company Purchase Agreement**") in terms of which, *inter alia*, HCI will sell its shares in and shareholder loan claims against three wholly-owned subsidiaries in the HCI group, being Gallagher Estate Holdings Proprietary Limited ("**GEH**"), HCI Rand Daily Mail Proprietary Limited ("**RDM**") and HCI Solly Sachs House Proprietary Limited ("**SSH**") (collectively, the "**Subject Companies**") to SACTWU for an aggregate consideration of R549 724 863 ("**Property Company Purchase**");
- a Sale of Shares Agreement ("**Squirewood Share Purchase Agreement**") in terms of which, *inter alia*, Squirewood would purchase 4 196 373 HCI Shares beneficially owned by SACTWU for a purchase price of R131.00 per HCI Share and an aggregate consideration of R549 724 863 ("**Squirewood Share Purchase**"); and
- a Cession Agreement ("**Cession Agreement**") in terms of which, *inter alia*, SACTWU shall cede and assign its rights to receipt of the purchase consideration payable to it in terms of the Squirewood Share Purchase Agreement to HCI in settlement of HCI's right to claim payment of the purchase price payable to it in terms of the Property Company Purchase Agreement (the "**Cession**") ("**Initially Proposed Transaction**").

Pursuant to the above, the parties have agreed to amend the Initially Proposed Transactions in certain respects to assist the Company and its investee companies to maintain and/or improve its B-BBEE credentials. In this regard, on 29 September 2025, the parties have concluded the following:

- addenda to each of the Squirewood Cash Purchase Agreement, the Implementation Agreement, the Property Company Purchase Agreement and the Cession Agreement, in terms of which, *inter alia*, the date for fulfilment of the conditions precedent have been extended to 31 January 2026;
- a new Subscription Agreement ("**Squirewood Subscription Agreement**") concluded between SACTWU, HCI and Squirewood, in terms of which, *inter alia*, (i) the Squirewood Share Purchase Agreement was cancelled and (ii) SACTWU shall subscribe for shares in the issued share capital of Squirewood resulting in SACTWU holding 54.5% of the total issued shares of Squirewood, for an aggregate consideration of R888 755 872 ("**Squirewood Claim**"), which consideration shall remain owing on loan account ("**Squirewood Subscription**"); and
- a new option agreement ("**Squirewood Option Agreement**") in terms of which, *inter alia*, SACTWU shall grant Squirewood an option to purchase 16 012 469 HCI Shares beneficially owned by SACTWU for a purchase price of R131.00 per

HCI Share (“**Squirewood Option**”), which consideration shall (to the extent the Squirewood Option is exercised by Squirewood) be automatically set off against the Squirewood Claim and the balance shall remain owing on loan account (“**SACTWU Claim**”) (“**Revised Proposed Transactions**”).

### **Fairness opinions required in terms of the JSE Listings Requirements**

As of Tuesday, 9 December 2025, SACTWU is the beneficial owner of 19 009 045 HCI Shares, representing approximately 23.8% of the total HCI ordinary shares in issue (net of the treasury shares) and a related party to HCI as defined in section 10.1(b)(i) of the JSE Limited (“**JSE**”) Listings Requirements (“**Listings Requirements**”), read together with the definition of “material shareholder” per the Listings Requirements.

The Property Company Purchase, the Squirewood Subscription and the Cession (“**Transactions**”) each constitute a related party transaction per the Listings Requirements and in terms of section 10.4 of the Listings Requirements, the board of directors of HCI (the “**Board**”) is required to obtain a fairness opinion from an independent professional expert confirming whether each of the Transactions are fair insofar as the Shareholders are concerned (the “**Fairness Opinion**”).

BDO Corporate Finance Proprietary Limited (“**BDO Corporate Finance**”) has been appointed as the independent expert by the Board to provide a fairness opinion with regard to the Transactions.

### **Responsibility**

Compliance with the Listings Requirements is the responsibility of the Board. Our responsibility is to report on the fairness of the terms of each of the Transactions.

### **Explanation as to how the term “fair” applies in the context of the Transactions**

Schedule 5.7 of the Listings Requirements states that the “fairness” of a transaction is based on quantitative issues. A transaction will typically be considered fair to a company’s shareholders if the benefits received by shareholders, as a result of a corporate action, are equal to or greater than the value ceded by a company.

The Property Company Purchase would be considered fair to Shareholders if the fair value of consideration receivable in respect of the Property Company Purchase is more than or equal to the fair value of HCI’s Shares in and shareholder loan claims against the Subject Companies.

The Squirewood Subscription would be considered fair to Shareholders if the fair value of HCI’s attributable interest in Squirewood post the Squirewood Subscription is equal to or greater than the fair value of HCI’s attributable interest in Squirewood pre the Squirewood Subscription.

The Cession would be considered fair to Shareholders if the fair value of HCI’s attributable interest in Squirewood post the Cession is equal to or greater than the fair value of HCI’s attributable interest in Squirewood pre the Cession.

### **Details and sources of information**

In arriving at our opinion we have considered the following principal sources of information:

- the agreements in respect of the Transactions;
- SENS announcements and the draft circular in respect of the Transactions;
- draft annual financial statements (“**AFS**”) of the Subject Companies for the twelve-month period ended 31 March 2025;
- management accounts of the Subject Companies for the three-month period ended 31 August 2025;
- independent property valuation report on the fair market value of the underlying properties held by RDM and SSH, as at 31 March 2025, prepared by Empire Value Professional Valuations, on behalf of HCI for RDM and SSH, per Natalie Anne Azeredo, N.Dip. Real Estate, Bcom Honours. Property Valuation (UJ), whom we have satisfied ourselves is an independent external registered professional valuer in terms of the Property Valuers Professional Act, No. 47 of 2000 (“**Empire Value Independent Property Valuer**”) (“**RDM and SSH Property Valuation Report**”);
- independent property valuation report on the fair market value of the underlying properties held by GEH, as at 31 March 2025, prepared by the Empire Value Independent Property Valuer (“**GEH Property Valuation Report**”, together with the RDM and SSH Property Valuation Report, the “**Property Valuation Reports**”);
- draft AFS of Squirewood for the twelve-month period ended 31 March 2025;
- financial information of Squirewood comprising the trial balance for the period ended 30 September 2025;
- financial information of HCI comprising annual integrated reports and audited annual financial statements for the years ended 31 March 2023, 2024 and 2025;
- HCI group structure including details of shares held and attributable shareholding in each principal investment;

- financial information for HCI's principal underlying investments, comprising:
  - historical financial information of Tsogo Sun Limited ("**Tsogo Sun**"), Frontier Holdings Limited ("**Frontier**"), eMedia Holdings Limited ("**eMedia**"), Deneb Investments Limited ("**Deneb**"), Southern Sun Limited ("**Southern Sun**"), La Concorde Holdings Limited ("**La Concorde**"), Africa Energy Corp ("**Africa Energy**"), Platinum Group Metals Limited ("**Platinum Group Metals**") and Montauk Renewables, Inc. ("**Montauk Renewables**"), comprising annual integrated reports and audited annual financial statements for their respective financial years;
  - for listed investments, 30-day volume weighted average traded price ("**30-day VWAP**") as at 27 November 2025;
  - forecast financial information and life of mine ("**LoM**") model, prepared by the management of HCI Coal Proprietary Limited ("**HCI Coal**") for the financial years 2025 to 2042;
  - forecast financial information and project cash flow model prepared by the management of Impact Oil & Gas Limited ("**Impact Oil & Gas**") in respect of the Venus prospect;
  - financial information and management accounts prepared by the management of La Concorde for the financial year ended 31 March 2025;
  - five-year forecast financial information of Alphawave Golf Proprietary Limited ("**Alphawave**") for the financial years 2025 to 2030; and
  - base cost of each underlying investment including listed and unlisted investments;
- discussions with certain directors and management of HCI, Squirewood and the Subject Companies; and
- publicly available information relating to HCI, HCI's principal underlying investments, Squirewood and the Subject Companies and the South African property market, including available analyst consensus forecasts and investment research reports in respect of HCI and its principal underlying investments, per S&P Capital IQ.

The information above was secured from:

- certain directors and management of HCI, Squirewood and the Subject Companies and their advisers; and
- third-party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing HCI and the Subject Companies.

#### **Procedures and considerations**

In arriving at our opinion, we have undertaken the following procedures and taken into account the following factors in evaluating the fairness of the Transactions:

- reviewed the terms and conditions of the Transactions;
- reviewed the Property Valuation Reports and considered the valuation methodologies and assumptions applied in determining market value of the properties held by the Subject Companies (the "**Properties**") with reference to current market benchmarks. We did not note any material differences in the assumptions used in the Property Valuation Reports and the current market benchmarks. Based on our review of the Property Valuation Reports we are satisfied that the approach adopted is consistent with standard market practice and the assumptions are consistent with market parameters. Consequently, we are satisfied with the Property Valuation Reports and are placing reliance thereon;
- reviewed the financial information related to the Subject Companies and Squirewood, as detailed above;
- reviewed certain publicly available information relating to HCI and its underlying investments, the Subject Companies and Squirewood, including company announcements and media articles;
- held discussions with the directors and management of HCI as to the rationale for the Transactions and considered such other matters as we considered necessary, including assessing the prevailing economic and market conditions and trends in the South African property market;
- performed a valuation of the Subject Companies using the Net Asset Value ("**NAV**") approach;
- performed a desktop sum-of-the-parts ("**SOTP**") valuation to determine a range of values for HCI's investments and consequently an HCI Share;
- performed a valuation of Squirewood pre and post the Squirewood Subscription and Cession using the NAV approach, by performing a valuation of its listed investment being, HCI Shares;
- performed such other studies and analyses as we considered appropriate and have taken into account our assessment of general economic, market and financial conditions and our experience in other transactions, as well as our experience in securities valuation and knowledge of the South African property market generally; and
- where relevant, representations made by management and/or directors of HCI were corroborated to source documents, or independent analytical procedures were performed by us, to examine and understand the South African property market, and to analyse external factors that could influence the Premises.

## Assumptions

We arrived at our opinion based on the following assumptions:

- that all agreements that are to be entered into in terms of the Transactions will be legally enforceable; and
- that the Transactions will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by, representatives and advisers of HCI.

## Appropriateness and reasonableness of underlying information and assumptions

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our opinion by determining the extent to which representations from management were confirmed by documentary evidence as well as our understanding of HCI and its underlying investments, Squirewood and the Subject Companies and the economic environment in which the businesses operate.

## Limiting conditions

The Fairness Opinion is provided in connection with and for the purposes of the Transactions. The Fairness Opinions does not purport to cater for each individual Shareholder's perspective, but rather that of the general body of Shareholders. Should a Shareholder be in doubt as to what action to take, he or she should consult an independent adviser.

Individual Shareholders' decisions regarding the Transactions may be influenced by such Shareholders' particular circumstances and, accordingly, individual Shareholders should consult an independent adviser if in any doubt as to the merits or otherwise of entering into the Transactions.

We have also assumed that the Transactions will have the legal consequences described in discussions with, and materials furnished to us by, representatives and advisers of HCI and its underlying investments, Squirewood and the Subject Companies and we express no opinion on such consequences.

Our Fairness Opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or reaffirm our opinion based on such development.

We have been neither a party to the negotiations entered into in relation to the Transactions nor have we been involved in the deliberations leading up to the decision on the part of HCI to enter into the Transactions.

We do not, by this letter or otherwise, advise or form any judgement on the strategic, commercial or financial merits or risks of the Transactions. All such evaluations, advice, judgements or comments remain the sole responsibility of the Board and their advisers. We have however, drawn upon such evaluations, judgements and comments as we deem necessary and appropriate in arriving at our opinions.

The scope of our appointment does not require us to express, and nor do we express, a view on the future growth prospects, earnings potential or value of HCI Shares. We do not express any view as to the price at which HCI Shares may trade nor on the future value, financial performance or condition of HCI and its underlying investments.

It is also not within our terms of reference to compare the merits of the Transactions to any alternative arrangements that were or may have been available to HCI. Such comparison and consideration remain the responsibility of the Board and their advisers.

## Independence, competence and fees

We confirm that we have no direct or indirect interest in HCI Shares or in the Transactions. We also confirm that we have the necessary qualifications and competence to provide the fairness opinions in respect of the Transactions.

Furthermore, we confirm that our professional fees, payable in cash, are not contingent upon the successful implementation of the Transactions.

## Valuation approach

### *The Property Company Purchase Agreement*

In considering the terms and conditions of the Property Company Purchase, we performed an independent valuation of the Subject Companies based on a NAV approach, based on the fair market value of the Properties, as determined by the Empire Value Independent Property Valuer and the carrying value of financial assets and financial liabilities which, in our opinion, equates to the fair value of the financial assets and financial liabilities.

The fair market value of the Properties was determined as follows in terms of the Independent Property Valuation Reports:

<b>Properties held in:</b>		<b>Rand Daily Mail (Pty) Ltd</b>	<b>Gallagher Estate Holdings (Pty) Ltd</b>	<b>Sally Sachs House (Pty) Ltd</b>
Fair value per Property Valuation Reports	(ZAR)	68 000 000	442 000 000	174 500 000

Based on the fair value of the Properties, the carrying value of the shares and claims (i.e. the NAV after adding back shareholder loan claims) of the Subject Companies amounts to R564 524 791.

The key internal value drivers in the valuation of the Properties comprises net operating income which is a function of: gross lettable area, contractual rental revenue, escalation and operating costs.

The key external value drivers and inputs comprise the monthly market rental per m<sup>2</sup> which has been referenced to market comparable vacant spaces that are currently advertised to let in proximity to the Properties. Other key external valuation assumptions include the discount rate and exit capitalisation rate which are based on the latest South African Property Owners Association (“SAPOA”) report and Q4 2025 Rode report. We also considered the prevailing market and industry conditions in respect of the industrial property sector.

The consideration receivable in respect of the Property Company Purchase is determined based on a 2.6% discount to the NAV of the Subject Companies after adding back shareholder loan claims. The most significant component of the NAV is the property valuations, which is derived from the Property Valuation Reports. We performed a sensitivity analysis on key assumptions included in the Property Valuation Reports. The sensitivity analysis was performed by:

- increasing and decreasing the exit capitalisation rate; and
- increasing and decreasing the discount rate.

The sensitivity analysis did not indicate a sufficient effect to alter our opinion in respect of the Property Company Purchase Agreement.

Additionally, we have satisfied ourselves as to the appropriateness and reasonableness of the underlying information and assumptions in the Independent Property Valuation Report, with reference to market benchmarks such as the SAPOA surveys and Rode’s report, which are conducted regularly among South African valuers.

#### *The Squirewood Subscription*

Squirewood is an investment holding company whose sole or principal asset comprises HCI Shares listed on the JSE. It has no material operating business and a limited balance sheet aside from these listed investments and associated inter-company loan positions. It also does not have any operations and incurs minimal operating costs from a statutory compliance perspective.

Given this structure, the NAV approach — with the HCI Shares being valued on the SOTP approach — is regarded as the most appropriate basis for the valuation of Squirewood.

#### *Valuation of HCI*

The valuation of HCI has been based upon an aggregation of the SOTP of HCI’s attributable interest in each of its investments as detailed below:

	Description	Nature of investment	Effective shareholding	Valuation approach
<b>Principal investments</b>				
Tsogo Sun	Listed investment	520 114 404 ordinary shares	50.0%	Market approach
Southern Sun	Listed investment	554 037 186 ordinary shares	41.3%	Adjusted market price
Deneb	Listed investment	371 776 214 ordinary shares	84.2%	Market approach
Frontier	Listed investment	232 777 041 ordinary shares	81.4%	Market approach
eMedia	Listed investment	51 196 137 ordinary shares	80.3%	Market approach
eMedia	Listed investment	304 620 299 N ordinary shares	80.3%	Market approach
HCI Resources	Unlisted investment	100% shareholding	100%	Income approach
HCI Properties	Unlisted investment	100% shareholding	100%	Income approach
Impact Oil & Gas	Unlisted investment	51.48% shareholding	51.5%	Income approach
Africa Energy	Listed investment	176 852 000 ordinary shares	47.9%	Adjusted market price
Platinum Group Metals	Listed investment	27 767 994 ordinary shares	25.9%	Adjusted market price
La Concorde Holdings	Unlisted investment	90% shareholding	90.0%	Adjusted NAV
Alphawave	Unlisted investment	42.4% shareholding	42.4%	Income approach
Montauk Renewables	Listed investment	874 076 ordinary shares	<1%	Market price
<b>Other financial assets and financial liabilities</b>				
Cash and cash equivalents	Financial asset			Carrying value
Preference loans	Financial liability			Carrying value
Third-party loans	Financial liability			Carrying value
<b>Other</b>				
HCI Corporate Office	Head office	Unallocated corporate costs		DCF

The SOTP valuation was performed taking cognisance of risk and other market and industry factors affecting HCI and its underlying investments. The split of gross fair value attributable to HCI's underlying investments by major assets class is as follows (before adjusting for financial assets, financial liabilities and HCI corporate costs):

- listed investments: 70.8%;
- unlisted investments: 21.4%; and
- properties: 7.9%.

The valuations of each of HCI's investments were based on the following principal valuation methodologies:

- listed investments (shareholding <50%): these investments were valued using the 30-day weighted average price (“**VWAP**”) per share of the underlying listed securities as at 27 November 2025 adjusted with a premium (with the exception of Montauk) to reflect HCI's ability to exert meaningful influence over strategic, operational or financial decision-making. The minority-held listed investments include HCI's attributable interests in Southern Sun, Africa Energy, Platinum Group Metals and Montauk Renewables. For securities listed on the Toronto Stock Exchange, the closing market price was converted to South African Rand (“**ZAR**”) at the closing ZAR:CAD exchange rate of R12.21:CAD\$1 on 27 November 2025. For the US listed securities, the closing market price was converted to ZAR at the closing ZAR:USD exchange rate of R17.15:US\$1 on 27 November 2025;
- listed investments (shareholding >50%): performed a valuation using the capitalisation of maintainable earnings methodology market approach in order to ascertain the market value of the interests held by HCI. The market approach is considered appropriate for these investments due to the availability of observable, reliable and traded market data, together with access to audited, publicly available financial information for each listed entity. Listed investments where HCI's shareholding is greater than 50%, comprise Tsogo Sun, Frontier, eMedia and Deneb;
- unlisted investments (HCI Coal): compiled sustainable forecast free cash flows for HCI Coal by using available forecast financial information as contained in the LoM model. Applied BDO's assumptions of cost of capital to the forecast cash flows to produce a discounted cash flow (“**DCF**”) valuation of HCI Coal;
- unlisted investments (Impact Oil & Gas): compiled sustainable forecast free cash flows for Impact Oil & Gas by using available forecast financial information. Applied BDO's assumptions of cost of capital to the forecast cash flows to produce a DCF valuation of Impact Oil & Gas;
- unlisted investments (Alphawave): compiled sustainable forecast free cash flows for Alphawave by using available forecast financial information. Applied BDO's assumptions of cost of capital to the forecast cash flows to produce a DCF valuation of Alphawave;
- unlisted investments (La Concorde): compiled an adjusted NAV valuation for La Concorde based on the fair value of its underlying investments;
- HCI Properties: these investments were valued based on the NAV approach, based on the fair market value of the properties, as determined by independent property valuation reports and the carrying value of financial assets and financial liabilities which, in our opinion, equates to the fair value of the financial assets and financial liabilities;
- other financial assets and financial liabilities: financial assets and financial liabilities were valued based on their carrying values, after confirming that such carrying values represent fair value in terms of International Financial Reporting Standards. This conclusion was derived from our review of the HCI management accounts and the latest financial statements, together with our consideration of the nature and characteristics of the underlying financial assets and liabilities;
- an adjustment was made for capital gains tax based on the fair value of each investment relative to the investment's base cost;
- unallocated head office and administration costs: determined the net present value (“**NPV**”) of HCI's unallocated head office and administration function;
- aggregated the valuations of the underlying investments of HCI and its head office and administration function (based on the unallocated costs), as well as adjusting for financial assets and financial liabilities to determine a SOTP valuation of HCI; and
- an appropriate discount was applied to the HCI investment portfolio which considers “the ability to convert the underlying business ownership interests (at whatever ownership level) to cash quickly, with minimum transaction and administrative costs in so doing and with a high degree of certainty of realising the expected amount of net proceeds” (Source: Pratt S, Reilly R and Schweighs R, Valuing a Business. McGraw-Hill, 2000) (“**Holding Company Discount**”). The fair value of each individual investment held by HCI has been determined based on what value each asset could be realised for if sold today, however it would not be possible to realise each asset simultaneously and therefore HCI would not receive the underlying value for each of the underlying investments, given the time, costs and uncertainties involved in disposing of a portfolio. A Holding Company Discount of 8.0% was applied to HCI's aggregate portfolio value to reflect the costs and time associated with disposing of a diverse portfolio.

Key internal value drivers and assumptions for the valuations for the underlying investments include:

- a premium in respect of HCI's listed investments (shareholding <50%);
- the sustainable earnings for each investment in respect of listed investments (controlling shareholding >50%); and
- the forecast free cash flows, including revenue growth, gross profit and EBITDA margins, and working capital and capital expenditure requirements used in the DCF models for each of the unlisted investments.

Key external value drivers and assumptions for the valuations for the underlying investments include:

- quoted closing market prices and volumes traded for the 30-day period ended 27 November 2025 in respect of the listed investments (shareholding <50%);
- market-related earnings multiple applicable to comparable publicly traded companies, adjusted for differences between the unlisted investment and the market comparables to account for the risk profile of the unlisted investment relative to the basket of peers in respect of listed investments (controlling shareholding >50%); and
- the discount rate (represented by the weighted average cost of capital ("**WACC**") used in the DCF models for each of the unlisted investments.

We performed a sensitivity analysis on key assumptions included in the valuations of the underlying investments in order to determine a fair value range per an HCI Share, as follows:

- Tsogo Sun
  - sensitivity analysis on the market-related earnings multiple applied to the sustainable earnings, by increasing and decreasing the earnings multiple by a maximum of 10.0% to assess the impact on the valuation of Tsogo Sun and the ultimate impact on the SOTP value of HCI.
- Southern Sun
  - sensitivity analysis on the control premium applied to the quoted closing market prices on 29 September 2025, by increasing and decreasing the control premium by a maximum of 5.0% to assess the impact on the valuation of Southern Sun and the ultimate impact on the SOTP value of HCI.
- Impact Oil & Gas Group
  - sensitivity analysis on the discount rate applied to the projected cash flows of the Venus project, by increasing and decreasing the discount rate applied by a maximum of 2.0% to assess the impact on the valuation of Impact Oil & Gas and the ultimate impact on the SOTP value of HCI.
- Frontier
  - sensitivity analysis on the market-related earnings multiple applied to the sustainable earnings, by increasing and decreasing the earnings multiple by a maximum of 10.0% to assess the impact on the valuation of Frontier and the ultimate impact on the SOTP value of HCI.
- Other listed investments (shareholding <50%)
  - sensitivity analysis on the control premium applied to the fair value of each of the other listed investments (shareholding <50%), by increasing and decreasing the control premium applied by a maximum of 5.0% to assess the impact on the independent valuation of each of the other listed investments (shareholding <50%) and the ultimate impact on the SOTP value of HCI.
- Other listed investments (shareholding >50%)
  - sensitivity analysis on the market-related earnings multiple applied to the sustainable earnings, by increasing and decreasing the earnings multiple by a maximum of 10.0% to assess the impact on the valuation of eMedia and Deneb and the ultimate impact on the SOTP value of HCI.
- Other unlisted investments (HCI Coal and Alphawave)
  - sensitivity analysis on the discount rate applied to the projected cash flows of the respective investments, by increasing and decreasing the discount rate applied by a maximum of 1.0% to assess the impact on the valuation of each investment and the ultimate impact on the SOTP value of HCI.
- Other unlisted investments (La Concorde)
  - sensitivity analysis on the NAV of La Concorde, by increasing and decreasing the fair value of the underlying investments by a maximum of 5.0% to assess the impact on the independent valuation of La Concorde and the ultimate impact on the SOTP value of HCI.

- Other unlisted investments (HCI Properties)
  - sensitivity analysis on the underlying properties held by HCI Properties by increasing and decreasing the exit capitalisation rate and the discount rate by a maximum of 1.0% to assess the impact on the valuation of HCI Properties and the ultimate impact on the SOTP value of HCI.

#### *Valuation of Squirewood*

The valuation of Squirewood was determined by applying the fundamental fair value per HCI Share, as derived in the “*Valuation of HCI*” section above, to the number of HCI Shares held by Squirewood. We adjusted this value to reflect Squirewood’s position as a minority, non-controlling shareholder to reflect the nature of Squirewood’s indirect interest in HCI and to account for any liquidity or marketability considerations relevant to the underlying HCI Shares. This valuation has been performed in a number of scenarios, namely:

- where the Squirewood Cash Purchase is approved and the Squirewood Option is not exercised;
- where the Squirewood Cash Purchase is approved and the Squirewood Option is exercised;
- where the Squirewood Cash Purchase is not approved and the Squirewood Option is not exercised; and
- where the Squirewood Cash Purchase is not approved and the Squirewood Option is exercised.

A minority discount of between 11.2% to 16.9% and a liquidity discount of between 13.1% to 15.3% was applied based on the quantum of HCI shares held by Squirewood in each of the above valuation scenarios.

#### **Approach to fairness in the context of the Transactions**

##### *Property Company Purchase*

The fair value of the consideration receivable in respect of the Property Company Purchase amounts to R549 724 863, being a 2.6% discount to the aggregated NAV of the Subject Companies.

The Board has allowed for this discount based on the following factors:

- the GEH directors have adopted a prudent and conservative approach in light of prevailing global and domestic economic uncertainty;
- the property, comprising convention, warehouse and office facilities, is highly specialised and tailored to a niche market;
- given its scale, infrastructure and integrated usage, there is a limited pool of potential purchasers with the capacity or need for such a complex, which restricts the availability of comparable market transactions and limits the potential to achieve premium pricing; and
- the Board considers it appropriate to adopt a conservative valuation to reflect the illiquidity of the asset and the potential challenges in marketing it at full valuation levels.

In our view, should the GEH property be sold on the open market, the time necessarily required to sell the Properties and the avoided costs to sell would reasonably justify this discount.

##### *Squirewood Subscription*

The HCI Shares held by Squirewood prior to the Squirewood Subscription are classified as treasury shares, effectively reducing the number of Shares outstanding and increasing the value per remaining issued share. For the purposes of opining on the Squirewood Subscription, Squirewood has been valued on a stand-alone fair value basis with the investment in HCI determined based on the fair value of the HCI Shares held by Squirewood.

Before the Squirewood Subscription, HCI holds 100% of Squirewood and after the Squirewood Subscription HCI’s interest in Squirewood reduces to 45.5%. Additionally, in the event that the Squirewood Cash Purchase is approved by Shareholders, Squirewood will acquire an additional 1 100 000 HCI Shares.

- In the event that the Squirewood Cash Purchase is approved and the Squirewood Option is not exercised, based on the fair value range per HCI Share held by Squirewood, the Squirewood Subscription results in:
  - a dilution of 1.2% in value attributable to Shareholders in Squirewood, using the upper end of our valuation range per HCI Share; and
  - an accretion of 0.8% in value attributable to Shareholders in Squirewood, using the lower end of our valuation range per HCI Share.
- In the event that the Squirewood Cash Purchase is approved and the Squirewood Option is exercised, based on the fair value range per HCI Share held by Squirewood, the Squirewood Subscription results in:
  - an accretion of 19.1% in value attributable to Shareholders in Squirewood, using the upper end of our valuation range per HCI Share; and

- an accretion of 24.3% in value attributable to Shareholders in Squirewood, using the lower end of our valuation range per HCI Share.
- In the event that the Squirewood Cash Purchase is not approved and the Squirewood Option is not exercised, based on the fair value range per HCI Share held by Squirewood, the Squirewood Subscription results in:
  - a dilution of 2.0% in value attributable to Shareholders in Squirewood, using the upper end of our valuation range per HCI Share; and
  - an accretion of 0.4% in value attributable to Shareholders in Squirewood, using the lower end of our valuation range per HCI Share.
- In the event that the Squirewood Cash Purchase is not approved and the Squirewood Option is exercised, based on the fair value range per HCI Share held by Squirewood, the Squirewood Subscription results in:
  - an accretion of 18.1% in value attributable to Shareholders in Squirewood, using the upper end of our valuation range per HCI Share; and
  - an accretion of 22.8% in value attributable to Shareholders in Squirewood, using the lower end of our valuation range per HCI Share.

### *Cession*

In terms of the Cession Agreement, SACTWU has agreed to cede and assign its rights to receipt of (i) R549 724 863 of the purchase consideration payable to it in terms of the Squirewood Option Agreement (being a portion of the SACTWU Claim) or, in the event that the Squirewood Option is not exercised, (ii) a loan amount advanced by SACTWU to Squirewood with a face value of R549 724 863, in full and final settlement of HCI's right to claim payment of the purchase consideration payable to it in terms of the Property Company Sale Agreement (being the HCI Claim).

The Cession effectively transfers the consideration payable by SACTWU in respect of the Company Property Purchase to Squirewood, i.e. SACTWU now has an amount payable to Squirewood of R549 724 863 and Squirewood has an equal amount payable to HCI. If SACTWU does not settle the amount due and payable, this will be settled via exercise of the Squirewood Option. In the event that the Squirewood Option is exercised, that loan will be extinguished as a result of an amount due and payable by Squirewood to SACTWU as a result of the Squirewood Option.

In terms of the Cession Agreement the following is applicable:

- HCI receives a loan against Squirewood in exchange for the Property Company Purchase consideration amounting to R549 724 863, with SACTWU owing an equal amount to Squirewood. In the event that SACTWU settles the loan, cash is injected into Squirewood, thus fully extinguishing the property sale claim at fair value. Squirewood's shareholding in HCI amounting to either 4 564 037 (in the event the Squirewood Cash Purchase is not approved) or 5 664 037 HCI Shares is effectively the security for HCI's claim in Squirewood; or
- HCI receives a loan against Squirewood in exchange for the Property Company Purchase consideration amounting to R549 724 863, with SACTWU owing an equal amount to Squirewood. In the event that the Squirewood Option is exercised, HCI receives a loan against Squirewood of R549 724 863 after Squirewood exercises the Squirewood Option, thus fully extinguishing the property sale claim at fair value. Squirewood's shareholding in HCI amounting to 20 576 506 (in the event the Squirewood Cash Purchase is not approved) or 21 676 506 HCI Shares is effectively the security for HCI's claim in Squirewood.

As there is adequate security for HCI's claim against Squirewood, there is no risk of impairment of the loan at the time of the Cession.

### **Opinion**

BDO Corporate Finance has considered the Property Company Purchase and, based on and subject to the conditions set out herein, is of the opinion that the Property Company Purchase is fair to Shareholders.

BDO Corporate Finance has considered the Squirewood Subscription and, based on and subject to the conditions set out herein, is of the opinion that the Squirewood Subscription is fair to Shareholders.

BDO Corporate Finance has considered the Cession and, based on and subject to the conditions set out herein, is of the opinion that the Cession is fair to Shareholders.

Our views are based on market, economic, industry, monetary and other conditions (where applicable) prevailing on and our analysis of the information made available to us up to 27 November 2025 (the "**Last Practicable Date**"). We assume no responsibility to update, revise or reaffirm our opinion, factors or assumptions in light of any subsequent development after the Last Practicable Date that may affect our opinion or factors or assumptions contained herein.

We have assumed that all conditions precedent, including any material regulatory and other approvals or consents required in connection with the Property Company Purchase Agreement, the Squirewood Subscription and the Cession have been fulfilled or obtained.

Accordingly, it should be understood that subsequent developments may affect this opinion, which we are under no obligation to update, revise or reaffirm.

Yours faithfully



**N Lazanakis**

Director

BDO Corporate Finance Proprietary Limited

## PRO FORMA FINANCIAL INFORMATION

At/For the six months ended 30 September 2025	HCI unadjusted unaudited financial position <sup>1</sup> R'000	Adjustments in respect of the cash repurchase of HCI Shares R'000
<b>ASSETS</b>		
<b>Non-current assets</b>	55 296 216	–
Property, plant and equipment	16 811 447	–
Right-of-use assets	264 853	–
Investment properties	5 543 357	–
Goodwill	5 632 205	–
Investments in associates and joint ventures	5 602 402	–
Other financial assets	1 709 246	–
Intangible assets – minerals	12 045 196	–
– other	7 434 906	–
Deferred taxation	217 895	–
Other	34 709	–
<b>Current assets</b>	8 236 247	(144 100)
Inventories	899 573	–
Programme rights	1 314 933	–
Other financial assets	144 910	–
Trade and other receivables	2 634 921	–
Taxation	62 816	–
Bank balances and deposits	3 179 094	(144 100) <sup>2</sup>
Non-current assets held for sale	561 866	–
<b>Total assets</b>	64 094 329	(144 100)
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	38 681 213	(144 100)
Ordinary share capital	20 080	(275)
Other reserves	(757 550)	–
Accumulated profits	24 858 306	(143 825)
Equity attributable to equity holders of the parent	24 120 836	(144 100) <sup>2</sup>
Non-controlling interest	14 560 377	–
<b>Non-current liabilities</b>	19 870 008	–
Deferred taxation	7 730 842	–
Borrowings	11 492 713	–
Lease liabilities	301 871	–
Provisions	86 693	–
Other*	257 889	–
<b>Current liabilities</b>	5 543 108	–
Trade and other payables	2 800 884	–
Borrowings	2 018 463	–
Taxation	52 721	–
Provisions	276 516	–
Bank overdrafts	265 365	–
Other*	129 159	–
<b>Total equity and liabilities</b>	64 094 329	(144 100)
Net asset value per share – incremental (cents)	–	487
– aggregate (cents)	48 156	48 643
Tangible net asset value per share – incremental (cents)	–	26
– aggregate (cents)	14 984	15 010
Actual number of shares in issue at the end of the year (net of treasury shares)	80 324 990	79 224 990 <sup>3</sup>

\* Other liabilities include post-retirement benefit liabilities, long-term incentive plans and deferred revenue and income.

Adjustments in respect of the Property Company Sale R'000	Adjustments in respect of the recognition of Squirewood as a joint venture <sup>17</sup> R'000	Adjustments in respect of Squirewood Option to purchase HCI Shares from SACTWU <sup>15</sup> R'000	Other adjustments <sup>20</sup> R'000	Pro forma after Proposed Transactions <sup>18</sup> R'000
(59 703)	596 128	–	–	55 832 641
(107 976)	–	–	–	16 703 471
(720)	–	–	–	264 133
(486 429) <sup>5</sup>	–	–	–	5 056 928
–	–	–	–	5 632 205
–	596 128 <sup>12, 13</sup>	–	–	6 198 530
–	–	–	–	1 709 246
–	–	–	–	12 045 196
–	–	–	–	7 434 906
(14 303)	–	–	–	203 592
549 725	–	–	–	584 434
(101 730)	–	–	–	7 990 417
(14 973)	–	–	–	884 600
–	–	–	–	1 314 933
–	–	–	–	144 910
(18 372)	–	–	–	2 616 549
(2 755)	–	–	–	60 061
(65 630) <sup>6</sup>	–	–	–	2 969 364
(33 000)	–	–	–	528 866
(194 433)	596 128	–	–	64 351 924
15 359	596 128	–	–	39 148 600
–	1 416	–	–	21 221
–	–	–	–	(757 550)
15 359	594 712 <sup>12, 13</sup>	–	–	25 324 552
15 359	596 128 <sup>12, 13</sup>	–	–	24 588 223
–	–	–	–	14 560 377
(133 100)	–	–	–	19 736 908
(30 402)	–	–	–	7 700 440
(101 893) <sup>7</sup>	–	–	–	11 390 820
(805)	–	–	–	301 066
–	–	–	–	86 693
–	–	–	–	257 889
(76 692)	–	–	–	5 466 416
(32 665)	–	–	–	2 768 219
(9 374) <sup>7</sup>	–	–	–	2 009 089
(4 791)	–	–	–	47 930
(5 385)	–	–	–	271 131
–	–	–	–	265 365
(24 477)	–	–	–	104 682
(194 433)	596 128	–	–	64 351 924
19	(2 545)	–	–	–
48 662	46 117	46 117	46 117	46 117
37	(302)	–	–	–
15 048	14 746	14 746	14 746	14 746
79 224 990	84 889 027 <sup>14</sup>	84 889 027	84 889 027	84 889 027

<b>For the six months ended 30 September</b>	<b>HCI unadjusted unaudited statement of profit or loss<sup>1</sup> R'000</b>	<b>Adjustments in respect of the cash repurchase of HCI Shares R'000</b>
Revenue	7 102 248	–
Net gaming win	4 604 224	–
Property rental income	390 903	–
<b>Income</b>	<b>12 097 375</b>	<b>–</b>
Other operating expenses and income	(9 455 546)	–
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>	<b>2 641 829</b>	<b>–</b>
Depreciation and amortisation	(563 218)	–
Investment income	127 639	(7 003) <sup>4</sup>
Finance costs	(609 305)	–
Equity-accounted earnings of associates and joint ventures	140 081	–
Gain on bargain purchase	11 322	–
Investment deficit	(45 842)	–
Fair value adjustments on investment properties	(5 253)	–
Asset impairments	(200 656)	–
Fair value adjustments on financial instruments	13 913	–
<b>Profit before taxation</b>	<b>1 510 510</b>	<b>(7 003)</b>
Taxation	(468 412)	1 891 <sup>4</sup>
<b>Profit for the period</b>	<b>1 042 098</b>	<b>(5 112)<sup>4</sup></b>
Attributable to:		
Equity holders of the parent	640 073	(5 112) <sup>4</sup>
Non-controlling interest	402 025	–
	<b>1 042 098</b>	<b>(5 112)</b>
<b>Reconciliation of headline earnings:</b>		
Earnings attributable to equity holders of the parent	640 073	(5 112) <sup>4</sup>
Gains on disposal of property, plant and equipment	(3 203)	–
Impairment of property, plant and equipment	57 189	–
Gain on bargain purchase	(10 206)	–
Gains on disposal of subsidiaries	–	–
Losses on changes in holdings of equity-accounted investments	40 683	–
Impairment of intangible assets	16 741	–
Fair value adjustments on investment properties	2 060	–
Insurance claims for capital assets	(1 299)	–
Remeasurements included in equity-accounted earnings of associates and joint ventures	1 657	–
Losses on disposal of plant and equipment	1 657	–
<b>Headline earnings</b>	<b>743 695</b>	<b>(5 112)<sup>4</sup></b>
Basic earnings per share (cents)		
Earnings per share – incremental (cents)	–	4.55
<b>Earnings per share – aggregate (cents)</b>	<b>793.52</b>	<b>798.07</b>
Headline earnings per share – incremental (cents)	–	6.32
<b>Headline earnings per share – aggregate (cents)</b>	<b>921.99</b>	<b>928.31</b>
Weighted average number of shares in issue	80 662 467	79 562 467 <sup>3</sup>
Diluted earnings per share (cents)		
Earnings per share – incremental (cents)	–	4.40
Earnings per share – aggregate (cents)	786.14	790.54
Headline earnings per share – incremental (cents)	–	6.14
Headline earnings per share – aggregate (cents)	913.41	919.55
Weighted average number of shares in issue	81 420 240	80 320 240 <sup>3</sup>

Adjustments in respect of the Property Company Sale R'000	Adjustments in respect of the recognition of Squirewood as a joint venture R'000	Squirewood option to purchase HCl Shares from SACTWU R'000	Other adjustments R'000	Pro forma after Proposed Transactions <sup>12, 19</sup> R'000
(136 038) <sup>9</sup>	–	–	–	6 966 210
–	–	–	–	4 604 224
(39 108)	–	–	–	351 795
(175 146)	–	–	–	11 922 229
140 312	–	–	(2 869) <sup>20</sup>	(9 318 103)
(34 834)	–	–	(2 869)	2 604 126
4 870	–	–	–	(558 348)
2 381 <sup>9</sup>	–	–	–	123 017
10 923	–	–	–	(598 382)
–	–	–	–	140 081
–	–	–	–	11 322
15 359 <sup>10</sup>	–	–	–	(30 483)
–	–	–	–	(5 253)
–	–	–	–	(200 656)
–	–	–	–	13 913
(1 301)	–	–	(2 869)	1 499 337
2 419 <sup>11</sup>	–	–	– <sup>20</sup>	(464 102)
1 119	– <sup>14</sup>	–	(2 869)	1 035 236
1 119	–	–	(2 869) <sup>20</sup>	633 211
–	–	–	–	402 025
1 119	–	–	(2 869)	1 035 236
1 119	– <sup>14</sup>	–	(2 869) <sup>20</sup>	633 211
–	–	–	–	(3 203)
–	–	–	–	57 189
–	–	–	–	(10 206)
(15 359) <sup>10</sup>	–	–	–	(15 359)
–	–	–	–	40 683
–	–	–	–	16 741
–	–	–	–	2 060
–	–	–	–	(1 299)
–	–	–	–	1 657
–	–	–	–	1 657
(14 240)	– <sup>14</sup>	–	(2 869) <sup>20</sup>	721 474
1.41	(53.00)	–	(3.37)	–
799.48	746.48	746.48	743.11	743.11
(17.90)	(60.36)	–	(3.37)	–
910.41	850.06	850.06	846.69	846.69
79 562 467	85 211 609 <sup>14</sup>	85 211 609 <sup>16</sup>	85 211 609	85 211 609
1.39	(52.04)	–	(3.34)	–
791.93	739.89	739.89	736.56	736.56
(17.73)	(59.26)	–	(3.34)	–
901.82	842.56	842.56	839.23	839.23
80 320 240	85 969 382 <sup>14</sup>	85 969 382 <sup>16</sup>	85 969 382	85 969 382

## NOTES TO THE *PRO FORMA* CONSOLIDATED FINANCIAL STATEMENTS

1. Extracted from the unadjusted unaudited results of HCI for the six months ended 30 September 2025, as approved on 27 November 2025. For the purposes of preparing the *pro forma* effects on the statement of profit or loss it is assumed that the "Proposed Transactions" were effective on 1 April 2025. For the purposes of preparing the *pro forma* effects on the statement of financial position it is assumed that the "Proposed Transactions" were effective on 30 September 2025.
2. Cash and cash equivalents decrease by the cash consideration paid, with a corresponding reduction in the Group's consolidated equity.
3. Decrease as a result of the additional 1 100 000 treasury shares held by the Group following the share buy-back. It is the Group's policy to exclude treasury shares from the calculation of its earnings per share and headline earnings per share based on best practice and guidance available in the market. It has been assumed that the shares were repurchased on 1 April 2025.
4. Investment income decreases by R7 million as a result of the lower cash balances held by the Group, resulting in a post-tax decrease of R5 million in the Group's profit for the period, its earnings attributable to equity shareholders and its headline earnings. The R7 million decrease in investment income was determined with reference to an interest rate of 9.7% per annum, applied to the R144 million decrease in the Group's cash balances, over a period of 6 (six) months.
5. The adjustment to investment properties were made at fair value, as determined and disclosed in the audited annual financial statement, plus capitalised cost incurred between 1 April 2025 and 30 September 2025. The fair values disclosed in the March 2025 audited annual financial statements were determined by an independent external expert. The Property Company Sale is effected through a loan owing to HCI amounting to R549 million payable within 3 (three) months of the Closing Date; if not settled within that period interest will accrue at the Prime Rate (being 10.5%, which was the prevailing rate during the 6 (six) months ended 30 September 2025), from the date that is 3 (three) months after the Closing Date until the loan is fully settled.
6. A subsidiary of GEH had a residential development called Steenberg Green. As at September 2025, 1 (one) unit was held in inventory. This house was sold but not transferred; transfer took place during November 2025. As such, the profits on the sale of these properties were specifically excluded in the Property Company Purchase Agreement; the distribution of these profits were included as a condition precedent to the Property Company Purchase Agreement. For the purposes of the *pro forma* financial information presented here management has shown the effect on the balance sheet on the assumption that these properties have transferred and the profits are distributed prior to the sale of the entities. The total dividend included is R20.7 million. GEPM had previously concluded a sale agreement with Silver Vanity Investments (RF) Proprietary Limited ("**Silver Vanity**") in terms of which the Pan African Parliament buildings at Gallagher Estate were sold to Silver Vanity. In terms of those agreements GEPM undertook to comply with certain town planning requirements, for which an accrual was raised totalling R4.4 million. The Steenberg dividend of R20.7 million excludes the cash required to comply with the town planning requirements.
7. The borrowings balances in respect of the Property Company Sale includes the post-year-end additional debt reduction, being the continued contractual servicing of the borrowings until the effective date of the transaction plus an additional capital contribution. The total estimated reduction in borrowings prior to the sale totals R59.9 million.
8. Included is the asset management fee charge to SACTWU in respect of the management of the Subject Companies in terms of an Asset Management Agreement signed by HCI Managerial Services Proprietary Limited and the Subject Companies. The asset management fee is determined as 1% of the asset value of the Subject Companies.
9. The increase in the interest income represents the interest income for 1 (one) month of interest at 10.5% interest per annum.
10. The investment surplus adjustment of R15.4 million represents the gain on disposal of the subsidiaries. The gain is calculated as the assets less liabilities as at the end of September 2025, adjusted for the Steenberg Green dividend and reduction of the borrowings.
11. The tax effect adjustment represents the effect of the investment income and the asset management fee, as detailed above. This is calculated using the standard tax rate prevailing in South Africa, which is 27% as at the date of the Circular. No tax consequences have been showed for the gain on disposal of the Property Companies as the Group has a capital loss against which it can off-set the profit realised.
12. The Group loses control of Squirewood on the date that SACTWU obtains contractual decision-making rights attached to their acquisition of a 54.5% majority shareholding in the company. Squirewood is consequently deconsolidated from the Group and recognised as an investment in a joint venture at a cost of R590 million. This follows the rationale that the consideration transferred for the investment in the joint venture equals the cost of the HCI Shares (treasury shares at Group level) deconsolidated by the Group. The deconsolidation of the treasury shares results in a corresponding increase of R590 million in the Group's equity, with R589 million being credited to accumulated profits. This is consistent with the Group's treatment of share repurchases where any portion of the purchase price that exceeds the par value of the shares, is debited to accumulated profits on consolidation. It has been assumed that the Group lost control of Squirewood and that the treasury shares were deconsolidated on 1 April 2025.

13. Squirewood acquired 42 590 HCI Shares for a total cash consideration of R5.7 million on 3 June 2025. The cost of R5.7 million of these Shares are included in the investment in associate (refer to footnote 12), with the equity credit accounted for in accumulated profits as explained in footnote 12.
14. It was assumed that there would be no impact on the Group's profit or loss, its earnings or headline earnings as a result of this transaction on the basis that any equity-accounted profits or losses of Squirewood after the elimination of reciprocal interests, or any increased investment income due to higher cash balances held by the Group, would be trivial. The Group's total number of Shares in issue, net of treasury shares, and used to calculate the net asset value and tangible net asset value per share, increase by 5 664 037 as a result of the deconsolidation of 5 664 037 treasury shares held by the Group. The weighted average number of Shares in issue, net of treasury shares, and used to calculate earnings per Share and headline earnings per Share, increase by 5 649 142 for the reasons mentioned above. This, in turn, results in a decrease in its basic and diluted earnings per Share, basic and diluted headline earnings per Share and the net asset and tangible net asset value per Share. This treatment reflects the legal position that the 5 664 037 Shares are no longer treasury shares; however, through its remaining interest in Squirewood, the Group will retain an effective 45.5% interest in these Shares.
15. Squirewood has an option to purchase 16 012 469 HCI Shares from SACTWU for a purchase consideration of R2 097 million. It has been assumed that the option will be exercised, with R888 million of the consideration payable to be off-set against the SACTWU receivable which originated from its acquisition of a 54.5% interest in Squirewood (refer to footnote 12). The remaining purchase consideration of R1 209 million owed by Squirewood will remain payable to SACTWU on loan account. SACTWU will subsequently cede R549 million of this loan receivable to HCI as settlement of the purchase consideration payable for the Property Company Sale as detailed in footnote 5. As a result, Squirewood will owe HCI the R549 million consideration payable in respect of the Property Company Sale. The loan will bear no interest and will be repayable from HCI dividends received from time to time, or if liquidation or other proceedings for the winding up of Squirewood are instituted.

In the event that the option is not exercised, in terms of the Cession Agreement, SACTWU shall advance a cash amount of R549 million to Squirewood on loan account. SACTWU will subsequently cede this R549 million loan receivable to HCI as settlement of the purchase consideration payable for the Property Company Sale as detailed in footnote 5. As a result, Squirewood will owe HCI the R549 million consideration payable in respect of the Property Company Sale. The loan will bear no interest and will be repayable from HCI dividends received from time to time, or if liquidation or other proceedings for the winding up of Squirewood are instituted. There will consequently be no change to the *pro forma* consolidated financial statements.
16. This transaction has no impact on the Group's results and the weighted average number of Shares in issue, net of treasury shares, remains unchanged. This treatment reflects the legal position that the 16 012 469 Shares are not treasury shares; however, through its remaining interest in Squirewood, the Group will gain an effective 45.5% interest in these Shares.
17. 355 (three hundred and fifty-five) ordinary shares in the issued share capital of Squirewood were issued by Squirewood to HCI, at a nominal price, prior to the implementation of, and in accordance with the terms of, the Squirewood Subscription Agreement. As the shares were issued at a nominal price, it was assumed that the issued shares would have no impact.
18. The *pro forma* statement of financial position after the implementation of the Proposed Transactions and other adjustments as detailed.
19. The *pro forma* statement of profit or loss after the implementation of the Proposed Transactions and other adjustments as detailed.
20. The adjustments in the statement of profit or loss relate to the estimated transaction cost in respect of the Proposed Transactions. These costs are not deductible for tax. As adjustments to the statement of financial position are assumed to take place on 30 September 2025, no adjustment has been made to the statement of financial position in respect of the transaction cost.
21. Except for the transaction cost, as detailed in note 20 above, all adjustments are of a continuing effect.

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

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The Directors of Hosken Consolidated Investments Limited  
Suite 801, 76 Regent Road  
Sea Point  
Cape Town  
8000

Cape Town, 9 December 2025

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF THE *PRO FORMA* FINANCIAL INFORMATION OF HOSKEN CONSOLIDATED INVESTMENTS LIMITED

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Hosken Consolidated Investments Limited ("**HCI**" or "**the Group**") by the Directors.

The *pro forma* financial information, as set out in Annexure II of the Circular, consists of a Consolidated *Pro Forma* Statement of Profit or Loss and Other Comprehensive Income and a Consolidated *Pro Forma* Statement of Financial Position and related assumptions. The *pro forma* financial information has been compiled on the basis of the applicable criteria specified in the JSE Limited ("**JSE**") Listings Requirements.

The *pro forma* financial information has been compiled by the Directors to illustrate the impact of the corporate action or event, described in the Circular, on the Group's financial position as at 30 September 2025 for purposes of the Consolidated *Pro Forma* Statement of Financial Position and at 1 April 2025 for the purposes of the Consolidated *Pro Forma* Statement of Profit or Loss and Other Comprehensive Income. 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 unaudited condensed consolidated interim results ("**financial statements**") for the six months ended 30 September 2025, which was issued on 27 November 2025.

### 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 II of the Circular and the SAICA Guide on *Pro Forma* Financial Information, revised and issued in September 2014 ("**Applicable Criteria**").

### OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors ("**IRBA Code**"), which is founded on the 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)*.

Forvis Mazars applies the International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or 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 of the applicable criteria specified in the JSE Listings Requirements 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 Circular which is applicable to an engagement of this nature issued by the International Auditing Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in the compiling of 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.

As 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 entity as if the corporate action or event has occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction at 30 September 2025 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 procedure to assess whether the applicable criteria used 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 judgement, having regard to our understanding of the nature of the Group, the corporate action or event 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 of 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 by the JSE Listings Requirements and described in Annexure II.

#### **RESTRICTION OF USE**

This report has been prepared for the purpose of satisfying the requirements of the JSE Listings Requirements and it is solely for the information of the Hosken Consolidated Investments Limited Shareholders and for no other purpose.



#### **Forvis Mazars**

Registered Auditors

Partner: Mia Pieterse

Registered Auditor

Reporting Accountant Specialist

9 December 2025

Rialto Road  
Grand Moorings Precinct  
Century City  
Cape Town  
7441



Hosken Consolidated Investments Limited

**HOSKEN CONSOLIDATED INVESTMENTS LIMITED**

(Incorporated in the Republic of South Africa)

Registration Number: 1973/007111/06

Share code: HCI ISIN: ZAE000003257

("HCI" or "the Company")

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## NOTICE OF GENERAL MEETING OF SHAREHOLDERS

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All terms defined in the Circular, to which this notice of General Meeting is attached, shall bear the same meanings when used in this notice of General Meeting.

Notice is hereby given to HCI Shareholders that the General Meeting will be held at the registered offices of HCI, Suite 801, 76 Regent Road, Sea Point, 8005 on Thursday, 29 January 2026 at 10:00 (South African Standard Time) at which General Meeting HCI Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the ordinary and special resolutions set out hereunder.

The record date for determining which HCI Shareholders must be registered in the Register in order to receive the Circular is Friday, 5 December 2025.

The record date for determining which HCI Shareholders are entitled to participate in and vote at the General Meeting is Friday, 16 January 2026. Accordingly, the last day to trade in order to be eligible to participate and vote at the General Meeting will be Tuesday, 13 January 2026:

**Please note that HCI intends to provide for participation at the General Meeting by way of electronic communication. In this regard, please read the notes at the end of this notice.**

The resolutions set out in this Notice of General Meeting are subject to the fulfilment or, if applicable, waiver of the conditions precedent to the Proposed Transactions, as contained in the respective Transaction Agreements and summarised at paragraphs 4.2 and 5.6 of the Circular, save for any such condition precedent relating to the passing of such resolutions.

Salient dates and times:

<b>Relevant event</b>	<b>2025</b>
Record date for HCI Shareholders to be recorded in the Register in order to receive this Circular	Friday, 5 December
Circular incorporating the Notice of General Meeting and Form of Proxy ( <i>yellow</i> ), distributed to HCI Shareholders on	Monday, 15 December
	<b>2026</b>
Last day to trade HCI Shares in order to be recorded in the Register to vote at the General Meeting on	Tuesday, 13 January 2026
Record date for an HCI Shareholder to be registered in the Register in order to be eligible to attend and participate in the General Meeting and to vote thereat, by close of trade on	Friday, 16 January
Forms of proxy ( <i>yellow</i> ) in respect of the General Meeting to be lodged, for administrative purposes, by close of trade on	Wednesday, 28 January
Forms of Proxy ( <i>yellow</i> ) not lodged with the Transfer Secretaries, are to be handed/e-mailed to the chairperson of the General Meeting before the proxy exercises the rights of the Shareholder at the General Meeting held at 10:00 on	Thursday, 29 January
General Meeting held at 10:00 on	Thursday, 29 January
Results of the General Meeting published on SENS on	Thursday, 29 January

**Notes:**

- The above dates and times are subject to amendment at the discretion of HCI (and to the extent necessary, with the approval of the JSE). Any such amendment will be released on SENS.
- HCI Shareholders are referred to page 3 of this Circular for information on the action required to be taken by them.
- HCI Shareholders should note that as transactions in Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place 3 (three) Business Days after such trade. Therefore, HCI Shareholders who acquire HCI Shares after close of trade on Tuesday, 13 January 2026 will not be eligible to attend at, participate in and to vote at the General Meeting.

4. All dates and times indicated above are South African Standard Times.
5. Share certificates may not be dematerialised or rematerialised between Tuesday, 13 January 2026 and Friday, 16 January 2026 (both dates inclusive).

**SPECIAL RESOLUTION NUMBER 1 – SPECIFIC AUTHORITY FOR THE REPURCHASE BY THE COMPANY’S WHOLLY-OWNED SUBSIDIARY, SQUIREWOOD, OF 1 100 000 HCI SHARES FROM A RELATED PARTY, SACTWU**

“**Resolved as a special resolution that** the Company’s wholly-owned Subsidiary, Squirewood Investments 64 Proprietary Limited (“**Squirewood**”) be and is hereby authorised, by way of a specific authority, in accordance with the applicable provisions of the Companies Act, the Listings Requirements and its memorandum of incorporation, to acquire 1 100 000 HCI Shares beneficially owned by The Southern African Clothing Textile Workers Union (“**SACTWU**”), for a consideration of R131.00 per HCI Share and an aggregate consideration of R144 100 000, on the terms and conditions as set out in the Circular and the Squirewood Cash Purchase Agreement.”

In terms of the Companies Act, the Company’s memorandum of incorporation and the Listings Requirements, this resolution will be adopted with the support of not less than 75% (seventy-five percent) of voting rights exercised on this resolution.

Note that neither SACTWU nor any of its associated entities or related parties, will be allowed to vote on this Special Resolution Number 1.

**Reason and effect of Special Resolution Number 1:**

The reason for and effect of Special Resolution Number 1 is to authorise Squirewood (a wholly-owned Subsidiary of the Company) to acquire 1 100 000 HCI Shares currently owned by SACTWU, by way of an acquisition by a Subsidiary of the Company of Shares in the Company in accordance with section 48 of the Companies Act and a specific repurchase in terms of paragraph 5.69 of the Listings Requirements.

The Directors have considered the impact of the specific repurchase contemplated in this resolution and are of the opinion that the provisions of sections 4, 46 and 48 of the Companies Act have been complied with, and:

- (a) in terms of section 46(1)(a)(ii) of the Companies Act, the Board has authorised the specific repurchase by resolution;
- (b) in terms of section 46(1)(b) of the Companies Act, it reasonably appears that the Company and its wholly-owned Subsidiary Squirewood will satisfy the Solvency and Liquidity Test immediately after completing the specific repurchase; and
- (c) in terms of section 46(1)(c) of the Companies Act and paragraph 5.69(b) of the Listings Requirements, the Board has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test, and reasonably concluded that the Company and its wholly-owned Subsidiary Squirewood will satisfy the Solvency and Liquidity Test immediately after completing the specific repurchase and that there have been no material changes to the financial position of the HCI Group since the Board applied the Solvency and Liquidity Test.

**ORDINARY RESOLUTION NUMBER 1 – APPROVAL OF THE RELATED PARTY TRANSACTIONS**

**“Resolved as an ordinary resolution that:**

- (a) the Company be and is hereby authorised to dispose of all of its shares in and claims against Gallagher Estate Holdings Proprietary Limited; HCI Rand Daily Mail Proprietary Limited and HCI Solly Sachs House Proprietary Limited to SACTWU, a related party for an aggregate consideration of R549 724 863 (the Property Company Purchase);
- (b) Squirewood, a wholly-owned Subsidiary of the Company as at the date of this Resolution, be and is hereby authorised to allot and issue to SACTWU (a related party), 54.5% (fifty-four point five percent) of the total shares in the issued share capital of Squirewood for an aggregate consideration of R888 755 872; and
- (c) in settlement of the Company’s right to claim payment of the purchase consideration payable to its in terms of the Property Company Purchase, accept the cession and assignment by SACTWU of its rights to receipt of:
  - (i) R549 724 863 of the purchase consideration payable to it in terms of the Squirewood Option, in the event that the Squirewood Option is exercised; or
  - (ii) a loan amount advanced by SACTWU to Squirewood with a face value of R549 724 863, in the event that the Squirewood Option is not exercised,

in each case, on the terms and conditions as set out in the Circular and the relevant Transaction Agreements, which transactions are inter-conditional in accordance with the terms of the relevant Transaction Agreements.”

In terms of the Companies Act, the Company’s memorandum of incorporation and the Listings Requirements, this resolution will be adopted with the support of more than 50% of voting rights exercised on this resolution.

Note that neither SACTWU nor any of its associated entities or related parties, will be allowed to vote on this Ordinary Resolution Number 1.

### Reason and effect of Ordinary Resolution Number 1:

The reason for and effect of Ordinary Resolution Number 1 is to authorise the Company to implement the Property Company Purchase Agreement, the Squirewood Subscription Agreement and the Cession Agreement, each of which are Related Party Transactions in terms of sections 9 and 10 of the Listings Requirements.

### ORDINARY RESOLUTION NUMBER 2 – AUTHORITY TO GIVE EFFECT TO THE RESOLUTIONS

**“Resolved as an ordinary resolution that**, any director of the Company, be and is hereby authorised and empowered to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of the Proposed Transactions to which it is a party and any of the above resolutions.”

In terms of section 65(7) of the Companies Act and the Company’s memorandum of incorporation, this resolution will be adopted with the support of more than 50% (fifty percent) of the voting rights exercised on this resolution.

### ENTITLEMENT TO ATTEND AND VOTE AT THE GENERAL MEETING AND APPOINTMENT OF PROXIES

HCI Shareholders who wish to participate in the General Meeting should note that in terms of section 63 of the Companies Act, they are required to provide reasonable satisfactory identification before being entitled to attend or participate in a shareholders’ meeting.

Certificated HCI Shareholders or Own Name Dematerialised HCI Shareholders may attend and vote at the General Meeting, or alternatively appoint a proxy to attend, speak and, in respect of the applicable resolutions, vote in their stead by completing the attached form of proxy and returning it to the Transfer Secretaries at the address given in the Circular to be received by no later than 10:00 on Wednesday, 28 January 2026 for administrative purposes or thereafter to the Company by hand by no later than 10:00 on Thursday, 29 January 2026.

Dematerialised HCI Shareholders other than Own Name Dematerialised HCI Shareholders, must contact their CSDP or Broker, as the case may be, and obtain the relevant letter of representation from it if they wish to attend the General Meeting. If HCI Shareholders are unable to attend the General Meeting but wish to be represented thereat, they must furnish their CSDP or Broker, as the case may be, with their instructions for voting at the General Meeting.

The completion of a form of proxy will not preclude an HCI Shareholder from attending the General Meeting.

### PARTICIPATION IN THE GENERAL MEETING BY ELECTRONIC COMMUNICATION

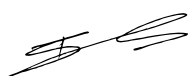
HCI Shareholders wishing to participate electronically in the General Meeting are required by no later than close of trade on Wednesday, 28 January 2026, to deliver written notice to HCI at HCI’s registered offices, Suite 801, 76 Regent Road, Sea Point, 8005 (marked for the attention of HCI Managerial Services Proprietary Limited, HCI Group company secretary) that they wish to participate via electronic communication at the General Meeting (**“Electronic Notice”**).

In order for the Electronic Notice to be valid it must contain:

- (a) if the HCI Shareholder is an individual, a valid certified copy of his/her South African identity document and/or a valid driver’s licence, and/or if he/she is a foreign national, passport; or
- (b) if the HCI 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 (**“Contact Address/Number”**); and
- (d) confirmation of whether the HCI Shareholder wishes to vote via electronic communication. By no later than 24 (twenty-four) hours (excluding Saturdays, Sundays and official public holidays) before the General Meeting HCI shall use its reasonable endeavours to notify an HCI Shareholder at its Contact Address/Number who has delivered a valid Electronic Notice of the relevant details through which the HCI Shareholder can participate via electronic communication.

Should you wish to participate in the General Meeting by way of electronic communication as aforesaid, you, or your 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) and to communicate concurrently.

By order of the Board



**VE Mphande**

The Chairperson of the Board

Monday, 15 December 2025

Suite 801, 76 Regent Road  
Sea Point, 8005



Hosken Consolidated Investments Limited

**HOSKEN CONSOLIDATED INVESTMENTS LIMITED**

(Incorporated in the Republic of South Africa)

Registration Number: 1973/007111/06

Share code: HCI ISIN: ZAE000003257

("HCI" or "the Company")

**FORM OF PROXY**

All terms defined in the Circular, to which this notice of General Meeting is attached, shall bear the same meanings when used in this form of proxy.

For use by Certificated HCI Shareholders or Own Name Dematerialised HCI Shareholders at the General Meeting to be held at 10:00 on Thursday, 29 January 2026, at HCI's registered offices, Suite 801, 76 Regent Road, Sea Point, 8005.

Dematerialised HCI Shareholders, other than Own Name Dematerialised HCI Shareholders, must not complete this form of proxy.

Full name: I/We (BLOCK LETTERS): \_\_\_\_\_

of (address): \_\_\_\_\_

Telephone (Work): \_\_\_\_\_ Telephone (Home): \_\_\_\_\_

Fax: \_\_\_\_\_ Cell phone number: \_\_\_\_\_

E-mail address: \_\_\_\_\_

being the holder of: \_\_\_\_\_ HCI Shares

Do hereby appoint:

1. \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ or failing him/her,

the Chairperson of the General Meeting, as my/our proxy to vote for me/us on my/our behalf at the General Meeting to be held at 10:00 on Thursday, 29 January 2026 or any adjournment thereof as follows:

	For	Against	Abstain
Special Resolution Number 1 – Specific Authority for the purchase by Squirewood of 1 100 000 HCI Shares from a related party, SACTWU			
Ordinary Resolution Number 1 – Approval of the Related Party Transactions			
Ordinary Resolution Number 2 – Authority to give effect to the Resolutions			

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2025/26.

Signature \_\_\_\_\_

Assisted by me (if applicable)

Please read the notes on the reverse side hereof.

An HCI Shareholder entitled to attend and vote at the General Meeting may appoint 1 (one) or more persons as his/her proxy to attend, speak or vote in his/her stead at the General Meeting. A proxy need not be an HCI Shareholder.

On a show of hands, every HCI Shareholder or his proxy shall have 1 (one) vote (irrespective of the number of HCI Shares held). On a poll, every HCI Shareholder or his proxy shall have 1 (one) vote for each HCI Share held or represented by him/her.

**Notes:**

1. An HCI Shareholder may insert the name of a proxy or the names of two alternative proxies of his choice in the spaces provided with or without deleting "the Chairperson of the General Meeting", but any such deletion must be initialled by the HCI Shareholder. The person whose name appears first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please indicate in the relevant spaces according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of HCI Shares exercisable by you, insert the number of HCI Shares held in respect of which you wish to vote. Failure to provide an indication as to the manner in which you wish your votes to be cast will be deemed to authorise and compel the chairperson, if the chairperson is an authorised proxy, to vote in favour of the resolutions, or to authorise any other proxy to vote for or against the resolutions or abstain from voting as he deems fit, in respect of all your votes exercisable thereat. An HCI Shareholder or his proxy is not obliged to use all the votes exercisable by the HCI Shareholder or its proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the HCI Shareholder or his proxy.
3. Forms of proxy must be lodged with the Transfer Secretaries, at Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (Private Bag X9000, Saxonwold, 2132), to be received by no later than 10:00 on Wednesday, 28 January 2026 for administrative purposes or thereafter delivered by hand to the Company by 10:00 on Thursday, 29 January 2026.
4. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
5. 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 Transfer Secretaries or waived by the chairperson of the General Meeting.
6. The completion and lodging of this form of proxy will not preclude the relevant HCI Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such HCI Shareholder wish to do so.
7. The chairperson of the General Meeting may accept or reject any form of proxy which is completed and/or received other than in accordance with these notes and instructions, provided that the chairperson is satisfied as to the manner in which the HCI Shareholder wishes to vote.
8. This form of proxy shall not be valid after the expiration of the General Meeting or any adjournment thereof.
9. Joint holders – any such persons may vote at the General Meeting in respect of such joint HCI Shares as if he were solely entitled thereto, but if more than one of such joint holders are present or represented at the General Meeting, that one of the said persons whose name stands first in the register in respect of such HCI Shares or his proxy, as the case may be, is alone entitled to vote in respect thereof.
10. Own Name Dematerialised HCI Shareholders will be entitled to attend the General Meeting in person or, if they are unable to attend and wish to be represented thereat, must complete and return this form of proxy to the Transfer Secretaries in accordance with the time specified in note 3 above.

## Summary of the rights established in terms of section 58 of the Companies Act:

For purposes of this summary, "shareholder" shall have the meaning ascribed thereto in the Companies Act.

1. At any time, a shareholder of a company is entitled to appoint an individual, including an individual who is not a shareholder of that company, as a proxy, to participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder.
2. A proxy appointment must be in writing, dated and signed by the relevant shareholder, and such proxy appointment remains valid for 1 (one) year after the date upon which the proxy was signed, or any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c) of the Companies Act or expires earlier as contemplated in section 58(8)(d) of the Companies Act.
3. Except to the extent that the memorandum of incorporation of a company provides otherwise:
  - 3.1 a shareholder of the relevant company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder;
  - 3.2 a proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
  - 3.3 a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.
4. Irrespective of the form of instrument used to appoint a proxy, the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company.
5. Unless the proxy appointment expressly states otherwise, the appointment of a proxy is revocable. If the appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the company.
6. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date: (a) stated in the revocation instrument, if any; or (b) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.
7. If the instrument appointing a proxy or proxies has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's memorandum of incorporation to be delivered by such company to the shareholder, must be delivered by such company to the shareholder, or to the proxy or proxies, if the shareholder has directed the relevant company to do so in writing and paid any reasonable fee charged by the company for doing so.
8. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the memorandum of incorporation, or the instrument appointing the proxy provide otherwise.
9. If a company issues an invitation to shareholders to appoint 1 (one) or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:
  - 9.1 such invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
  - 9.2 the invitation, or form of instrument supplied by the relevant company, must: (a) bear a reasonably prominent summary of the rights established in section 58 of the Companies Act; (b) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by such shareholder; and (c) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour or against the applicable resolution/s to be put at the relevant meeting, or is to abstain from voting;
  - 9.3 the company must not require that the proxy appointment be made irrevocable; and
  - 9.4 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.





