

AANHANGSEL A/ANNEXURE A

Voorstel in terme van artikel 62(2) van die Koöperasiewet, 2005

Proposal in terms of section 62(2) of the Co-operatives Act, 2005

1. Inleiding/Introduction

In hierdie inleiding het woorde en begrippe gedefinieer in die kennisgewing van 'n algemene vergadering gehou te word op 28 Maart 2025 (“**die Kennisgewing**”), waartoe hierdie **Aanhangsel A** betrekking het, dieselfde beteken.

*In this introduction, words and expressions defined in the notice of a general meeting to be held on 28 March 2025 (“**the Notice**”), to which this **Annexure A** relates, bear the same meaning.*

By 'n spesiale vergadering van lede gehou op 12 Desember 2023 het Die Koöperasie Direksie aan lede van Die Koöperasie 'n voorstel gemaak soos bedoel in artikel 62(2) van die Koöperasiewet, 2005, welke voorstel aanvaar is deur die lede deurdag dat die lede die sluiting van die Samesmeltingsooreenkoms, en die uitvoering van die bepalings daarvan, goedgekeur en gemagtig het.

At a special meeting of members held on 12 December 2023 The Co-op Board made a proposal to members of The Co-op as contemplated in section 62(2) of the Co-operatives Act, 2005, which proposal was accepted by members in that members approved of and authorised the conclusion of the Merger Agreement and the performance of the provisions thereof.

Sedert die goedkeuring van die Samesmeltingsooreenkoms deur die lede van Die Koöperasie het omstandighede dusdanig verander dat wysigings van die Samesmeltingsooreenkoms noodsaaklik word. Die wysigings van die Samesmeltingsooreenkoms soos uiteengesit in paragraaf 3 hieronder (saamgelees met die tersaaklike definisies in paragraaf 2 hieronder) hieronder vereis goedkeuring deur die lede van Die Koöperasie. Die Koöperasie Direksie beveel aan by lede, soos bedoel in artikel 62(2) van die Koöperasiewet, 2005, dat die wysigings van die Samesmeltingsooreenkoms soos uiteengesit in paragraaf 3 hieronder (saamgelees met die tersaaklike definisies in paragraaf 2 hieronder), goedgekeur word.

Since approval of the Merger Agreement by the members of The Co-op, circumstances have arisen which necessitate amendment of the Merger Agreement. The amendments of the Merger Agreement as set out in paragraph 3 below (read with the relevant definition in paragraph 2 below) requires approval by the members of The Co-op. The Co-op Board proposes, as contemplated in section 62(2) of the Co-operatives Act, 2005, to members of The Co-op that the amendments of the Merger Agreement as set out in paragraph 3 below (read with the relevant definition in paragraph 2 below) be approved.

Die wysigings van die Samesmeltingsooreenkoms het tot gevolg dat die Grondwet van Die Koöperasie dienoreenkomstig gewysig moet word. Die Koöperasie Direksie stel voor, soos bedoel in artikel 62(2) van die Koöperasiewet, 2005, aan lede dat, ten einde dusdanige wysigings aan te bring, dit doelmatig is om die Vervangende Grondwet aan te neem.

The result of the amendments of the Merger Agreement is that the Constitution of The Co-op must be amended commensurately. The Co-op Board proposes, as contemplated in section 62(2) of the Co-operatives Act, 2005, to members that, in order to effect such amendments, it is expedient to adopt the Amended Constitution.

Die Koöperasie Direksie is van mening dat dit doelmatig is, in lig van die Samesmelting, dat die verskuldigdheid van Die Koöperasie aan sy twee grootste skuldeisers, naamlik Nedbank en die Land Bank, deur SSK oorgeneem word. Die Wysigingsooreenkoms maak voorsiening daarvoor en Die Koöperasie Direksie is verder van mening dat dit doelmatig is dat sodanige oorname van skuld deur SSK afsonderlik goedgekeur word deur die lede van Die Koöperasie. Die Koöperasie Direksie stel voor, soos bedoel in artikel 62(2) van die Koöperasiewet, 2005, aan lede dat sodanige oorname van skuld deur SSK goedgekeur word.

The Co-op Board is of the opinion that it is expedient, in view of the Merger, that the indebtedness of The Co-op to its two largest creditors, namely Nedbank and the Land Bank, be assumed by SSK. The Amendment Agreement provides for this, and The Co-op Board is further of the opinion that it is expedient that such assumption of indebtedness by SSK be separately approved of by the members of The Co-op. The Co-op Board proposes, as contemplated in section 62(2) of the Co-operatives Act, 2005, to members that such assumption of indebtedness by SSK be approved.

Die voorstelle van Die Koöperasie Direksie soos hierbo uiteengesit word gesamentlik na verwys as “**die Voorstel**”. Deur aanvaarding van Spesiale Besluite 1, 2 en 3, soos uiteengesit in die Kennisgewing, sal die lede van Die Koöperasie ook die Voorstel aanvaar by wyse van spesiale besluit, soos bedoel in artikel 62(3) van die Koöperasiewet, 2005.

The proposals of The Co-op Board as set out above are collectively referred to as “the Proposal”. By adoption of Special Resolutions 1, 2 and 3, as set out in the Notice, the members of The Co-op will also adopt the Proposal by way of special resolution, as contemplated in section 62(3) of the Co-operatives Act, 2005.

2. Tersaaklike definisies van toepassing op die gewysigde bepalings/*Relevant definitions applicable to the amended provisions:*

Klousule/Clause	Term/Expression	Omskrywing/Description
1.1.1	10-year Bonus Cycle	bears the meaning contemplated in clause 10.3.2 below
1.1.2	10-year Share Capital Cycle	bears the meaning contemplated in clause 11.5 below
1.1.9	Closing Date	means the second Business Day after approval and written acceptance of the Conversion Date Financial Statements, as contemplated in clause 15.3 below
1.1.13	Conversion	means the registration, by the Registrar, of HLK Co-op as a private company with limited liability in terms of the Companies Act and the simultaneous cancellation of the registration of HLK Co-op, pursuant to the provisions of section 62 of the Co-operatives Act
1.1.14	Conversion Date	means the date of Conversion
1.1.15	Conversion Date Financial Statements	means the financial statements contemplated in clause 15.1 below

1.1.16	Conversion Date HLK Members	means HLK Members immediately preceding the Conversion Date (but excluding, for the avoidance of doubt, SSK)
1.1.36	HLK Members	means Entities who are Members of HLK Co-op on the Signature Date and who become Members of HLK Co-op after the Signature Date (and excluding, for the purposes of this Agreement, SSK)
1.1.37	HLK Member Bonuses	bears the meaning given thereto in clause 10.1 below
1.1.38	HLK PL	means a private company with limited liability, as contemplated in the Companies Act, being the successor to HLK Co-op pursuant to the provisions of section 62 of the Co-operatives Act
1.1.39	HLK PL Bonus Claim (Adjusted)	means the HLK PL Bonus Claim, as defined in clause 10.3 below, adjusted pursuant to the provisions of clause 12 below to the extent applicable
1.1.40	HLK PL Shareholders	means Conversion Date HLK Members and Past Member Shareholders who are, immediately after the Conversion, Shareholders in HLK PL
1.1.41	HLK PL Shares	means the issued Shares in HLK PL held by the HLK PL Shareholders immediately after the Conversion, as provided for in clause 11.2 below
1.1.44	IFRS	means the International Financial Reporting Standards, or the International Financial Reporting Standards for Small and Medium Enterprises, as the case may be, as prescribed from time to time by the International Accounting Standards Board
1.1.51	Members' Claim	means either or both of the HLK PL Bonus Claim (or HLK PL Bonus Claim (Adjusted), as the case may be) and Sale Share Purchase Price (or Sale Share Purchase Price (Adjusted), as the case may be), as the context may indicate, in the application of the provisions of clauses 12.4, 12.5, 13 and 16 of this Agreement
1.1.53	NAV	means net asset value, for HLK Co-op and subsidiaries on a consolidated basis as determined in accordance with IFRS, it being recorded that for the purposes of calculation of net asset value, the amounts credited in the books of HLK Co-op to the names of HLK Members and Past Members under the postponed bonus payment fund (<i>Uitgestelde Bonusbetalingsfonds</i>) as well as the share capital of HLK Members and Past Members will be classified as equity and that loans payable to HLK Members and Past Members (if any) will be classified as liabilities
1.1.58	Parties	means HLK Co-op, the HLK Members and SSK; and "Party" means any one of them, as the context may indicate
1.1.59	Past Members	means Entities that were Members of HLK Co-op whose membership has terminated but who retained rights in terms of the HLK Co-op Constitution that survived the termination of their membership, for whatever reason, of HLK Co-op (referred to in the HLK Co-op Constitution as "gewese lede"), including, for the avoidance of doubt, the deceased- or insolvent estates of such Entities
1.1.60	Past Member Shareholders	means Past Members who immediately before the Conversion hold shares in HLK Co-op
1.1.73	Sale of Shares	means the sale of the HLK PL Shares to SSK, as contemplated in clause 11 (<i>conversion and sale</i>) below
1.1.74	Sale Share Purchase Price	means the amount contemplated in clause 11.5 below

1.1.75	Sale Share Purchase Price (Adjusted)	means the Sale Share Purchase Price as adjusted in terms of the provisions of clause 12 below, if applicable
1.1.79	Signature Date	means the date of signature of this Agreement by or on behalf of SSK, HLK Co-op and the person authorised (retrospectively, to the extent applicable) to sign on behalf of the HLK Members when signed by the last of them to so sign

3. Wysigings/Amendments:

Huidige klousule van die Samesmeltingsooreenkoms <i>Current clause of the Merger Agreement</i>		Gewysigde klousule in terme van die Wysigingsooreenkoms <i>Amended clause in terms of the Amendment Agreement</i>	
No/Nr	Inhoud/Content	No.	Inhoud/ Content
-	-	4.	NEDBANK SALE AND CESSION AGREEMENT AND LAND BANK SALE AND CESSION AGREEMENT 4.1 In terms of a written agreement concluded or to be concluded between Nedbank and SSK, SSK will acquire all of the claims of Nedbank against HLK Co-op (save as arise from certain instalment sale agreements) and Koop Finansiering respectively, together with all securities held by Nedbank in respect of such claims, which acquisition is subject to the fulfilment of certain conditions. 4.2 In terms of a written agreement concluded or to be concluded between Land Bank and SSK, SSK will acquire all of the claims against Land Bank against HLK Co-op, together with all securities held by Land Bank in respect of such claims, which acquisition is subject to the fulfilment of certain conditions.
14, 17, 18 and 20.1	MEMBER BONUSES AND MEMBER SHARE CAPITAL 14.1 The Parties agree that: 14.1.1 the amounts credited in the books of HLK Co-op to the names of the HLK Members and Past Members under the postponed bonus payment fund (<i>Uitgestelde Bonusbetalingsfonds</i>) contemplated in article 87I of the HLK Co-op Constitution (as it stands before amendment thereof), but in aggregate amounting to not more than R111,571,532 (one	10, 11 and 12	MEMBER BONUSES 10.1 The Parties agree that the amounts credited in the books of HLK Co-op to the names of the HLK Members and Past Members under the postponed bonus payment fund (Uitgestelde Bonusbetalingsfonds), but in aggregate amounting to not more than R110,094,326 (one hundred and ten million ninety-four thousand three hundred and twenty-six Rand) will be dealt with as set out in this clause 10, read with clauses 11, 12, 13 and 14, below.

	<p>hundred and eleven million five hundred and seventy-one thousand five hundred and thirty-two Rand) (“Member Bonuses”); and</p> <p>14.1.2 the share capital of the HLK Members and Past Members, but in aggregate amounting to no more than R272,303,904 (two hundred and seventy-two million three hundred and three thousand nine hundred and four Rand) (“Member Share Capital”); will be dealt with as set out in clause 14.2 below.</p> <p>14.2 Subject to the remaining provisions of this clause 14 as well as the provisions of clauses 15 (<i>early payment requests</i>), 16 (<i>guarantee by SSK</i>), 21 (<i>petroleum retail assets</i>) and 31.6 below:</p> <p>14.2.1 such part of parts of the Member Bonuses that have already become payable, on the Signature Date, in terms of the 10 (ten) year payment cycle contemplated in article 90(4)(a) of the HLK Co-op Constitution (“10-year Cycle”), but excluding any interest thereon, may in the discretion of the Board of HLK Co-op be paid out by HLK Co-op as soon as SSK, acting reasonably, agrees in writing that cashflow circumstances allow therefor;</p> <p>14.2.2 such part or parts of the Member Bonuses which, in accordance with the 10-year Cycle, become payable after the Signature Date but prior to the Conversion Date, but excluding any interest thereon, may continue to be paid out at the full value thereof, but in the discretion of the Board of HLK Co-op, provided that the date of payment will be determined on the basis of free available cash and as agreed to in writing by SSK, acting reasonably;</p> <p>14.2.3 the remaining balance of the Member Bonuses will on or immediately prior to the Conversion be converted to a claim (“Bonus Claim”), provided that no interest will accrue thereon, against HLK PL, to be paid out to Conversion Date HLK Members and Past Members</p>	<p>10.2 No HLK Member Bonuses or any part thereof shall be paid from the Signature Date to the Closing Date (both days included), but excluding, for the avoidance of doubt, by way of appropriation, with SSK’s prior written consent, of a HLK Member or Past Member’s portion thereof in settlement of debt owed to HLK Co-op by that HLK Member or Past Member.</p> <p>10.3 The HLK Member Bonuses will on Conversion be converted to a claim against HLK PL (“HLK PL Bonus Claim”), provided that:</p> <p>10.3.1 no interest will accrue on the HLK PL Bonus Claim;</p> <p>10.3.2 the HLK PL Bonus Claim shall become payable to Conversion Date HLK Members and Past Members in accordance with the 10 (ten) year cycle contemplated in article 90(4)(a) of the HLK Co-op Constitution, subject to the provisions of clause 10.5 below;</p> <p>10.3.3 the value of the HLK PL Bonus Claim shall be subject to downward adjustment in accordance with the provisions of clause 12, to the extent applicable.</p> <p>10.4 Immediately following the Sale of Shares and the passing of ownership of the HLK PL Shares to SSK, Conversion Date HLK Members and Past Members jointly sell and transfer the HLK PL Bonus Claim or HLK PL Bonus Claim (Adjusted), as the case may be, to SSK, in exchange for a claim against SSK, pursuant to which Conversion Date HLK Members and Past Members shall be entitled to payment of the HLK PL Bonus Claim or HLK PL Bonus Claim (Adjusted), as the case may be, in accordance with and to the extent provided for in the provisions of clause 10.3.2 above.</p> <p>10.5 Each Conversion Date HLK Member and Past Member hereby cedes and assigns <i>in securitatem debiti</i> all of its right, title and interest in and to any part of the HLK PL Bonus Claim or HLK PL Bonus Claim (Adjusted), as the case may be, to HLK PL as continuous covering security for the due fulfilment of all obligations arising from existing as well as future indebtedness to HLK PL, whether such indebtedness is to HLK Co-op and is transferred to HLK PL upon Conversion by operation of law or whether such indebtedness arises on or after Conversion.</p>
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	<p>after the Conversion Date in accordance with the 10-year Cycle (without the 10-year Cycle being reset on the Conversion Date); and</p> <p>14.2.4 the Member Share Capital will similarly be converted to a claim ("Share Capital Claim") against HLK PL, provided that no interest will accrue thereon, to be paid out to Conversion Date HLK Members and Past Members over a period of 10 (ten) years commencing on the Conversion Date.</p> <p>14.3 All amounts that become payable to HLK Members or Conversion Date HLK Members or Past Members, as the case may be, in terms of clause 14.2 above will:</p> <p>14.3.1 first be off set against amounts owing by them (whether in respect of credit accounts as contemplated in clause 14.3.2 below or otherwise) to HLK Co-op or HLK PL or SSK, as the case may be; the latter insofar as a HLK Member or Conversion Date HLK Member or Past Member is a Member of SSK; and</p> <p>14.3.2 thereafter, or to the extent that no amounts are owing to HLK Co-op or HLK PL or SSK as contemplated in clause 14.3.1, be credited to any account on which credit (irrespective of the nature and terms of such credit) is extended by HLK Co-op or HLK PL or SSK, as the case may be, unless a HLK Member or a Conversion Date HLK Member or Past Member does not hold such a credit account with HLK Co-op or HLK PL or SSK, as the case may be, in which event the amounts payable to such HLK Member or Conversion Date HLK Member or Past Member will be paid in cash by electronic funds transfer to such bank account in South Africa nominated by such HLK Member or Conversion Date HLK Member or Past Member in writing.</p> <p>HLK Members acknowledging and agreeing that the set-off and/or crediting of accounts or payments as contemplated</p>	<p>10.6 The first payment as contemplated in clause 10.4 above, if any, will be made upon calculation of the value of the HLK PL Bonus Claim in accordance with the provisions of clause 12 below and will consist of that part of the HLK PL Bonus Claim which, as a HLK Member Bonus and in accordance with the 10-year Bonus Cycle, became payable prior to the Conversion Date.</p> <p>11. CONVERSION AND SALE</p> <p>11.1 On Conversion all Conversion Date HLK Members and Past Member Shareholders will, by operation of law and in particular the provisions of section 62(7)(c)(i) of the Co-operatives Act, become Shareholders of HLK PL. To the extent that it may be required, SSK in its capacity as Member of HLK Co-op waives the applicability to it of the provisions of section 62(7)(c)(i) of the Co-operatives Act.</p> <p>11.2 For purposes of the application of section 62(7)(c)(i) of the Co-operatives Act, each Conversion Date HLK Member and Past Member Shareholder will with effect from the Conversion Date be allotted 1 (one) Share in the issued share capital of HLK PL for each 1 (one) share held by that Conversion Date HLK Member and Past Member Shareholder in the issued share capital (including klandisie-aandele as contemplated in the HLK Co-op Constitution ("<i>Klandisie-aandele</i>")) of HLK Co-op on the Conversion Date.</p> <p>11.3 Immediately after allotment of Shares in HLK PL as contemplated in the preceding clause, each HLK PL Shareholder sells to SSK its HLK PL Shares.</p> <p>11.4 Ownership, the risk in and benefit of each HLK PL Share will pass to SSK immediately on the purchase thereof by SSK with effect from the Conversion Date.</p> <p>11.5 The aggregate purchase price for the HLK PL Shares will be the amount of the issued share capital of HLK Co-op on the Signature Date but subject to a maximum of R268,423,000 (two hundred and sixty-eight million four hundred and twenty-three thousand Rand) (and further subject to downward adjustment in accordance with the provisions of clause 12 below), and will be payable by SSK to HLK PL Shareholders, subject to the provisions of clause 11.8 below, over a period of 10 (ten) years with effect</p>
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	<p>in this clause 14.3 above will discharge the obligation of HLK Co-op and HLK PL to make the payments contemplated in clause 14.2 above and, provided that the set-off and/or crediting of accounts or payments as contemplated in this clause 14.3 above is/are effected or made, no HLK Member will have any further claim against HLK Co-op or HLK PL or SSK in respect of the payments contemplated in clause 14.2 above.</p> <p>14.4 Should:</p> <p>14.4.1 the Conversion Date Financial Statements indicate the NAV of HLK Co-op on the Conversion Date to have been less than R325,000,000 (three hundred and twenty-five million Rand) (“the Final Threshold Value”); and/or</p> <p>14.4.2 any event or circumstance occur or manifest during the period between the Conversion Date and the Closing Date which (i) had that event or circumstance existed or manifested on the Conversion Date would have resulted in the NAV of HLK Co-op being less than the Final Threshold Value; or (ii) results in the NAV of HLK PL being less than the Final Threshold Value, provided that any act or omission on the part of SSK with the intent to result in the NAV of HLK Co-op being less than the Final Threshold Value will be excluded when applying the provisions of this clause 14.4.2 below;</p> <p>then (i) the amounts payable pursuant to clause 14.2.2; and (ii) the Bonus Claim and the Share Capital Claim and consequently the amounts payable pursuant to clauses 14.2.3 and 14.2.4 (each of the amounts contemplated in (i) and (ii) an “HLK Co-op Member Claim”); must and will be reduced proportionately, i.e., in such percentage by which the NAV is less than the Final Threshold Value, provided that in the event of the Conversion occurring prior to 1 March 2026, the reference point will be the relevant threshold value as set out in clause 15.4 below (i.e., the threshold</p>	<p>from the Closing Date in accordance with the provisions of clause 11.6.</p> <p>11.6 The proportion of the Sale Share Purchase Price or Sale Share Purchase Price (Adjusted), as the case may be, to which a HLK PL Shareholder is entitled will be determined (assuming that the Closing Date occurs during 2025) in accordance with:</p> <p>11.6.1 the table below, where:</p> <p>11.6.1.1 Vesting Date means the date on, or by which (as the case may be), shares (including <i>Klandisie-aandele</i>) were issued by HLK Co-op to such HLK PL Shareholder (as Member of HLK Co-op) (“Vesting Date”);</p> <p>11.6.1.2 Payment Date means the date on which payment of a portion of the Sale Share Purchase Price or Sale Share Purchase Price (Adjusted) falls due in accordance with the 10-year Share Capital Cycle (“Payment Date”);</p> <p>11.6.1.3 Purchase Price Due means the portion of the Sale Share Purchase Price or Sale Share Purchase Price (Adjusted), as the case may be, payable by SSK on a Payment Date, expressed as a percentage (“Purchase Price Due”)</p> <table><tr><th></th><th>Vesting Date</th><th>Payment Date</th><th>Purchase Price Due</th></tr><tr><td>1</td><td>28/2/2013</td><td>28/2/2026</td><td>2,96%</td></tr><tr><td>2</td><td>28/2/2014</td><td>28/2/2027</td><td>2,59%</td></tr><tr><td>3</td><td>28/2/2015</td><td>28/2/2028</td><td>3,33%</td></tr><tr><td>4</td><td>28/2/2016</td><td>28/2/2029</td><td>6,22%</td></tr><tr><td>5</td><td>28/2/2017</td><td>28/2/2030</td><td>10,73%</td></tr><tr><td>6</td><td>28/2/2018</td><td>28/2/2031</td><td>13,69%</td></tr><tr><td>7</td><td>28/2/2019</td><td>28/2/2032</td><td>16,65%</td></tr><tr><td>8</td><td>28/2/2020</td><td>28/2/2033</td><td>11,10%</td></tr><tr><td>9</td><td>28/2/2021</td><td>28/2/2034</td><td>14,06%</td></tr><tr><td>10</td><td>28/2/2022</td><td>28/2/2035</td><td>18,67%</td></tr></table> <p>and</p> <p>11.6.2 the formula $(A \times B) \times (C/D) = E$, where: A is the Purchase Price Due;</p>		Vesting Date	Payment Date	Purchase Price Due	1	28/2/2013	28/2/2026	2,96%	2	28/2/2014	28/2/2027	2,59%	3	28/2/2015	28/2/2028	3,33%	4	28/2/2016	28/2/2029	6,22%	5	28/2/2017	28/2/2030	10,73%	6	28/2/2018	28/2/2031	13,69%	7	28/2/2019	28/2/2032	16,65%	8	28/2/2020	28/2/2033	11,10%	9	28/2/2021	28/2/2034	14,06%	10	28/2/2022	28/2/2035	18,67%
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	<p>value in clause 15.4.2.2 or 15.4.2.3 or 15.4.2.4, as the case may be).</p> <p>14.5 Accordingly, and by way of illustration, the amount payable to a Conversion Date HLK Member or Past Member pursuant to the provisions of clause 14.4 above will be the amount arrived at in terms of the following formulae: $((A-B)/C) = D$ $D \times E = F$ where: A is the NAV indicated on the Conversion Date Financial Statements; B is the aggregate amount by which the NAV is reduced due to any event of circumstance occurring between the Conversion Date and the Closing Date (if applicable); C is the Final Threshold Value; D is the factor by application of which the Conversion Date HLK Member's portion of the relevant part of the remaining HLK Co-op Member Claims is reduced (but limited to a maximum factor of 1); E is the aggregate amount of the Conversion Date HLK Member's portion of the relevant part of the remaining HLK Member Claims; F is the amount payable to the Conversion Date HLK Member.</p> <p>14.6 For the avoidance of doubt:</p> <p>14.6.1 no HLK Co-op Member Claim or any part thereof will increase due to the NAV of HLK Co-op or HLK PL exceeding the Final Threshold Value at any time;</p> <p>14.6.2 no Member Bonus and Share Capital Claim will be paid or be payable to the extent that it may be calculated on the basis that aggregate Members Bonuses and/or aggregate Member Share Capital exceed the amounts indicated in respect thereof in clause 14.1 above, whether due to the NAV of HLK Co-op or HLK PL</p>	<p>B is the Sale Share Purchase Price or the Sale Share Purchase Price (Adjusted), as the case may be;</p> <p>C is the number of shares (including <i>Klandisie-aandele</i>) issued to a HLK PL Shareholder (as a Member of HLK Co-op) on (i) the first Vesting Date and (ii) each subsequent Vesting Date, since the immediately preceding Vesting Date; but excluding share capital that has been redeemed or appropriated from the first Vesting Date to the Conversion Date;</p> <p>D is the aggregate number of shares (including <i>Klandisie-aandele</i>) issued to all HLK PL Shareholders (as Members of HLK Co-op) on (i) the first Vesting Date and (ii) each subsequent Vesting Date, since the immediately preceding Vesting Date; but excluding share capital that has been redeemed or appropriated from the first Vesting Date to the Conversion Date;</p> <p>E is the amount payable to a HLK PL Shareholder on a Payment Date.</p> <p>11.6 No interest or premium will be payable by SSK on the Sale Share Purchase Price or the Sale Share Purchase Price (Adjusted), as the case may be.</p> <p>11.8 Each Conversion Date HLK Member and Past Member Shareholder, as HLK PL Shareholder, hereby cedes and assigns in <i>securitatem debiti</i> all of its right, title and interest in and to any part of the Sale Share Purchase Price or the Sale Share Purchase Price (Adjusted), as the case may be, to HLK PL as continuous covering security for the due fulfilment of all obligations arising from existing as well as future indebtedness to HLK PL, whether such indebtedness is to HLK Co-op and is transferred to HLK PL upon Conversion by operation of law or whether such indebtedness arises on or after Conversion.</p> <p>11.9 The Parties agree that, notwithstanding the provisions of clauses 11.2, 11.5 and 11.8 above, SSK may (for the sake of practical efficacy) be entered in the Share register of HLK PL as the holder of the Sale Shares with effect from the Conversion Date, i.e., with</p>
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	<p>exceeding the Final Threshold Value at any time or for any other reason; and</p> <p>14.6.3 it is recorded and agreed that no amounts as contemplated in article 91 (<i>Ledeheffingsfonds</i>) of the HLK Constitution are due and payable by HLK Co-op to HLK Members and Past Members as at the Signature Date, nor will any such amounts become due and payable by HLK Members after the Signature Date.</p> <p>17. CONVERSION</p> <p>17.1 On Conversion all Conversion Date HLK Members will, by operation of law and in particular the provisions of section 62(7)(c)(i) of the Co-operatives Act, become Shareholders of HLK PL. To the extent that it may be required, SSK in its capacity as Member of HLK Co-op waives the applicability to it of the provisions of section 62(7)(c)(i) of the Co-operatives Act.</p> <p>17.2 For purposes of the application of section 62(7)(c)(i) of the Co-operatives Act, each Conversion Date HLK Member will with effect from the Conversion Date and at no consideration be allotted 1 (one) Share in the issued share capital of HLK PL (notwithstanding its membership interest in HLK Co-op and notwithstanding anything to the contrary contained in the HLK Co-op Constitution).</p> <p>17.3 For greater clarity regarding the provisions of clause 17.2 above, all bonus shares (<i>klandisie-aandele</i>) as contemplated in the HLK Co-op Constitution are included and/or provided for in Share Capital Claims (as defined in clause 14.2.4 above) and thus will be cancelled or be deemed to be cancelled upon Conversion.</p> <p>18. SALE OF SHARES</p> <p>18.1 With effect from immediately after the allotment of Shares to HLK PL Shareholders, as provided for in clause 17.2 above, each HLK PL Shareholder sells to SSK, who purchases, the HLK PL Share held by such HLK PL Shareholder ("Sale Share").</p>	<p>effect from the Conversion Date SSK will be reflected as the holder of all of the issued Shares of HLK PL.</p> <p>11.10 The provisions of clause 11 above are subject to the provisions of clauses 12, 13 and 14 below. It is furthermore recorded, for the avoidance of doubt, that no new shares in HLK Co-op will be issued, and no share capital of HLK Co-op will be created or paid, to and in favour of HLK Members and Past Members on or after the Signature Date (but excluding, for the avoidance of doubt, by way of share capital of HLK Members or Past Member Shareholders being appropriated, with SSK's prior written consent, in settlement of debt owed to HLK Co-op).</p> <p>12. ADJUSTMENT</p> <p>12.1 The provisions of this clause 12 will be applicable should:</p> <p>12.1.1 the Conversion Date Financial Statements indicate the NAV on the Conversion Date to have been less than R295,240,000 (two hundred and ninety-million two hundred and forty thousand Rand) ("2025 Threshold Value") or is less than R324,764,000 (three hundred and twenty-four million seven hundred and sixty-four thousand Rand) ("2026 Threshold Value"), as the case may be, i.e. with reference to the financial year within which the Conversion Date occurs; provided however that if the Conversion does not occur on a financial year end (i.e., for example between 28 February 2025 and 28 February 2026), the relevant threshold value ("Final Threshold Value") shall be calculated by adjusting the threshold value for the preceding financial year upwards after the Conversion Date by applying a rate equal to 10% (ten percent) pro rata over the period between 28 February of the preceding financial year and the Conversion Date; and/or</p> <p>12.1.2 any event or circumstance occur or manifest during the period between the Conversion Date and the Closing Date which, had that event or circumstance existed or manifested on the Conversion Date would have resulted in the NAV being less than the Final Threshold Value.</p> <p>12.2 By way of illustration of the provisions of clause 12.1.1: if the Conversion Date occurs on 31 July 2025, the Final Threshold Value</p>
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	<p>18.2 The purchase price payable by SSK for each Sale Share will be the amount of R1.00 (one Rand).</p> <p>18.3 Ownership, the risk in and the benefit of each Sale Share will pass to SSK immediately on purchase thereof by SSK with effect from the Conversion Date.</p> <p>18.4 The purchase price for each Sale Share will be paid by SSK on the Closing Date. No interest or premium on the purchase price will be payable by SSK to HLK PL Shareholders in respect of the period from the Conversion Date to the Closing Date (both days included).</p> <p>18.5 The Parties agree that, notwithstanding the provisions of clauses 17.2 and 18.4 above, SSK may (for the sake of practical efficacy) be entered in the share register of HLK PL as the holder of the Sale Shares with effect from the Conversion Date, i.e., with effect from the Conversion Date SSK will be reflected as the holder of all of the issued Shares of HLK PL.</p> <p>20. CLOSING DATE On the Closing Date:</p> <p>20.1 SSK will pay to each HLK PL Shareholder the purchase price for the Sale Share (as defined in clause 18 above) in such reasonably practical manner nominated by a HLK PL Shareholder or, in the absence of such nomination, determined by SSK;</p> <p>... .</p>	<p>will be calculated by adjusting the 2025 Threshold Value upwards by applying a rate equal to 10% (ten percent) pro rata over the period between 28 February 2025 and 31 July 2025, resulting in a Final Threshold Value of R307,541,666 (three hundred and seven million five hundred and forty-one thousand six hundred and sixty-six Rand).</p> <p>12.3 In the foregoing circumstances, the (i) HLK PL Bonus Claim (as defined in clause 10.3 above); and (ii) the Sale Share Purchase Price; and accordingly the amounts payable in terms of clauses 10.3.2 and 11.5 respectively; must and will be reduced proportionately, i.e., in such percentage by which the NAV is less than the Final Threshold Value.</p> <p>12.4 Accordingly, and by way of illustration, the amount payable to a Conversion Date HLK Member or Past Member pursuant to the provisions of clause 12.3 above will be the amount arrived at in terms of the following formulae:</p> $(A-B/C) = D$ $D \times E = F$ <p>where</p> <p><i>A</i> is the NAV indicated on the Conversion Date Financial Statements;</p> <p><i>B</i> is the aggregate amount by which the NAV is reduced due to any event or circumstance occurring between the Conversion Date and the Closing Date (if applicable);</p> <p><i>C</i> is the Final Threshold Value;</p> <p><i>D</i> is the factor by application of which the Conversion Date HLK Member's or Past Member's portion of the relevant part of the Members' Claim is reduced (but limited to a maximum factor of 1);</p> <p><i>E</i> is the aggregate amount of the Conversion Date HLK Member's or Past Member's portion of the relevant part of the Members' Claim; and</p> <p><i>F</i> is the amount payable to the Conversion Date HLK Member or Past Member.</p> <p>12.5 For the avoidance of doubt:</p>
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			<p>12.5.1 no Members' Claim or any part thereof will increase due to the NAV exceeding the Final Threshold Value at any time; and</p> <p>12.5.2 no HLK PL Bonus Claim and Sale Share Purchase Price will be paid or be payable to the extent that it may be calculated on the basis that aggregate HLK PL Bonus Claims and/or the Sale Share Purchase Price exceed the amounts of respectively R110,094,326 (one hundred and ten million ninety-four thousand three hundred and twenty-six Rand) and R268,423,000 (two hundred and sixty-eight million four hundred and twenty-three thousand Rand) whether due to the NAV exceeding the Final Threshold Value at any time or for any other reason.</p>
15.	<p>EARLY PAYMENT REQUESTS</p> <p>15.1 The provisions of this clause 15 will apply in the event of (each an "Early Payment Event"):</p> <p>15.1.1 the death of a HLK Member or a Conversion Date HLK Member or Past Member, as the case may be; or</p> <p>15.1.2 a HLK Member or a Conversion Date HLK Member, as the case may be, having permanently ceased its farming operations, i.e., in circumstances other than provided for in article 92 (Staking van Boerdery) of the HLK Co-op Constitution; or</p> <p>15.1.3 the final sequestration or liquidation of a HLK Member or Conversion Date HLK Member or Past Member, as the case may be.</p> <p>15.2 Upon the occurrence of an Early Payment Event, then the relevant HLK Member or Conversion Date HLK Member or Past Member or the executor of the deceased estate of the relevant HLK Member or Conversion Date HLK Member or Past Member or the trustee or liquidator of the relevant HLK Member or Conversion Date HLK Member or Past Member (in each case, "Applicant") shall be entitled to apply to the Board of HLK Co-op or HLK PL, as the case may be, that the amounts which will become payable to that Applicant in terms of all the remaining HLK Co-op Member</p>	13.	<p>EARLY PAYMENT REQUESTS</p> <p>13.1 The provisions of this clause 13 is in amplification of, to the extent applicable, and notwithstanding, any other provision of this Agreement and will apply with effect from the Conversion Date in the event of (each an "Early Payment Event"):</p> <p>13.1.1 the death of a Conversion Date HLK Member or Past Member, as the case may be; or</p> <p>13.1.2 a Conversion Date HLK Member having permanently ceased its farming operations, i.e., in circumstances other than provided for in article 23bis of Schedule 1 hereto; or</p> <p>13.1.3 the final sequestration or liquidation of a Conversion Date HLK Member or Past Member, as the case may be.</p> <p>13.2 Upon the occurrence of an Early Payment Event, then the relevant Conversion Date HLK Member or Past Member or the executor of the deceased estate of the relevant Conversion Date HLK Member or Past Member or the trustee or liquidator of the relevant Conversion Date HLK Member or Past Member (in each case, "Applicant") shall be entitled to apply to the Board of SSK that the amounts which will become payable to that Applicant in terms of all of its remaining Members' Claim be paid out to the Applicant despite it not yet having become payable under the 10-year Bonus Cycle and/or the 10-year Share Capital Cycle ("Early Payment Request").</p>

	<p>Claims (as defined in clause 14 above) be paid out to the Applicant despite it not yet having become payable under, as defined in clause 14 above, the 10-year Cycle ("Early Payment Request").</p> <p>15.3 Early Payment Requests will be considered, and may be approved, by the relevant Board in its sole discretion (to the extent applicable, subject to the provisions of section 25 of the Co-operatives Act) once every financial year, at the first meeting of the relevant Board subsequent to an annual general meeting of HLK Members or of Shareholders in HLK PL (as the case may be) ("AGM") and the approval thereof of the audited annual financial statements of HLK Co-op or HLK PL (as the case may be) ("Audited AFS") by HLK Members or by Shareholders in HLK PL (as the case may be).</p> <p>15.4 If approved by the relevant Board, the amount payable to an Applicant under an Early Payment Request ("Early Payment") will be calculated first by applying the principles set out in clause 14.4 above and thereafter discounted per year, by a rate equal to the Prime Rate plus 3% (three per cent) or 15% (fifteen per cent) whichever is the higher at the date of calculation, for each year falling between the date of calculation and the date on which the relevant portion of the HLK Co-op Member Claims would have become payable but for the Early Payment Request; provided that for purposes of applying the principles set out in clause 14.4:</p> <p>15.4.1 the reference point will be the Audited AFS for the financial year immediately preceding the date of calculation; and</p> <p>15.4.2 the following threshold values will apply in relation to the relevant Audited AFS contemplated in clause 15.4.1 above:</p> <p>15.4.2.1 R268,400,000 (two hundred and sixty-eight million four hundred thousand Rand) ("the 2024 Threshold Value") in respect of approved Early Payment</p>	<p>13.3 No Early Payment Request will be considered or approved during the period from the Signature Date to the Closing Date (both days included). After the Closing Date Early Payment Requests will be considered, and may be approved, by the Board of SSK in its sole discretion (to the extent applicable, subject to the provisions of section 25 of the Co-operatives Act) once every financial year.</p> <p>13.4 If approved by the Board of SSK, the amount payable to an Applicant under an Early Payment Request will be calculated first by applying the principles set out in clause 12 above and thereafter discounted per year, by a rate equal to the Prime Rate plus 3% (three per cent) or 15% (fifteen per cent) whichever is the higher at the date of calculation, for each year falling between the date of calculation and the date on which the relevant portion of the Members' Claim would have become payable but for the Early Payment Request.</p>
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	<p>Requests that are received during the period between the date of the AGM held in respect of the 2023 financial year and the day preceding the AGM held in respect of the 2024 financial year;</p> <p>15.4.2.2 R295,240,000 (two hundred and ninety-five million two hundred and forty thousand Rand) (“the 2025 Threshold Value”) in respect of approved Early Payment Requests that are received during the period between the date of the AGM held in respect of the 2024 financial year and the day preceding the AGM held in respect of the 2025 financial year;</p> <p>15.4.2.3 R324,764,000 (three hundred and twenty-four million seven hundred and sixty-four thousand Rand) (“the 2026 Threshold Value”) in respect of approved Early Payment Requests that are received during the period between the date of the AGM held in respect of the 2025 financial year and the day preceding the AGM held in respect of the 2026 financial year; and</p> <p>15.4.2.4 the Final Threshold Value (as described and defined in clause 14 above) in respect of approved Early Payment Requests that are received during the period between the date of the AGM held in respect of the 2026 financial year and the Closing Date.</p> <p>15.4.3 Accordingly, and by way of illustration, the Early Payment pursuant an approved Early Payment Request that is received during the period between the date of the AGM held in respect of the 2024 financial year and the day preceding the AGM held in respect of the 2025 financial year will be the amount arrived at in terms of the following formulae</p> $((A-B)/C) = D$ $D \times E = F$ <p>F is then discounted to a net present value using the rate described in G and over each of the annual periods described in H, to arrive at the result of the discounted calculation set out in I</p>		
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	<p>where:</p> <p><i>A</i> is the NAV of HLK Co-op indicated on the Audited AFS for the financial year ended February 2025;</p> <p><i>B</i> is the aggregate amount by which the NAV is reduced due to any event of circumstance occurring between 1 March 2025 and the day preceding the AGM held in respect of the 2025 financial year (if applicable);</p> <p><i>C</i> is the 2025 Threshold Value;</p> <p><i>D</i> is the factor by application of which the Applicant's portion of the relevant part of the remaining HLK Co-op Member Claims is reduced (but limited to a maximum factor of 1);</p> <p><i>E</i> is the aggregate amount of the Applicant's portion of the relevant part of the remaining HLK Co-op Member Claims;</p> <p><i>F</i> is the amount payable to the Applicant before any discounting was applied;</p> <p><i>G</i> is a rate equal to the Prime Rate plus 3% or 15% whichever is the higher at the date of calculation;</p> <p><i>H</i> is the number of years between the date of calculation and the date on which the relevant part of the remaining HLK Co-op Member Claims would have become payable but for the approved Early Payment Request; and</p> <p><i>I</i> is the amount payable to the Applicant in respect of the relevant part of the remaining HLK Co-op Member Claims that would not have been payable but for the approved Early Payment Request (i.e. the result of the discounted calculation).</p> <p>15.5 Any Early Payment will:</p> <p>15.5.1 first be off-set against any amount owing by the relevant HLK Member or Conversion Date HLK Member or Past Member (whether in respect of credit, irrespective of the nature or terms thereof, extended to it or otherwise) to HLK Co-op or HLK PL or SSK, as the case may be; in respect of the latter, insofar as such HLK</p>		
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	<p>Member or Conversion Date HLK Member or Past Member, prior to the occurrence of an Early Payment Event, was a Member of SSK; and</p> <p>15.5.2 thereafter, or to the extent that no amounts are owing to HLK Co-op or HLK PL or SSK, as the case may be, be paid to the Applicant in cash by electronic bank transfer to such bank account in South Africa as nominated by the Applicant in writing</p> <p>HLK Members acknowledging and agreeing that the set-off or payment as contemplated in this clause 15.5 above will discharge the obligation of HLK Co-op or HLK PL, as the case may be, to make an Early Payment and, provided that such set-off or payment is effected or made, no HLK Member or Conversion Date HLK Member or Applicant will have any further claim against HLK Co-op or HLK PL or SSK.</p> <p>15.6 For the purposes of the application of the provisions of this clause 15 above, any Audited AFS must be compiled in the manner provided for, <i>mutatis mutandis</i>, in clause 19.2 below.</p>		
-	-	14.	<p>PAYMENTS AND THE APPROPRIATION THEREOF</p> <p>14.1 The provisions of this clause 14 below shall apply on each occasion (“Payment Date”) that an amount becomes payable (“Payable Amount”) to a claimant entitled thereto in terms of the provisions of clauses 10 to 13 above (“Claimant”).</p> <p>14.2 If on a Payment Date the Claimant is indebted to HLK PL and/or holds an account with HLK PL on which credit is extended to the Claimant by HLK PL (“HLK PL Credit Account”), irrespective of the nature and terms of such indebtedness and/or credit and taking into account the provisions of clause 14.4 below, the Claimant irrevocably instructs and authorises SSK to pay the Payable Amount to HLK PL, to be applied by HLK PL in payment of the indebtedness of the Claimant to HLK PL and/or to constitute an advance payment by the Claimant on a HLK PL Credit Account; the Claimant acknowledging that the payment by SSK of the Payable</p>

			<p>Amount to HLK PL will discharge the obligation of SSK to make payment of the Payable Amount and that the Claimant will have no further claim against SSK or HLK PL in respect thereof.</p> <p>14.3 If on a Payment Date the Claimant is indebted to SSK and/or holds an account with SSK on which credit is extended to the Claimant by SSK ("SSK Credit Account") (irrespective of the nature and terms of such indebtedness and/or credit), the Payable Amount (or the balance thereof after application of the provisions of clause 14.2, to the extent applicable) will:</p> <p>14.3.1 first be off set against indebtedness of the Claimant to SSK then due and payable, if any;</p> <p>14.3.2 thereafter, to the extent that any balance of the Payable Amount remains, be credited to a SSK Credit Account, if any, as an advance payment by the Claimant to SSK on a SSK Credit Account; and</p> <p>14.3.3 finally, to the extent that any balance of the Payable Amount remains, be paid by SSK to the Claimant in cash by electronic funds transfer to such bank account in South Africa nominated by the Claimant.</p> <p>14.4 The Parties record and agree that:</p> <p>14.4.1 the provisions of clause 14.2 above:</p> <p>14.4.1.1 also apply to indebtedness of a Claimant to HLK Co-op which arose prior to Conversion, i.e. which indebtedness is transferred to HLK PL by operation of law;</p> <p>14.4.1.2 will apply notwithstanding that such indebtedness has prescribed or become unenforceable for any reason whatsoever; and</p> <p>14.4.1.3 will apply notwithstanding that such indebtedness may have been written off in the books of account of HLK Co-op (this merely for greater clarity, since a write-off by a creditor in its books of account in any event does not create an enforceable right in the hands of a debtor);</p> <p>14.4.2 notwithstanding anything to the contrary contained in Applicable Laws, the period of prescription on indebtedness of a Claimant to HLK PL:</p>
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			<p>14.4.2.1 will be delayed during the 10-year Bonus Cycle and the 10-year Share Capital Cycle respectively, as applicable to a Claimant; and</p> <p>14.4.2.2 will not be completed until after a period of 1 (one) year from the expiry of the last of the 10-year Bonus Cycle and 10-year Share Capital Cycle, as applicable to a Claimant, to so expire.</p> <p>14.5 In respect of an advance payment by a Claimant on a HLK PL Credit Account pursuant to the provisions of clause 14.2 above and/or an advance payment by a Claimant on a SSK Credit Account pursuant to the provisions of clause 14.3.2, a Claimant may apply to the Board of SSK for the release of such advance payment or part thereof to the Claimant by HLK PL or SSK, as the case may be; SSK undertaking to consider such applications and, if the Board of SSK is satisfied, in its sole discretion, that such payout will not result in any security risk arising or being created for SSK or HLK PL, as the case may be, to approve such application and payout.</p>
19.	<p>CONVERSION DATE FINANCIAL STATEMENTS</p> <p>19.1 HLK Co-op shall procure that financial statements reflecting the financial position of HLK Co-op on the day preceding the Conversion Date are compiled, and audited by the auditors of HLK Co-op ("the Auditors"), as soon as reasonably possible after the Conversion Date.</p> <p>19.2 The Conversion Date Financial Statements shall:</p> <p>19.2.1 be compiled in a manner consistent with the most recent year-end financial statements of HLK Co-op;</p> <p>19.2.2 take into account:</p> <p>19.2.2.1 HLK Co-op Member Claims (as defined and contemplated in clause 14 above);</p> <p>19.2.2.2 any claim against HLK Co-op arising from the provisions of clause 10.9 of the Common Terms Agreement, which provides that any liquidated claim by SSK or Tuinroete arising from the breach of a Transaction Agreement may be deducted from or offset against and/or taken into account in the</p>	15.	<p>CONVERSION DATE FINANCIAL STATEMENTS</p> <p>15.1 HLK Co-op shall procure that consolidated financial statements reflecting the financial position of HLK Co-op and its subsidiaries on the day preceding the Conversion Date are compiled, and audited by the auditors of HLK Co-op ("the Auditors"), as soon as reasonably possible after the Conversion Date.</p> <p>15.2.1 be compiled in a manner consistent with the most recent year-end financial statements of HLK Co-op;</p> <p>15.2.2 take into account:</p> <p>15.2.2.1 HLK Member Bonuses and the Sale Share Purchase Price as equity;</p> <p>15.2.2.2 any claim against HLK Co-op arising from the provisions of clause 10.9 of the Common Terms Agreement, which provides that any liquidated claim by SSK or Tuinroete arising from the breach of a Transaction Agreement may be deducted from or offset against and/or taken into account in the calculation of any amount owing by SSK in terms of this Agreement (it being recorded and agreed</p>

	<p>calculation of any amount owing by SSK in terms of this Agreement (it being recorded and agreed that for this purpose such claim will be deemed to lie against HLK Co-op notwithstanding that its registration had been cancelled), notwithstanding that such claim may be subordinated for any reason whatsoever;</p> <p>19.2.2.3 any claim against HLK Co-op arising from the breach of a HLK Warranty (it being recorded and agreed that for this purpose such claim will be deemed to lie against HLK Co-op notwithstanding that its registration had been cancelled), notwithstanding that such claim may be subordinated for any reason whatsoever;</p> <p>19.2.3 exclude the Qumbu Retail Business and any Non-Core Subsidiaries and Investment to the extent that it will be or will have been acquired by SSK or its nominee (it being recorded that the applicability, principles and accounting treatment of the exclusions will be determined by the Auditors, applying IFRS and/or other relevant accounting principles).</p> <p>19.3 The Conversion Date Financial Statements must be approved by the HLK Co-op Board and accepted in writing by SSK, such acceptance not to be unreasonably withheld or delayed.</p> <p>19.4 For greater certainty, the Parties record and agree that HLK Co-op and the HLK Co-op Board will for the purposes of the provisions of clauses 19.1 and 19.3 be deemed (notwithstanding the cancellation of the registration of HLK Co-op) to, until acceptance in writing of the Conversion Date Financial Statements by SSK, remain in existence and clothed with the rights, duties and obligations it would have had and as if the registration of HLK Co-op had not been cancelled.</p>		<p>that for this purpose such claim will be deemed to lie against HLK Co-op notwithstanding that its registration had been cancelled), notwithstanding that such claim may be subordinated for any reason whatsoever;</p> <p>15.2.2.3 any claim against HLK Co-op arising from the breach of a HLK Warranty (it being recorded and agreed that for this purpose such claim will be deemed to lie against HLK Co-op notwithstanding that its registration had been cancelled), notwithstanding that such claim may be subordinated for any reason whatsoever;</p> <p>15.2.2.4 that where any assets of HLK Co-op and its subsidiaries are or will be Disposed of to SSK or its subsidiaries or its nominees, such Disposal will not have the effect that in the result new or separate assets are created in the financial statements and/or that payment in respect of assets is duplicated;</p> <p>(it being recorded that the applicability, principles and accounting treatment of the exclusions will be determined by the Auditors, applying IFRS and/or other relevant accounting principles).</p> <p>15.3 The Conversion Date Financial Statements must be approved by the Board of HLK Co-op and accepted in writing by SSK, such acceptance not to be unreasonably withheld or delayed.</p> <p>15.4 For greater certainty, the Parties record and agree that HLK Co-op and the Board of HLK Co-op will for the purposes of the provisions of this clause above be deemed (notwithstanding the cancellation of the registration of HLK Co-op) to retain its corporate existence and clothed with the rights, duties and obligations it would have had and as if the registration of HLK Co-op had not been cancelled.</p>
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23.2	<p>23. BUSINESS OF HLK PL</p> <p>23.1 ...</p> <p>23.2 Conversion Date HLK Members will be afforded the benefits provided for in, and on the terms of, articles 25, 26 and 30, as read with article 24, of the SSK Constitution (which articles 24, 25, 26 and 30, together with relevant definitions, are reproduced in Annexure A to Schedule 1 hereto) in respect of business conducted by them with HLK PL after the Conversion Date as if they are Members of SSK and conduct business with SSK i.e., in relation to “<i>Klandisieverhouding</i>” as defined in the SSK Constitution, in accordance with the provisions of the SSK Constitution.</p> <p>23.3 ...</p> <p>23.4 ...</p>	19.2	<p>19. BUSINESS OF HLK PL</p> <p>19.1 ...</p> <p>19.2 Conversion Date HLK Members will, upon becoming Members of SSK, be afforded the benefits provided for in, and on the terms of, articles 25, 26 and 30, as read with article 24, of the SSK Constitution (which articles 24, 25, 26 and 30, together with relevant definitions, are reproduced in Annexure C to Schedule 1 hereto) in respect of business conducted by them with HLK PL after the Conversion Date as if they conduct business with SSK i.e., in relation to “<i>Klandisieverhouding</i>” as defined in the SSK Constitution, in accordance with the provisions of the SSK Constitution.</p> <p>19.3 ...</p> <p>19.4 ...</p>
24.	<p>APPLICATION TO BECOME A MEMBER OF SSK</p> <p>24.1 Any HLK Member may at any time after Merger Approval make application, in the manner prescribed by SSK for applications of such nature, to become a Member of SSK with effect from the Conversion Date on the terms then applicable to admission as a Member of SSK (including payment for a membership interest which, as at the Signature Date, is in the amount of R4,000 (four thousand Rand)).</p> <p>24.2 If admitted as a Member of SSK then, save to the extent contemplated in clause 23 (business of HLK Co-op) above, such Member will have all the rights, benefits, duties and obligations conferred upon Members of SSK in terms of the SSK Constitution.</p>	20.	<p>APPLICATION TO BECOME A MEMBER OF SSK</p> <p>20.1 Any HLK Member may at any time make application, in the manner prescribed by SSK for applications of such nature, to become a Member of SSK with effect from the Conversion Date on the terms then applicable to admission as a Member of SSK (including payment for a membership interest which, as at the Signature Date, is in the amount of R4,000 (four thousand Rand)).</p> <p>20.2 If admitted as a Member of SSK, such Member will have all the rights, benefits, duties and obligations conferred upon Members of SSK in terms of the SSK Constitution, including in respect of business conducted by them with HLK PL after the Conversion Date in accordance with clause 19 above.</p>
39.1	<p>39. STATUS OF THIS AGREEMENT</p> <p>39.1 Upon approval by HLK Members as provided for in clause 3.1.1.1 above, this Agreement and the provisions thereof shall according to their tenor be binding on and enforceable by and against HLK Members.</p> <p>39.2 ...</p>	35.1 and 35.3	<p>35. STATUS OF THIS AGREEMENT</p> <p>35.1 Upon approval by HLK Members of the provisions of clauses 4, 10 to 15 (both inclusive), 19.2 and 20 above, as well as the provisions of this clause 35.1 and clause 35.3 below and the amendments of the HLK Co-op Constitution as contemplated in Schedule 1 hereto, such provisions and amendments shall according to their tenor be binding on and enforceable by and against HLK Members and Past Members (it being recorded that</p>

			<p>all other provisions of this Agreement as well as the amendments of the HLK Co-op Constitution were previously substantially approved by the then Members of HLK Co-op at a special meeting of Members held on 12 December 2023, and are accordingly binding on HLK Members and Past Members).</p>
		35.2	...
		35.3	In the event of any substantive conflict between the provisions of this document above and Schedule 1 hereto, the latter shall be substantively construed to accord with the former.