

OVER-THE-COUNTER-TRADING DESK MANUAL

**SENWES LIMITED
AGRIBEL HOLDINGS LIMITED**

OCTOBER 2021

1.

Introduction

Senwes attends to the trading of shares in Senwes Limited and Agribel Holdings Limited (referred to as "Agribel") (jointly hereinafter referred to as the "Senwes Group") in-house on an over-the-counter ("OTC") basis.

OTC share transactions refer to share sale transactions negotiated directly and mutually between willing buyers ("purchasers") and willing sellers of shares. Senwes, through its OTC Administration Desk ("OTC desk"), will facilitate the identification of willing buyers and sellers which may lead to the conclusion of a transaction between such buyers and sellers.

In accordance with section 51 of the Companies Act, 2008 ("the Act") the shares in the Senwes Group have been materialised and certificated as contemplated in the Act.

2.

Certificated Shares

The share certificates are held in trust at the registered office of the Senwes Group. Shareholders may request the original share certificate by means of written instruction addressed to the Company Secretary.

3.

Share transfers and restrictions

Senwes shares are freely transferable whilst the shares of Agribel, the holding company, are not freely transferable. The latter shares may only trade amongst existing shareholders or new shareholders, with prior approval by the Agribel board of directors. Final approval vests with the Agribel board of directors in terms of the authority granted in the memorandum and articles of association of the company.

Senwes will forward all instructions for the purchase of Agribel shares to Agribel for the necessary approval. The approval process will take at least seven days, but could take longer, depending on individual circumstances.

4.

Shares held as security

Some shareholders' shares in the Senwes Group were, in terms of the scheme of arrangement at the time of conversion of Sentraalwes Co-operative, automatically ceded and pledged as security for current and future debt (if any) at Agri Credit Solutions (Pty) Limited (previously Senwes Credit), of a client who is also a shareholder.

When shares are therefore sold, Agri Credit Solutions has to grant permission for the shares to be sold and has to provide instructions regarding the proceeds of the sale of the shares. The approval process will take at least three days but could take longer depending on individual circumstances.

5.

Documentation required

Should you wish to sell or buy shares in Senwes or Agribel, the following documentation must be provided to the OTC desk. All documents must be marked clearly for attention: The Company Secretary.

- a) **A signed mandate (instruction) which, *inter alia*, authorises Senwes to facilitate a transaction to buy or sell shares and to execute a transfer of shares on behalf of the Seller. The Mandate and this OTC Administration Desk Manual, published on the Senwes website, and which forms part of this Mandate by means of reference, are one indivisible Agreement between Senwes and the Shareholder/Client;**

- b) The Sale of Share Agreement between a Buyer and a Seller (if available);
- c) proof of bank details;
- d) the FICA documentation required in terms of money laundering legislation. No transaction may take place without this documentation.
- e) The original share certificate (if provided previously).

6. Trading procedures at the OTC desk

Should you wish to trade in shares, Senwes must be instructed accordingly by means of a verbal or written instruction. Instructions may be given telephonically at telephone number 018-464 7105. Calls will be recorded and any telephonic instructions will be legally binding.

Trading will take place between **09h00** and **16h00** on weekdays.

The following information must be provided in respect of all transactions:

- The Senwes membership number or shareholder number (if applicable);
- the identity number or registration number (in the case of legal persons);
- which company shares should be bought or sold;
- the number of shares to be purchased or sold;
- the period for which the instruction should be valid;
- the price at which you wish to buy or sell shares.

It is recommended that potential buyers and sellers discuss current share prices with a financial advisor or a broker before deciding on a transaction price. The tax implications of a transaction should also be considered and it is recommended that advice thereon should be obtained from your accountant. Senwes officials and personnel will under no circumstances give advice regarding your investment or transaction prices. They are prohibited to do so.

Buying and selling of shares require careful consideration and the shareholder and potential investors are required to give due consideration to the decision to sell and/or buy shares in the Senwes Group.

7. Cautionary announcements

When cautionary announcements are issued by the Senwes Group, these should be considered carefully. Cautionary statements will be published on the Senwes website.

Cautionary announcements generally mean that an event/transaction may have a material impact on the prices of the shares. “Material” in this context means more than 10% (ten percent) increase/decrease on the most recent share price. During certain periods the share register may be closed as provided for in the Senwes Group’s Memorandum of Incorporation or internal policies. Notice of the closure of the shares register will be published on the website.

8.

The OTC Desk

- a) Senwes, through its OTC Desk, will facilitate the identification of willing purchasers and sellers and the transfer shares in terms of transactions negotiated and concluded between purchasers and sellers. Since shares are traded OTC and with the exception of Chapter 10 of the Financial Markets Act, 2012 (“the FMA”), the provisions of the FMA do not apply to the Senwes Group or transactions in the shares and no protection is offered to the purchaser or seller in terms of the FMA.
- b) Senwes will act as administrator to execute the transaction negotiated and concluded between the purchaser and seller in terms of the transfer of shares and the updating the shares register. Senwes will, however, only perform the transfer of shares if the terms and conditions of **the Mandate and this Manual** have been complied with including, but not limited to the submission of all the required documents to the OTC Desk, the payment of the purchase price by the purchaser, the payment of the required fees and securities transfer tax (“STT”) to Senwes.
- c) Senwes will record and publish information relating to the price and volume of past share transactions of the Companies on the Senwes website.

9.

Procedure for buying and selling of shares

- a) Should investors or shareholders wish to buy or sell shares, they may contact the OTC desk to record their intention to buy or sell shares and to obtain the contact details of any prospective seller or buyer.
- b) Parties who wish to buy or sell shares may at any time contact any potential investor or shareholder directly without contacting the OTC desk or recording their intention to buy or sell shares through the OTC desk, provided that the relevant shares will only be transferred onto

the shares register if all the terms and conditions of the Mandate have been met.

- c) Potential shareholders or existing shareholders who wish to buy or sell shares with the assistance of the OTC desk must notify Senwes accordingly and notify Senwes of the number of shares they intend to buy or sell, the price thereof and the period for which the intended sale or purchase will remain on the database if no immediate sale takes place. Senwes will then assist with the facilitation of the transaction between a buyer and seller.
- d) Prior to the recording of any information onto the database, Senwes must be in possession the documentation stipulated above in paragraph 5.
- e) Once the OTC desk identifies a potential buyer for shares offered by a shareholder, the OTC desk will remove the relevant offer to sell and bid to purchase from the website and issue the potential buyer and potential seller with an instruction confirmation. During this period, the buyer and seller must directly and bilaterally negotiate the unit price per share and the quantity of shares to be purchased, amongst each other, unless they specifically instruct the OTC Desk to attend thereto on their behalf.
- f) The OTC desk will only reinsert the information pertaining to the potential transaction, onto the Senwes database upon being notified that the potential transaction was not concluded between the relevant buyer and seller and specifically so instructed by the parties. An order cancellation confirmation will then be issued.
- g) Buyers and sellers can ask Senwes for details (identity and contact particulars) of the relevant buyers and sellers in order to negotiate transactions directly with one another and it is not a requirement for a buyer or seller to have his intention to buy or sell recorded by the OTC desk. A potential buyer or seller can, on the basis of information available on the website, ask the OTC desk for the details (identity and contact particulars) of a potential buyer or seller who has recorded his intention and contact them directly in order to negotiate the sale and purchase of shares. Should the parties require it; the OTC desk will provide the buyer and seller with a standard (*pro forma*) Sale of Shares Agreement, which can be used to conclude transactions between each other.

- h) A transaction is deemed to be concluded on the date that the OTC desk receives confirmation (by e-mail or otherwise) thereof from the parties.
- i) Once the confirmation has been received by OTC desk, the buyer must pay the agreed upon purchase price within **five (5) business days to the Seller or into the nominated trust account of the OTC Desk**. Unless the shares have been ceded to the Agri credit Solutions, the purchase price must be paid into the nominated bank account of the seller. If the shares have been ceded to the Agri Credit Solutions, the buyer will be instructed to pay the purchase price into a designated bank account.
- j) Under no circumstances will Senwes be liable for any damages should the prospective buyer and seller not successfully conclude their negotiations or not conduct themselves in accordance with the Mandate.
- k) Senwes will levy the relevant STT from the buyer and pay the tax over to SARS as provided for by the Securities Transfer Tax Act, 25 of 2007. Buyers of Senwes shares will be notified of the amount of STT payable in respect of any successful transaction. Senwes shall be entitled to recover this amount from the buyer within **five (5) business days** of written demand.
- l) If the OTC desk has been requested to assist the parties to publish their intention to buy or sell shares, the remainder of any shares partially bought or sold will remain on the database until cancelled by the buyer or seller.
- m) Senwes will only register the transfer of the shares from the seller to the buyer in the securities register once the following have been received by the OTC desk:
- The deal confirmation;
 - applicable deed of transfer form;
 - the original share certificate(s) (if available);
 - proof of payment of the relevant STT by the buyer within **five (5) days** after being so notified by Senwes;
 - payment of the administration fee (determined from time to time and published on the website) by the buyer and seller within **five (5) days** after being so notified by Senwes; and

- proof of payment of the share purchase price. Payment must be made directly by the Buyer to the seller or the designated trust account, unless the shares are ceded to Agri Credit Solutions.
- n) All the concluded transactions will be displayed on the website. A historical snapshot indicating previous prices will also be available on the website for viewing purposes.

10.

Changes and cancellations

- a) If a shareholder recorded his intention to buy or sell shares on the database, and he wishes to change the number and/or price of shares he intends to purchase or sell, he must notify the OTC desk immediately. The original instruction will be cancelled, and a new instruction will be posted onto the database.
- b) If the instruction was received outside the relevant OTC desk business hours (as indicated above) it will only be processed at the start of the next business day.

11.

Trust Account Bank details

If a Buyer elects to do so, the purchase price of the shares, fees and STT must be deposited into the Senwes OTC desk Trust Account before a transaction can be concluded. All payments must be made by means of a direct deposit or electronic payment. No cash may be received. **Amounts paid into this account will not earn any interest.**

Account details:

Account Name:	Senwes Aandele Verhandelings Trust
Bank:	ABSA
Branch:	Klerksdorp
Branch code:	334 338
Account number:	405 706 8314
Reference number:	Shareholder no. / Client no. / ID-number

12.

Transfer of shares

When the deal confirmation is issued by Senwes, the transfer secretary will simultaneously receive notice of the transaction and a copy of the deed of transfer. The transfer of shares will be done thereafter. Written confirmation thereof will be sent to buyers and sellers.

13.

Administration fees

Fees are paid in terms of a sliding scale based on the amount of the transaction. Both the buyer and seller will pay trading fees, which will be as follows:

SENWES		
Fee structure (excl. VAT)		
Clean consideration (trade value) range	Upper bound	Fee %
< R1 800	1,800	0.000%
> = R 1 800 and < R18 000	18,000	1.593%
> = R18 000 and < R 90 000	90,000	0.434%
> = R90 000 and < R180 000	180,000	0.386%
> = R180 000 and < R360 000	360,000	0.289%
> = R360 000 and < R900 000	900,000	0.158%
> = R900 000		0.057%

AGRIBEL		
Fee structure (excl. VAT)		
Clean consideration (trade value) range	Upper bound	Fee %
< R900	900	0.000%
> = R900 and < R9 000	9,000	2.456%
>= R9 000 and < R18 000	18,000	1.593%
> = R18 000 and < R45 000	45,000	0.856%
> = R45 000 and < R90 000	90,000	0.749%
> = R90 000 and < R180 000	180,000	0.579%
> = R180 000 and < R450 000	450,000	0.352%
> = R450 000		0.133%

Plus Value Added Tax.

14.

Deceased Estates (Estate Late) or Insolvent Estates

Only the executor of the estate of a deceased shareholder or the Trustee of an insolvent estate will be authorised to provide a mandate for the trading of shares.

15.**Senwes Website information**

For information regarding share prices, as well as available bids and offers, visit www.senwes.co.za and go to “shares”, where the information appears.

16.**Confidentiality**

The OTC desk will regard all documentation and transactions as confidential. The transfer and OTC function have been split up in order to ensure the necessary internal control and integrity in the process.

17.**Contact details**

Name	Details	Telephone	e-mail
Je'Nine Koen	Trading	018-464 7105	jenine.koen@senwes.co.za
Claudi Smit	Administration, Transfers / General queries	018-464 7121	claudi.smit@senwes.co.za
Elmarie Joynt	Company Secretary / Head of Division	018-464 7104	elmarie.joynt@senwes.co.za

Senwes Limited

Registration no: 1997/005336/06

The Company Secretary

Senwes Limited

PO Box 31

KLERKSDORP

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Agribel Holdings Limited

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