

The Directors
ARC Fund

2 July 2020

Dear Directors

BEE Ownership Certificate for ARC Fund

We have performed the verification of the BBEE ownership scorecard of the ARC Fund. The scorecard has been calculated in accordance with the Revised amended Codes of Good Practice for Broad Based Black Economic Empowerment Gazetted on 31 May 2019 and the rules applicable to Private Equity Funds.

Our verification procedures were performed in accordance with the Verification manual gazette on 18 July 2008 and are adequate to confirm the equity ownership scorecard of the ARC Fund.

Details of the black ownership composition are set out in the certificate and ownership scorecard presented in Appendix hereto.

The Rights of Ownership, i.e. Economic Interest, Voting Rights and Net value, awarded to ARC Fund in terms of this verification are based on them meeting the criteria for deeming it's shareholding in a Measured Entity (investee company) as being 100% owned by Black People in accordance with par 3.10 of B-BBEE Code 100.

We have applied Code 100, par 3.10.9 in accordance with which the Private Equity Fund Manager can facilitate direct Black shareholding at the time of entering into the transaction should the target company not meet the requirement of at least 25% Black Shareholding at the time the transaction was concluded.

We can confirm that the ARC fund is 100% as per the Private Equity Fund Rule, Code 100, par 3.10 and that the Economic Interest to which BDG's, EOS, BBOS and Co-op's, and Black New Entrants are entitled of is 53.09% and broken down as follows:-

• Designated Groups and Broad-Based Schemes:	53.09%
○ Black Youth	53.09%
○ Black Disabled	0.00%
○ Black unemployed	53.09%
○ People living in Rural Areas	0.00%
○ Black Military Veterans	0.00%
• Black New Entrants:	27.83%

BDG's, EOS and BBOS defined as follows in the Codes of Good Practice:

“Black Designated Groups” means:

- a) Unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution,
- b) Black people who are youth as defined in the National Youth Commission Act of 1996,
- c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act,
- d) Black people living in rural and under-developed areas,
- e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011.

“Broad-Based Ownership Scheme” means an ownership scheme which meets the rules set out in Annexe 100B.

“Employee Ownership Scheme” means a worker or employee scheme.

“Black new Entrants” means Black Participants who hold rights of ownership in the Measured Entity and who, before holding the Equity Instruments in the Measured Entity, have not held equity instruments in other Entities which has a total value of more than R 50 000 000.00 measured using a standard valuation method.

Yours faithfully
EmpowerLogic (Pty) Ltd

Per Prebhashini Govender
Verification Committee