

RECM and Calibre Limited
(Incorporated in the Republic of South Africa)
Registration number 2009/012403/06
Preference Share Code: RACP
ISIN: ZAE000145041
("RAC" or "the Company")



DECLARATION ANNOUNCEMENT: DISTRIBUTION IN SPECIE OF ASTORIA SHARES

1. Introduction

RAC Shareholders are advised that the board of directors of RAC have resolved to distribute 5 115 000 shares in Astoria Investments Ltd ("**Astoria**") to RAC Shareholders in the ratio of one Astoria Share for every 10 RAC participating preference shares or ordinary shares (both a "**RAC Share**") held at the close of trade on Friday, 12 August 2022 (the "**Record Date**") (the "**Proposed Distribution**").

The Proposed Distribution will be effected as a distribution *in specie* to RAC shareholders in terms of section 46(1)(a)(ii) of the Companies Act, 71 of 2008 (the "**Companies Act**").

2. Rationale for the Proposed Distribution

Since the distribution of the original 90.1% of Astoria Shares by RAC to its shareholders, Astoria's NAV per share has grown by 51% and the prospects of the companies in its portfolio have improved. However, Astoria shares still trade at a significant discount to its NAV. As a custodian of the capital of RAC Shareholders, the Board of directors of RAC has decided that it is in the best interest of RAC Shareholders for RAC to distribute the remaining Astoria Shares to RAC Shareholders rather than to sell the shares in the market at current prices.

The Proposed Distribution will also eliminate the cross-shareholding between RAC and Astoria and facilitate the complete separation of the RAC Portfolio and Astoria's portfolio for investors.

3. Salient dates and times

	2022
Finalisation announcement in respect of the Proposed Distribution expected to be released on SENS on	Monday, 1 August
Expected last day to trade in RAC Shares in order to participate in the Proposed Distribution	Monday, 8 August
Expected date trading in RAC Shares 'ex' the entitlement to participate in the Proposed Distribution commences	Wednesday, 10 August
Expected date the price for fractional entitlements announced on SENS (by 11:00)	Thursday, 11 August
Expected distribution record date (at close of trade)	Friday, 12 August
Expected date market value of Astoria Shares for purposes of the Proposed Distribution announced on SENS	Friday, 12 August
Expected date Astoria Shares credited to the accounts of RAC Shareholders at their CSDP or broker (at 09:00)	Monday, 15 August

Notes:

1. The above dates and times are South African dates and times and are subject to amendment. Any such amendment will be released on SENS.
2. RAC Shares may not be dematerialised or rematerialised between Wednesday, 10 August 2022 and Friday, 12 August 2022, both days inclusive.

4. Implementation of the Proposed Distribution

Pursuant to the Proposed Distribution, RAC Shareholders will receive one Astoria Share for every 10 RAC Shares held on the Record Date.

Documents of title in respect of RAC Shares held are not required to be surrendered in order to receive Astoria Shares pursuant to the Proposed Distribution.

The Proposed Distribution is conditional upon RAC obtaining exchange control approval for the Proposed Distribution before the finalisation announcement is released on SENS.

The Proposed Distribution is not subject to shareholder approval.

In implementing the Proposed Distribution, RAC is required by the JSE to apply the JSE's rounding principle. As such, if a RAC Shareholder becomes entitled to a fraction of an Astoria Share arising from the proposed distribution, such Astoria Share will be rounded down to the nearest whole number, resulting in the allocation of whole Astoria Shares and a cash payment for the fraction. The value of such cash payment will be the volume-weighted average traded price of Astoria Shares less 10% on the first day RAC Shares trade 'ex' the entitlement to receive the Proposed Distribution, being Wednesday, 10 August 2022, and will be announced on SENS on the second day RAC Shares trade 'ex' the entitlement to receive the proposed distribution, being Thursday, 11 August 2022.

4.1. Dematerialised RAC Shareholders

Dematerialised Shareholders will have their accounts at their CSDP or broker credited with their Astoria Shares on the first business day following the Record Date.

4.2. Certificated RAC Shareholders

RAC Shareholders will receive their Astoria Shares in dematerialised form only.

Certificated Shareholders should notify JSE Investor Services (Pty) Ltd of their appointed CSDP or their broker by completing an instruction form in order to receive their Astoria Shares. The form can be accessed at the following link: <http://racltd.co.za/wp-content/uploads/2021/04/Manual-Instruction-for-Distribution-of-Astoria-Shares.xlsx> and must be sent to Specialprojects@jseinvestorservices.co.za.

If a Certificated Shareholder fails to appoint a CSDP or broker, the Astoria Shares to which it is entitled will be defaulted into the JSE Investor Services CSDP (Pty) Ltd nominee account (Pacific Custodians Nominees (RF) (Pty) Ltd) and held on behalf and for the benefit of the Astoria Shareholder. Should an Astoria Shareholder wish to trade its Astoria Shares held in the nominee account or have such Astoria Shares transferred to another CSDP or broker account, such Astoria Shareholder will be required to provide the nominee with the requisite instructions and verification documents which can be obtained from cspd@jseinvestorservices.co.za.

4.3. Foreign Shareholders

The distribution of Astoria Shares to foreign shareholders, in terms of the Proposed Distribution, may be affected by the laws of such foreign shareholders' relevant jurisdiction. It is the responsibility of any foreign shareholder to observe the applicable legal requirements in his/her/its relevant jurisdiction and to satisfy him/her/itself as to the full observance of the laws of the relevant jurisdiction or territory in connection with the Proposed Distribution, including obtaining requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer costs or taxes due in such jurisdiction or territory. In the event that foreign shareholders have any doubts in this regard, they should consult their professional advisers. RAC Shareholders residing in the Common Monetary Area should be eligible to receive the Proposed Distribution, but should consult their professional advisers in this regard.

Any foreign shareholder who is unable to receive Astoria Shares, or any foreign shareholder that RAC is not permitted to distribute Astoria Shares to, on account of the laws of the jurisdiction of that shareholder, is an "excluded shareholder" and will not receive Astoria Shares pursuant to the Proposed Distribution. The Astoria Shares to which any excluded shareholders are entitled pursuant to the Proposed Distribution will be aggregated and disposed of on the JSE by the transfer secretaries on behalf of and for the benefit of such excluded shareholders as soon as it is reasonably practicable following the Proposed Distribution, at the best price that can reasonably be obtained at the time of sale. Excluded shareholders will receive the average consideration per Astoria Share to which they were entitled (net of transaction and currency costs) at which all excluded shareholders' Astoria Shares were disposed of. The average consideration will be calculated and the consideration due to each excluded shareholder will be paid only once all shares have been disposed of. All RAC Shareholders who are resident or whose registered addresses are in any country other than South Africa are deemed to be excluded shareholders unless such shareholders, on or before the Record Date:

- provide the transfer secretaries, either personally or through a representative or CSDP, with proof satisfactory to the transfer secretaries and the RAC board that they are entitled to receive the Astoria Shares and therefore not an excluded shareholder; or
- contact the transfer secretaries to make an alternative arrangement.

CSDPs will be responsible for informing the transfer secretaries of all dematerialised shares held by them on behalf of excluded shareholders. The transfer secretaries will determine which certificated shareholders are excluded shareholders.

5. Solvency and Liquidity

The RAC Board, having applied the solvency and liquidity test set out in section 4 of the Companies Act, has reasonably concluded that RAC will satisfy the requirements of such test and has authorised the Proposed Distribution

6. Exchange control

Astoria Shares will not be freely transferable from the Common Monetary Area and must be dealt with in terms of the Exchange Control Regulations. The following summary of the Exchange Control Regulations is not comprehensive and is intended as a guide only. In the event that shareholders have any doubts in respect of their obligations in terms of the Exchange Control Regulations, they should consult their professional advisers.

6.1. Emigrants from the Common Monetary Area

Astoria Shares received by RAC Shareholders who are registered address is outside the Common Monetary Area will:

- in the case of dematerialised shareholders, be credited to their blocked share accounts at the CSDP controlling their blocked portfolios; or
- in the case of shareholders who have rematerialised their shares such that they are evidenced by a share certificate or other physical document of title, have their document of title endorsed “non-resident” in terms of the Exchange Control Regulations and sent to the authorised dealer in foreign exchange controlling their blocked assets.

The CSDP or broker will ensure that all requirements of the Exchange Control Regulations are adhered to in respect of their clients falling into this category of investor, whether shares are held in dematerialised or certificated form.

6.2. All other non-residents of the Common Monetary Area

Astoria Shares received by RAC Shareholders who are not residents of the Common Monetary Area and who have never resided in the Common Monetary Area and whose registered address is outside of the Common Monetary Area will:

- in the case of dematerialised shareholders, be credited to their share accounts at the CSDP controlling their portfolios; or
- in the case of shareholders who have rematerialised their shares such that they are evidenced by a share certificate or other physical document of title, be deposited with an authorised dealer in foreign exchange in South Africa nominated by such shareholder. It will be incumbent on the shareholder concerned to nominate the authorised dealer and to instruct the nominated authorised dealer as to the disposal of the relevant shares. If the information regarding the authorised dealer is not given, the Astoria Shares will be held in trust for the shareholder concerned pending the receipt of the necessary information or instruction.

The CSDP or broker will ensure that all requirements of the Exchange Control Regulations are adhered to in respect of their clients falling into this category of investor, whether shares are held in dematerialised or certificated form.

7. Share capital and source of Proposed Distribution

RAC's share capital as at the date of this announcement is as follows:

Authorised	R
5 000 000 ordinary shares of R0,01 each	50 000
200 000 000 non-cumulative redeemable participating preference shares of no par value	-
250 000 000 redeemable preference shares of no par value	-
1 500 000 000 perpetual preference shares of no par value	-
Issued	R
3 750 000 ordinary shares of R0,01 each	37 500
Share premium	18 168 750
	18 206 250
47 400 000 non-cumulative redeemable participating preference shares of no par value	506 296 000

The Proposed Distribution will be made from the capital account of RAC.

RAC's tax reference number is 9005973194

Cape Town
23 June 2022

Corporate Advisor and Transaction Sponsor



Questco Proprietary Limited