

LONG4LIFE LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2016/216015/06)
Share code: L4L ISIN: ZAE000243119
("Long4Life" or "the Company")

PROJECT OXYGEN BIDCO PROPRIETARY LIMITED
Incorporated in the Republic of South Africa
(Registration number 2021/104878/07)
("OMPE Bidco")

FIRM INTENTION BY OMPE BIDCO TO ACQUIRE ALL THE ISSUED SHARES OF LONG4LIFE AND WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

1. INTRODUCTION

Reference is made to the Company's interim results announcement released on SENS on 14 October 2021 (the "**Interim Results Announcement**") and the cautionary announcements released on SENS on 28 October 2021 and 3 December 2021 ("**Cautionary Announcements**").

Long4Life shareholders ("**Shareholders**") are advised that Long4Life has received a firm intention letter (the "**Firm Intention Letter**") from OMPE Bidco in terms of which OMPE Bidco has expressed its firm intention to make an offer to acquire all of the issued ordinary shares in the capital of Long4Life (each a "**Share**") held by Shareholders, at R6.20 per Share, save for the "Treasury Shares" (such term being defined in paragraph 4.1 below), subject to the fulfilment or, where appropriate, waiver of the Scheme Conditions set out in paragraph 4.3 below ("**the Transaction**").

The Transaction contemplates:

- A cash offer by OMPE Bidco to acquire the Scheme Shares for the Scheme Consideration (both terms defined in paragraph 4.2.1), by way of a scheme of arrangement in accordance with section 114 of the Companies Act, No 71 of 2008 ("**Companies Act**"); and
- The subsequent delisting of Long4Life from the exchange operated by the JSE Limited ("**JSE**"), (the "**Scheme**").

The Scheme between Long4Life and the Shareholders, to which OMPE BidCo, in its capacity as offeror in respect of the Scheme, shall be a party, will be proposed by the board of the directors of Long4Life.

The purpose of this joint firm intention announcement ("**FIA**") is to, *inter alia*, advise Shareholders of the terms and conditions of the Transaction.

2. INFORMATION ABOUT OMPE BIDCO

OMPE Bidco is a wholly-owned subsidiary of OMPE Fund V, a private equity fund managed by Old Mutual Private Equity ("**OMPE**"), as represented by OMPE V GP Proprietary Limited, acting in its capacity as the ultimate general partner of the OMPE Fund V.

OMPE is one of the largest and most established private equity managers in South Africa, managing private equity assets on behalf of both Old Mutual Limited and third-party investors. Since 2000, OMPE has successfully executed 31 transactions and 19 exits, with one of the best private equity track records in South Africa over a 20-year period. OMPE has strong Broad-Based Black Economic Empowerment ("**B-BBEE**") ownership credentials with the ability to contribute 37% B-BBEE ownership to its investee companies.

OMPE has deep experience and extensive expertise in private equity investing in South Africa, having successfully concluded several transactions which include, inter alia: Morecorp, Footgear, TiAuto and Pepkor (retail sector); In2Food, Libstar and Foodcorp (food manufacturing sector); Medhold and Life Healthcare (healthcare sector); Savcio and Actom (engineering sector); Tourvest (tourism sector); and Consol (glass packaging sector). Further information on OMPE is available from the Old Mutual Private Equity website (www.oldmutualprivateequity.com). OMPE is part of the Old Mutual Alternative Investments boutique, which is part of the Old Mutual Investment Group.

3. RATIONALE FOR THE TRANSACTION

OMPE believes that the acquisition of Long4Life presents an opportunity to invest into a sizeable portfolio of attractive, diversified and leading South African lifestyle assets, which are led by strong management teams.

The Scheme provides an attractive mechanism for Long4Life Shareholders to realise value, through a fully funded cash offer, providing a clean exit for Shareholders. The Scheme Consideration represents a significant premium to trading levels in Long4Life Shares prior to the Interim Results Announcement in which Shareholders were made aware of an unsolicited expression of interest received for the Company. The Scheme Consideration is well within the preliminary valuation range provided by the Independent Expert (as described in paragraph 7). As previously communicated by Long4Life to Shareholders, the Company did undertake a review of its corporate structure and strategic focus. The implementation of the Scheme will result in the unlocking of the underlying value of Long4Life.

4. TERMS AND CONDITIONS OF THE SCHEME

4.1 Scheme Participants

- 4.1.1 The participants in the Scheme shall be all the registered holders of Shares, as reflected in the securities register of the Company on the record date for participation in the Scheme (which record date shall be specified in the Scheme Circular), -
- 4.1.1.1 including the holders of all Shares awarded in terms of Long4Life's long term share based incentive schemes (being the forfeitable share plan, the conditional share plan and the share appreciation rights scheme), it being agreed that to the extent that such Shares have not vested as at the Scheme Operative Date ("**Subject Shares**"), the holders of such Subject Shares ("**Relevant Holders**") shall, as an undertaking in terms of the Scheme, be compensated by OMPE BidCo as soon as practically possible after the Scheme Operative Date, in a manner that will result in the Relevant Holders not being worse-off;
- 4.1.1.2 excluding (1) the holder/s of any Treasury Shares; and (2) any Shareholder that (i) has validly exercised its appraisal rights in accordance with section 164(3) and section 164(5) to (8) of the Companies Act; (ii) has not withdrawn its demand made in terms of section 164(5) to (8) of the Companies Act; and (iii) has not allowed an offer made to it by Long4Life in terms of section 164(11) of the Companies Act to lapse (each such Shareholder a "**Dissenting Shareholder**"),
- (the "**Scheme Participants**").

4.1.2 For purposes of paragraph 4.1.1 "Treasury Shares" shall mean the Shares held by "subsidiaries" (as defined in the Companies Act) of Long4Life (each such subsidiary and Long4Life a "**Long4Life Group Company**" and collectively the "**Long4Life Group**"), which is expected to be 35,220,553 Shares.

4.1.3 The maximum number of Scheme Shares is expected to be 674,768,864 Shares.

4.2 Scheme Consideration

4.2.1 As referenced in the Cautionary Announcement of 3 December 2021, OMPE Bidco's formal proposal submitted to the Company contemplated a consideration payable by OMPE Bidco for the Shares acquired from Scheme Participants in terms of the Scheme (each a "**Scheme Share**") of a cash consideration of R5.80 per Scheme Share. OMPE Bidco has subsequently agreed with Long4Life that the offer price will be increased to R6.20 per Scheme Share (subject to adjustment in accordance with paragraph 4.5, if applicable) (the "**Scheme Consideration**"), which is well within the preliminary fair value range provided by the Independent Expert (as described in paragraph 7) and represents the following substantial premia:

4.2.1.1 a premium of 39.3% to the closing price of Shares traded on the JSE of R4.45 as at 13 October 2021 (being the last trading day prior to the release of the Interim Results Announcement in which Shareholders were made aware of an unsolicited expression of interest received for the Company);

4.2.1.2 a premium of 43.9% to the 30-day volume weighted average trading price ("**VWAP**") of Shares traded on the JSE of approximately R4.31 calculated as at 13 October 2021;

4.2.1.3 a premium of 44.2% to the 60-day VWAP of Shares traded on the JSE of approximately R4.30 calculated as at 13 October 2021; and

4.2.1.4 a premium of 59.0% to the closing price of Shares traded on the JSE of R3.90 as at 19 April 2021 (being the last trading day prior to the release of an announcement by Long4Life informing Shareholders of the strategic review of the business of Long4Life).

4.2.2 If the Scheme has not become operative in accordance with its terms (the date the Scheme becomes operative the "**Scheme Operative Date**") on or before 1 May 2022, the quantum of the Scheme Consideration shall increase by an amount equal to 5% per annum, calculated from 1 May 2022 to the Scheme Operative Date (both dates inclusive).

4.3 Scheme Conditions

4.3.1 The implementation of the Scheme will be subject to the fulfilment or, where appropriate, waiver of the suspensive conditions (each a "**Scheme Condition**") that:

- 4.3.1.1 by not later than 17h00 on 31 March 2022, all Shareholder resolutions required in order to (i) lawfully and competently implement the Scheme (the "**Requisite Resolutions**"), including a special resolution of the Shareholders in terms of section 115(2)(a) of the Companies Act (such special resolution the "**Scheme Resolution**") and (ii) provide any authority that may be required in terms of section 44 and/or 45 of the Companies Act in order to implement the arrangements contemplated in paragraph 5.3, have been approved by the Shareholders;
- 4.3.1.2 by not later than 17h00 on 30 April 2022, to the extent required under section 115(3) of the Companies Act, approval of the implementation of the Scheme Resolution by the court is obtained and, if applicable, Long4Life not having treated the Scheme Resolution as a nullity (which it may not do unless it is instructed to do so by OMPE), as contemplated in section 115(5)(b) of the Companies Act;
- 4.3.1.3 as at 12h00 on the business day immediately following the last day on which a valid demand is capable of being made by a Dissenting Shareholder in respect of the Scheme in terms of section 164(7) of the Companies Act, Long4Life has not received valid demands from Dissenting Shareholders (having complied with the requirements of section 164(5)(a) and (c) of the Companies Act) holding in aggregate more than 5% of all the Shares in issue (excluding Treasury Shares);
- 4.3.1.4 by not later than 17h00 on 31 May 2022, the receipt of the unconditional approval of the Scheme in writing by the relevant competition authority/ies ("**Competition Authorities**"), or if such approval is conditional, such conditions being acceptable to those of OMPE, OMPE Bidco and Long4Life upon whom they are imposed or upon whom they have an impact, in their sole and absolute discretion, provided that OMPE and OMPE BidCo shall be deemed to having accepted the conditions if the conditions (viewed collectively) do not result in a Material Adverse Effect (as defined below). In considering whether to accept any such condition, each of OMPE, OMPE BidCo and Long4Life shall act in good faith. For purposes of this paragraph 4.3.1.4, "Material Adverse Effect" means, (i) additional, direct and non-recurring costs or expenses which will be incurred by OMPE, OMPE Bidco and/or the Long4Life Group by virtue of the conditions (viewed collectively) imposed by the Competition Authorities on either OMPE, OMPE Bidco or Long4Life exceeding an amount equal to 5% of the EBITDA (as defined in paragraph 4.3.1.7.10.1) of the Long4Life Group; or (ii) a requirement on OMPE Bidco to divest or dispose of any of the Scheme Shares or any business division of the Long4Life Group, Long4Life Group Company (or securities in a Long4Life Group Company) or other assets of the Long4Life Group or any existing investment of OMPE, OMPE Bidco or its associated funds the value of which in aggregate is equal to or exceeds 5% of the EBITDA (as defined in paragraph 4.3.1.7.10.1) of the Long4Life Group, provided that if it is not possible to determine the value attributable to the conditions imposed (or sought to be imposed) by the Competition Authorities on either OMPE, OMPE BidCo or Long4Life (as applicable) shall, in considering whether to accept such condition, act reasonably and in good faith;

- 4.3.1.5 by not later than 17h00 on 31 May 2022, all regulatory approvals legally necessary for the implementation of the Scheme (other than the approvals by the Competition Authorities as contemplated in paragraph 4.3.1.4 and the Takeover Regulation Panel (“**Takeover Panel**” or “**TRP**”) as contemplated in paragraph 4.3.1.10) have been obtained;
- 4.3.1.6 to the extent that a "Proceed Notice" (as defined in paragraph 4.5.3) is required to be issued in terms of paragraph 4.5.3, such Proceed Notice has been issued by the final date by which such Proceed Notice is required to be issued, provided that if a Proceed Notice is not required to be issued, the suspensive condition stipulated in this paragraph shall be deemed to have been fulfilled on the date upon which the management accounts in respect of the Long4Life Group for the financial reporting period ending on the Last Practicable Month-end and the required confirmation by Long4Life of the matters as described in paragraph 4.4.1, become final and binding on the Parties, in accordance with provisions that will be more fully described in the Scheme Circular;
- 4.3.1.7 as at the close of business on the date on which the last of the Scheme Conditions contemplated in paragraphs 4.3.1.1 to 4.3.1.6 is fulfilled or waived (as applicable), none of the following events shall have occurred in respect of Long4Life or any Long4Life Group Company:
- 4.3.1.7.1 it is dissolved or de-registered;
- 4.3.1.7.2 an order or declaration is made, or a resolution is passed, for the administration, custodianship, bankruptcy, liquidation, business rescue, winding-up, judicial management, receivership, supervision, trusteeship, de-registration or dissolution (and, in each case, whether provisional or final) of it, its assets or its estate or an order or declaration is made, or a resolution is passed, to authorise the commencement of any business rescue proceeding in respect of it, its assets or its estate;
- 4.3.1.7.3 it convenes any meeting to consider the passing of resolution for the administration, custodianship, bankruptcy, liquidation, business rescue, winding-up, judicial management, receivership, supervision, trusteeship, de-registration or dissolution (and, in each case, whether provisional or final) of it, its assets or its estate or to authorise the commencement of any business rescue proceeding in respect of it, its assets or its estate;
- 4.3.1.7.4 it seeks or requests the appointment of an administrator, liquidator (whether provisional or final), business rescue practitioner, conservator, receiver, trustee, judicial manager, judicial receiver, administrative receiver, compulsory manager, custodian or other similar official for it or any of its assets or estate;
- 4.3.1.7.5 it has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets;
- 4.3.1.7.6 it is unable (or admits inability) to pay its debts generally as they fall due or is (or admits to being) otherwise insolvent (but excluding for this purpose any technical insolvency) or stops, suspends or threatens to stop or suspend payment of all or a material part of its indebtedness or proposes or seeks to make or makes a general assignment or any arrangement,

compromise or composition with or for the benefit of its creditors or any class of its creditors or a moratorium is agreed or declared in respect of or any of its indebtedness;

- 4.3.1.7.7 it takes or proposes to its creditors any proceeding for, or seeks to make or makes, a general readjustment, rescheduling or deferral of its indebtedness (or any part thereof which it would otherwise be unable to pay when due);
- 4.3.1.7.8 any receiver, administrative receiver, liquidator (whether provisional or final), business rescue practitioner or the like is appointed in respect of it, its estate or any material part of its assets;
- 4.3.1.7.9 the Scheme Shares have been delisted or from the stock exchange operated by the JSE and/or the Scheme Shares have been suspended from trading on the afore-mentioned exchange;
- 4.3.1.7.10 its authority or ability to conduct its business is materially limited or wholly or substantially curtailed by any seizure, expropriation, nationalisation, compulsory acquisition or intervention by or on behalf of any governmental, regulatory or other authority or other person, it being recorded that the ongoing lockdown regulations pertaining to Covid 19 and the restrictions imposed by Government in terms of the National Disaster Management Act, 47 of 2002, shall not be regarded as any event contemplated in this paragraph. For the purposes of this paragraph 4.3.1.7.10:
 - 4.3.1.7.10.1 "EBITDA" means the consolidated trading profit of the Long4Life Group in respect of the twelve month period ended on 31 August 2021, before depreciation and amortisation on a non-IFRS 16 basis (i.e. reversing any accounting impacts of IFRS 16) and adjusted to exclude (i) once-off or non-recurring income and expenses (other than any insurance payments received by any Long4Life Group Company from SASRIA on stock losses), and, (ii) without limiting the generality of the foregoing, share based payment expenses; and
 - 4.3.1.7.10.2 "Materially" means that the applicable event or occurrence (taken together with all other such events or occurrences (if any) having occurred during the applicable period) in aggregate cause, or may reasonably be expected to cause, a negative financial impact in relation to the Long4Life Group's business or assets in an amount equal to or more than 5% of the EBITDA of the Long4Life Group;
- 4.3.1.7.11 by the authority of any governmental, regulatory or other authority or other person:
 - 4.3.1.7.11.1 the senior management of it is wholly or substantially replaced; or
 - 4.3.1.7.11.2 all or a majority of its shares is/are seized, expropriated or compulsorily acquired;

4.3.1.8 as at the close of business on the date on which the last of the Scheme Conditions contemplated in paragraphs 4.3.1.1 to 4.3.1.6 is fulfilled or waived (as applicable) none of the following events shall have occurred -

4.3.1.8.1 it is or becomes unlawful for OMPE BidCo or Long4Life to perform any of its obligations in respect of the Scheme; or

4.3.1.8.2 any obligation of OMPE BidCo or Long4Life in terms of the Scheme is not or ceases to be legal, valid, binding, enforceable or effective; or

4.3.1.9 as at 17h00 on the 3rd business day following the date on which the last of the Scheme Conditions in paragraphs 4.3.1.1 to 4.3.1.8 has been fulfilled or, where appropriate, waived, the Company has furnished OMPE Bidco with a certificate confirming that the interim conduct provisions (as shall be more fully set out in the Scheme Circular) have been fully complied with;

4.3.1.10 the issue of a compliance certificate by the Takeover Panel in relation to the Scheme in terms of section 119(4)(b) of the Companies Act.

4.3.2 The Scheme Conditions in paragraphs 4.3.1.3, 4.3.1.7 and 4.3.1.9 are for the benefit of OMPE Bidco and may be waived or relaxed by OMPE Bidco in its sole discretion by notice in writing to the Company.

4.3.3 The remainder of the Scheme Conditions cannot be waived.

4.4 Long4Life group financial metrics as at the Last Practicable Month-end

4.4.1 As at the last day of Long4Life's previous financial monthly reporting period immediately preceding the month during which the Initial Unconditional Date (as defined in paragraph 4.4.2) occurs (the "**Last Practicable Month-end**"):

4.4.1.1 the working capital of the Long4Life Group ("**Working Capital**") shall be not less than R591,000,000 (such amount termed the "**Forecast Working Capital Amount**");

4.4.1.2 the Long4Life Group shall have maintained the normalised capital expenditure level of the Long4Life Group, for the year ending 28 February 2022 ("**Capex**"), at a level not lower than R123,400,000 (such amount termed the "**Forecast Capex Amount**");

4.4.1.3 the unencumbered cash-on-hand of the Long4Life Group ("**Cash-on Hand**") shall be an amount of not less than R750,000,000 (such amount termed the "**Forecast Cash-on-Hand Amount**");

4.4.1.4 a Long4Life Group Company shall own a distribution centre, valued at an amount of not less than R70,000,000; and

4.4.1.5 the Long4Life Group shall have paid or fully provided for tax in relation to the period ending on the Last Practicable Month-end, provided that no deduction shall be made from the Forecast Cash-on-Hand Amount in relation to any tax provided for unless such tax is due and payable before the Last Practical Month-end.

4.4.2 For purposes of paragraph 4.4.1 the "Initial Unconditional Date" will be a date 25 calendar days after 2 April 2022 or 25 calendar days after the date on which the last of the Scheme Conditions contemplated in paragraphs 4.3.1.1 to 4.3.1.5 is fulfilled or waived (as applicable), whichever date is the later (the "**Initial Unconditional Date**").

4.5 Adjustments to the aggregate Scheme Consideration

4.5.1 If, as at the Last Practicable Month-end, the:

4.5.1.1 Long4Life Group has Cash-on-Hand in an amount which is less than the Forecast Cash-on-Hand Amount (such shortfall termed the "**Cash Shortfall Amount**"), the aggregate Scheme Consideration shall be reduced, on a Rand-for-Rand basis, by an amount equal to the Cash Shortfall Amount, provided that if the Cash Shortfall Amount exceeds R70,000,000, the provisions of paragraph 4.5.3 shall apply.

4.5.1.2 Working Capital of the Long4Life Group is less than the Forecast Working Capital Amount (such shortfall the "**Working Capital Shortfall Amount**"); and such Working Capital Shortfall Amount is

4.5.1.2.1 less than the amount by which Long4Life Group's Cash-on-Hand exceeds the Forecast Cash-on-Hand Amount (if there is such an excess) (such excess termed the "**Excess Cash Amount**"), then no adjustment to the aggregate Scheme Consideration shall be applied; or

4.5.1.2.2 more than the Excess Cash Amount (or there is no Excess Cash Amount), the aggregate Scheme Consideration shall be reduced, on a Rand-for-Rand basis, by an amount equal to the amount by which the Working Capital Shortfall Amount exceeds the Cash Excess Amount (such difference termed the "**Net Working Capital Shortfall Amount**"), provided that if the Net Working Capital Shortfall Amount exceeds R70,000,000, the provisions of paragraph 4.5.3 shall apply.

4.5.1.3 no Long4Life Group Company owns a distribution centre valued at R70,000,000 or more, the aggregate Scheme Consideration shall be reduced, on a Rand-for-Rand basis, by an amount equal to such shortfall. For clarity, this reduction shall, if applicable, apply in addition to any adjustments to the Scheme Consideration in terms of paragraphs 4.5.1.3, 4.5.1.2 and/or 4.5.1.4; and

4.5.1.4 Long4Life's Capex spend has not been maintained at a level equal to or exceeding the Forecast Capex Amount, the aggregate Scheme Consideration shall be reduced, on a Rand-for-Rand basis, by an amount equal to the amount by which the actual Capex spend is less than the Forecast Capex Amount (such difference termed the "**Capex Shortfall Amount**"), provided that if the Capex Shortfall Amount exceeds R70,000,000, the provisions of paragraph 4.5.3 shall apply.

4.5.2 If, as at the Last Practical Month end, there is a shortfall in the aggregate amount of the Forecast Cash on Hand Amount, the Forecast Working Capital Amount and/or the value of the distribution centre (contemplated in paragraph 4.4.1.4) (the "**Aggregate Shortfall Amount**"), the aggregate Scheme Consideration, shall be reduced on a Rand for Rand basis by an amount equal to the Aggregate Shortfall Amount, provided that if the Aggregate Shortfall Amount is an amount in excess of R70,000,000, the provisions of paragraph 4.5.3 shall apply.

4.5.3 In the event that either (i) the Cash Shortfall Amount calculated in terms of 4.5.1.1; (ii) the Net Working Capital Shortfall Amount calculated in terms of 4.5.1.2.2; (iii) Capex Shortfall Amount calculated in terms of 4.5.1.4; or (iv) Aggregate Shortfall Amount calculated in terms of 4.5.2 (in each case the "**Relevant Shortfall Amount**"), exceeds R70,000,000, Long4Life shall be entitled (but not obliged) to elect whether to proceed with the implementation of the Scheme on the basis that the aggregate Scheme Consideration, shall be reduced on a Rand for Rand basis by an amount equal to the Relevant Shortfall Amount, provided that should Long4Life elect not to proceed with Scheme due to the Relevant Shortfall Amount exceeding R70,000,000, OMPE shall be entitled but not obliged to elect to continue implementing the Scheme on the basis that the Relevant Shortfall Amount will be capped to R70,000,000 (any proceed notice to be issued by either Long4Life or OMPE as contemplated in this 4.5.3 hereinafter referred to as the "**Proceed Notice**"). The Long4Life Board has resolved not to issue a Proceed Notice in the event that the Relevant Shortfall Amount exceeds R70,000,000. Accordingly, the Scheme Consideration will not be less than R6.10 per Share based on the maximum number of shares set out in paragraph 4.1.3 and an assumption of maximum adjustment.

5. MATERIAL PROVISIONS OF THE FIRM INTENTION LETTER

5.1 Interim conduct undertakings

In terms of the Firm Intention Letter, Long4Life has provided certain interim period undertakings to OMPE that are appropriate for a transaction of the nature of the Transaction. These will be included in the Circular.

5.2 Non-solicitation and exclusivity provisions

In terms of the Firm Intention Letter, Long4Life has provided certain non-solicitation and exclusivity undertakings to OMPE that the parties consider appropriate in the circumstances.

5.3 Undertaking to ring-fence Closing Cash Amount

Following the determination of the actual Working Capital, Capex and Cash-on-Hand of the Long4Life Group as at the Last Practicable Month-end as contemplated in 4.5, Long4Life shall procure that Cash-on-Hand in an amount equal to the lesser of (i) the actual Cash-on-Hand; or (ii) the Forecast Cash-on-Hand Amount (such amount the "**Closing Cash Amount**") is placed in a dedicated, ring-fenced bank account pending the implementation of the Scheme on the Scheme Operative Date and that such deposited cash shall, in its entirety, remain held in such ring-fenced account until the Scheme Operative Date or the date on which the Scheme lapses (as applicable), provided that Long4Life shall not be obliged to place the Closing Cash Amount in a dedicated, ring fenced bank account as stipulated in this paragraph if it is unlawful to do so.

6. CONCERT PARTY ARRANGEMENTS

OMPE confirms that it is the ultimate purchaser of the Scheme Shares pursuant to the Scheme, via OMPE BidCo, and is not acting in concert with any other party in relation to the Scheme.

7. INDEPENDENT BOARD, INDEPENDENT EXPERT AND FAIR AND REASONABLE OPINION

The Long4Life board of directors has, in accordance with Companies Regulation 108(8), constituted an independent board comprising Graham Dempster, Lionel Jacobs, Tasneem Abdool Samad and Keneilwe Moloko (the “**Independent Board**”) to consider and engage with OMPE Bidco in relation to the Scheme.

The Independent Board has appointed PSG Capital as the independent expert (“**Independent Expert**”) to provide it with external advice in relation to the Scheme, in the form of a fair and reasonable opinion as required by and in compliance with the Companies Act and the Takeover Regulations (“**Independent Expert Report**”).

A draft of the Independent Expert Report (“**Draft Independent Expert Report**”) has been delivered to the Independent Board. In terms of the Draft Independent Expert Report the Independent Expert has, on a preliminary basis, indicated that the terms of the Scheme, including the Scheme Consideration, are fair and reasonable to Shareholders.

The Independent Board has, taking into account, *inter alia*, the Draft Independent Expert Report and on a preliminary basis, concluded that the terms of the Scheme, including the Scheme Consideration, are fair and reasonable to Shareholders and as a result, intends to recommend that Shareholders vote in favour of the Scheme.

The final Independent Expert Report and final views and recommendations of the Independent Board will be included in the Scheme Circular referred to in paragraph 10 below.

8. UNDERTAKINGS AND SHAREHOLDER SUPPORT

- 8.1 Pursuant to a TRP dispensation granted to it, OMPE Bidco has canvassed a significant number of institutional Shareholders with a view to gauging their support for the Transaction. OMPE has been encouraged by these engagements and has, as result, agreed with Long4Life to proceed with the Transaction on the terms set out in this announcement.
- 8.2 As at the date of this announcement, the following Shareholders have provided written undertakings (either as irrevocable undertakings or letters of support) to vote either as a principal or on behalf of clients, or procure or advise that their clients vote, in favour of the Scheme and resolutions to be proposed to implement the Scheme:

Shareholder	Number of Long4Life shares	Percentage of Long4Life Shares ¹
Mr Brian Joffe	2,200,000	0.33%
JDL Holdings Proprietary Limited ²	29,345,584	4.35%
Management ³	46,126,919	6.84%
Visio Fund Management (Pty) Ltd	17,471,169	2.59%
Total	95,143,672	14.11%

¹ Percentage calculated with reference to 674 768 864 Long4Life Shares (being all Shares in the issued share capital of Long4Life other than Treasury Shares).

² An investment vehicle in which Mr Brian Joffe is an indirect beneficiary.

³ Shareholders that comprise management of Long4Life and its underlying businesses.

9. CASH CONFIRMATION

In accordance with Regulation 111(4) and 111(5) of the Takeover Regulations, OMPE Bidco has delivered to the TRP an irrevocable unconditional guarantee from FirstRand Bank Limited, acting through its Rand Merchant Bank division, in respect of the aggregate Cash Consideration payable in terms of the Scheme.

10. DOCUMENTATION

Long4Life and OMPE Bidco will jointly issue a circular to Shareholders, containing full terms and conditions of the Scheme and containing a notice to convene a general meeting of Shareholders to consider and, if appropriate, approve the Scheme. The circular will further include the Independent Expert Report, the opinion and recommendation of the Independent Board and the pertinent dates relating to the Scheme and necessary forms to give effect to the Scheme ("**Scheme Circular**").

The Scheme Circular is expected to be distributed to Long4Life shareholders within 20 business days after the date of this announcement or such longer period as may be allowed by the TRP.

11. DELISTING

Pursuant to the implementation of the Scheme, the listing of all the Long4Life Shares on the Main Board of the JSE will be terminated.

12. WITHDRAWAL OF THE CAUTIONARY ANNOUNCEMENT

Pursuant to the release of this announcement, Shareholders are advised that caution is no longer required to be exercised when dealing in Shares.

13. RESPONSIBILITY STATEMENTS

Long4Life

The Independent Board and board of Long4Life, individually and collectively, accept responsibility for the information contained in this announcement and, to the best of their knowledge and belief, that the information contained in this announcement is true and that this announcement does not omit anything likely to affect the importance of the information included.

OMPE BidCo

The board of OMPE Bidco, individually and collectively, accepts responsibility for the information contained in this announcement and, to the best of their knowledge and belief, that the information contained in this announcement is true and that this announcement does not omit anything likely to affect the importance of the information included.

Johannesburg
20 December 2021

Financial adviser and Transaction sponsor to Long4Life
Investec Bank Limited

Legal adviser to Long4Life
Werksmans Attorneys

Financial adviser to OMPE and OMPE Bidco and sole funder to OMPE Bidco
Rand Merchant Bank (a division of FirstRand Bank Limited)

Legal adviser to OMPE and OMPE Bidco
Cliffe Dekker Hofmeyr Inc.

Independent Expert
PSG Capital