



Building Community Wealth

Mahube Infrastructure Limited
(Formerly GAIA Infrastructure Capital Limited)
(Incorporated in the Republic of South Africa)
(Registration number: 2015/115237/06)
ISIN: ZAE000290763 JSE code: MHB ("Mahube" or the "Company")

2021

SUMMARY OF THE INTEGRATED ANNUAL REPORT

for the year ended 28 February 2021

Notice of Annual General Meeting and Form of Proxy

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Mahube's shareholders are advised that this report contains the condensed Financial Statements which have been extracted from the audited Annual Financial Statements for the year ended 28 February 2021. The audited Annual Financial Statements have been prepared internally by the Financial Director, Mrs P Lewis CA(SA), and approved by the Board.

A full printed copy of Mahube's Audited Annual Financial Statements for the year ended 28 February 2021, may be requested and obtained in person, at no charge, at the business office of Mahube, 3rd Floor, Penthouse 5, 4 The High Street, Melrose Arch, 2196, during office hours or is available on Mahube's website at www.mahube.africa.



CONDENSED STATEMENT OF FINANCIAL POSITION

as at 28 February 2021

| | Notes | 28 February 2021 R | 29 February 2020 R |
|-------------------------------------|-------|--------------------------|--------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | | 204 406 | 276 605 |
| Lease: Right-of-use assets | | 986 846 | 1 550 758 |
| Financial assets | | 545 089 756 | 556 789 636 |
| Deferred tax | | 114 001 | 89 040 |
| | | 546 395 009 | 558 706 039 |
| Current assets | | | |
| Trade and other receivables | | 35 521 805 | 7 340 063 |
| Tax receivable | | – | 59 480 |
| Cash and cash equivalents | | 6 340 772 | 29 196 275 |
| | | 41 862 577 | 36 595 818 |
| Total assets | | 588 257 586 | 595 301 857 |
| Equity and liabilities | | | |
| Equity | | | |
| Stated capital | 3 | 545 851 762 | 545 851 762 |
| Retained income | | 40 135 886 | 46 360 183 |
| | | 585 987 648 | 592 211 945 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Lease liabilities | | 561 081 | 1 194 227 |
| Current liabilities | | | |
| Trade and other payables | | 953 441 | 1 383 620 |
| Tax payable | | 122 270 | – |
| Lease liabilities | | 633 146 | 512 065 |
| | | 1 708 857 | 1 895 685 |
| Total liabilities | | 2 269 938 | 3 089 912 |
| Total equity and liabilities | | 588 257 586 | 595 301 857 |

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 28 February 2021

| | | 28 February 2021 R | 29 February 2020 R |
|---|-------|--------------------------|--------------------------|
| | Notes | | |
| Interest income | | 1 492 163 | 1 853 832 |
| Dividends received | | 54 923 679 | 25 072 710 |
| Net (loss)/gain from financial assets at fair value through profit or loss | | (11 759 129) | 36 239 020 |
| Other income | | 6 384 | – |
| Total revenue | | 44 663 097 | 63 165 562 |
| Other operating expenses | | (14 344 289) | (23 226 152) |
| ManCo termination fee | | (18 000 000) | – |
| Finance costs | | (188 581) | (246 634) |
| Taxation | | (154 692) | (183 118) |
| Profit for the year | | 11 975 535 | 39 509 659 |
| Basic and diluted earnings per share (cents) | 4 | 21.71 | 71.64 |

CONDENSED STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2021

| | Stated capital R'000 | Retained income R'000 | Total equity R'000 |
|--|----------------------------|-----------------------------|--------------------------|
| Balance at 1 March 2019 | 545 581 762 | 28 800 623 | 574 652 385 |
| Profit for the year | – | 39 509 660 | 39 509 660 |
| Dividends paid | – | (21 950 100) | (21 950 100) |
| Opening balance at 1 March 2020 | 545 581 762 | 46 360 183 | 592 211 945 |
| Profit for the year | – | 11 975 535 | 11 975 535 |
| Dividends paid | – | (18 199 830) | (18 199 830) |
| Balance at 28 February 2021 | 545 581 762 | 40 135 886 | 585 987 648 |

CONDENSED STATEMENT OF CASH FLOWS

for the year ended 28 February 2021

| | 28 February 2021 R | 29 February 2020 R |
|---|--------------------------|--------------------------|
| Cash flows (utilised in)/from operating activities | | |
| Cash (utilised in)/generated from operations | (4 584 718) | 43 624 658 |
| Finance costs | (188 581) | (246 634) |
| Tax paid | 2 098 | (243 226) |
| Dividends paid | (18 199 830) | (21 950 100) |
| Net cash (used in)/from operating activities | (22 971 031) | 21 184 698 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (44 999) | (24 860) |
| Receipts from loan to Noblesfontein Educational Trust | 672 592 | 284 834 |
| Net cash generated/(used) in investing activities | 627 593 | 259 974 |
| Cash flows (used) in financing activities | | |
| Payment on lease liabilities | (512 065) | (408 378) |
| Net cash (used) in financing activities | (512 065) | (408 378) |
| Total cash movement for the year | (22 855 503) | 21 036 294 |
| Cash at the beginning of the year | 29 196 275 | 8 159 981 |
| Total cash at the end of the year | 6 340 772 | 29 196 275 |

NOTES TO THE CONDENSED FINANCIAL RESULTS

for the year ended 28 February 2021

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

1.1 Statement of compliance

The audited Annual Financial Statements from which the condensed Financial Statements were extracted have been prepared on the going concern basis in accordance with, and audited in compliance with, International Financial Reporting Standards ("IFRS") and International Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these Annual Financial Statements and the Companies Act 71 of 2008 of South Africa, as amended.

The Annual Financial Statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

1.2 Basis of preparation

The Annual Financial Statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rand, which is the Company's functional and presentation currency.

Reviewed provisional financial results have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and interpretations of IFRS, as issued by the International Accounting Standard Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by Financial Reporting Standards Council, the JSE Limited Listings Requirements, and the requirements of the South African Companies Act, 71 of 2008, and the minimum presentation and disclosure requirements of IAS 34: *Interim Financial Reporting*.

The provisional financial results have been prepared on the historic cost basis except that financial assets and liabilities at fair value through profit and loss are stated at their fair value. The results are presented in Rand, which is the Company's functional and presentation currency.

These accounting policies are consistent with the previous period.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of Annual Financial Statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

NOTES TO THE CONDENSED FINANCIAL RESULTS (CONTINUED)

for the year ended 28 February 2021

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

1.3 Significant judgements and sources of estimation uncertainty (CONTINUED)

Management have made significant judgements and estimations in applying accounting policies for the following:

- ▶ Fair value measurement;
- ▶ Segment reporting by applying a single reporting segment approach; and
- ▶ Investment entity exemption.

Key sources of estimation uncertainty

1.3.1 Fair value measurement

The Company makes assumptions regarding the determination of the fair value of the financial instruments. This is the major source of estimation uncertainty at the end of the reporting period. Information regarding the significant unobservable inputs into the valuation is disclosed in note 4.

The basis of valuation of the Company's investments is fair value through profit or loss ("FVTPL"). Fair value is determined at the end of each reporting period, in accordance with the valuation policy outlined below.

Basis of valuation and approach

The fair value approach of the investments under management is determined as at the measurement date in accordance with the principles of IFRS 13: *Fair Value Measurement*. Fair value is defined as the price that would be received for an asset in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that a hypothetical transaction to sell an asset takes place in the principal market or in the absence, the most advantageous market for the asset.

The primary valuation methodology for the underlying investments under management held through Mahube Capital Fund is the discounted cash flow ("DCF"). Management uses judgement to select the most appropriate valuation method. The DCF method is used to derive the fair value, being the discounting of the expected dividend income from the investments, of an asset using reasonable assumptions on the estimations of expected future post-tax cash flows (dividend income) over the term of the power purchase agreements, i.e. free cash flows to the Company. These cash flows are discounted to the present value by applying the appropriate discount rate that captures the risk inherent to the investment. The Company uses sum of the parts valuation method to measure the fair value of Mahube Capital Fund.

Significant judgement

1.3.2 Segment reporting

Mahube is an investment entity holding most of its investments in operational infrastructure assets on which its revenue is earned. All the investee entities are independent power producers established as part of the South African Renewable Energy Independent Power Producer Procurement Programme ("REIPPPP") with 20-year power purchase agreements ("PPA") with Eskom Holdings SOC Limited ("Eskom"). The PPAs are guaranteed by the South African National Treasury and the expected return is the same for the investment portfolio. Based on this, any operating segment that would be identifiable based on how Mahube is structured and the nature of its asset were aggregated into a single operating segment because the economic characteristics of these investments are similar, and all have the same geographical location. IFRS 8.12 permits aggregation of segments on this basis. The chief operating decision maker makes decision and assesses Mahube's performance based on the investment portfolio entirely. On this basis Mahube considers itself as a single operating segment, and therefore no entity specific disclosure related to segment reporting were provided.

1.3.3 Investment entity exemption

Management applied our judgement in terms of IFRS 10 and came to the conclusion that Mahube does meet the IFRS 10 requirements of an investment entity. Management have reached this conclusion on the basis that Mahube Capital Fund:

- ▶ has the purpose of providing investment management services to its investors being Mahube and RMB Investment and Advisory (Pty) Ltd;
- ▶ has committed to invest funds solely for the purpose of generating returns from capital appreciation, investment income, or both; and
- ▶ it evaluates performance of its investments primarily on a fair value basis.

Mahube is an investment entity listed on the JSE that:

- ▶ commits to its investors that its business purpose is to invest in operational infrastructure assets in Southern Africa for returns from investment income;
- ▶ obtains funds from various equity investors to provide them with investment management services; and
- ▶ measures and evaluates the performance of substantially all its investments on a fair value basis.

Mahube meets the definition of an investment entity as per IFRS 10 based on the following:

- ▶ The Company has obtained funds from various investors for the purpose of providing them with an operational and appropriately derisked secondary investment opportunity for investment income.
- ▶ The Company's business purpose, which was communicated directly to investors, is investing in infrastructure assets that are operational or near operation, offer low risk with inflationary linked investment returns.
- ▶ The performance of the subsidiary's investments are measured and evaluated on a fair value basis.

NOTES TO THE CONDENSED FINANCIAL RESULTS (CONTINUED)

for the year ended 28 February 2021

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

1.3 Significant judgements and sources of estimation uncertainty (CONTINUED)

1.3.3 Investment entity exemption (continued)

Mahube Capital Fund also meets the definition of an investment entity as:

- ▶ Mahube Capital Fund has obtained funds for the purpose of providing investors (Mahube as ordinary shareholder and RMB Investment and Advisory (Pty) Ltd as preference shareholder) with an operational and appropriately derisked secondary investment opportunity.
- ▶ Mahube Capital Fund's business purpose, which was communicated directly to investors, is investing in infrastructure assets that are operational or near operation, offer low risk with inflationary linked investment returns.
- ▶ The performance of Mahube Capital Fund's investments are measured and evaluated on a fair value basis.

The investments are not held indefinitely as the intention is to hold the investments until the end of the power purchase or concession agreements of the underlying project companies. If not exited earlier Mahube will hold the investments until the end of the power purchase or concession agreements, post which the equity interests will be liquidated or sold in the secondary market.

The exit strategy with respect to the equity interest in Mahube Capital Fund is to liquidate the entity when all its underlying investments have ceased to generate cash inflows which is linked to the period when the last underlying Power Purchase Agreement is due to expire, currently being 2035; or unbundle the underlying interests to shareholders through a distribution in specie. Management's intention is to set up any future infrastructure projects in a new structure and not to utilise the existing Mahube Capital Fund.

In light of the above, in terms of IFRS 10.31 Mahube is in compliance with IFRS 10 in terms of meeting the requirement for an investment entity exemption and therefore measure its investments at fair value.

An investment entity which acquires an interest in a subsidiary shall be exempt from consolidation or equity accounting in terms of amendments to IFRS 10 and IAS 28 and shall measure an investment in a subsidiary at fair value through profit or loss.

2. PREPARATION

The audited Annual Financial Statements from which the condensed Financial Statements have been extracted have been prepared by the Financial Director, P Lewis CA(SA), and approved by the Board.

The audited Annual Financial Statements were audited by the Company's external auditor, BDO South Africa Incorporated. A copy of their unmodified audit opinion is available from the Company's registered office and can be sent by email, upon request. Any reference to future financial performance included in this announcement, has not been reviewed or reported on by the external auditor. The auditor's report does not necessarily report on all the information contained in this report. Shareholders are therefore advised that in order to get a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information from the Company's registered office.

3. STATED CAPITAL

Authorised

6 000 000 000 ordinary no par value shares.

| | 2021 R | 2020 R |
|---|-------------|-------------|
| Issued and fully paid | | |
| 55 151 000 no par value shares, net of share issue cost | 545 851 762 | 545 851 762 |

4. EARNINGS PER SHARE

In the year under review, earnings per share decreased by 69.7% to 21.71 cents per share compared to 71.64 cents per share in the corresponding period.

Basic earnings per share is determined by dividing profit or loss attributable to the ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. Profit or loss attributable to the ordinary equity holders is determined as profit or loss after adjusting for the tax effect.

Basic earnings per share

| | 12 months ended 28 February 2021 | 12 months ended 29 February 2020 |
|--|---|---|
| Basic earnings per share from continued operations (cents) | 21.71 | 71.64 |

Basic earnings per share was based on earnings of R11 975 536 (2020: R39 509 660) and weighted average number of ordinary shares of 55 151 000 (2020: 55 151 000).

Headline earnings per share is calculated using SAICA Circular 01/2019. The calculation of headline earnings per ordinary share is based on the weighted average of 55 151 000 (2019: 55 151 000) ordinary shares in issue during the year, and headline earnings calculated as follows:

Headline earnings per share and diluted headline earnings per share are determined by dividing headline earnings and diluted headline earnings by the weighted average number of ordinary shares outstanding during a period.

Headline earnings and diluted headline earnings are determined by adjusting basic earnings and diluted earnings by excluding separately identifiable remeasurement items. Headline earnings and diluted headline earnings are presented after tax and non-controlling interest.

There were no potential dilutive shares in issue, or headline adjustments required, therefore diluted earnings per share, headline earnings per share, and diluted headline earnings per share were in line with basic earnings per share.

5. DIVIDEND DECLARATION

On 26 May 2021, the Board declared a final gross dividend of 32.00 cents (25.60 cents net of dividend withholding tax) per share for the period ended 28 February 2021. The dividend has been declared from the Company's income reserves. The dividend will be paid on 26 July 2021.

NOTES TO THE CONDENSED FINANCIAL RESULTS (CONTINUED)

for the year ended 28 February 2021

5. DIVIDEND DECLARATION (CONTINUED)

The Company paid its interim cash dividend of 18.00 cents per share for the six months ended 31 August 2020 on 28 December 2020. The final gross cash dividend of 32.00 cents per share brings the total dividend for the 2021 financial year to 50.00 cents per share.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'P Lewis', is positioned above the printed name and title.

P Lewis

Financial Director

30 June 2021

Johannesburg

BOARD OF DIRECTORS

EXECUTIVE MANAGEMENT

Gontse Samuel Moseneke (40)

Chief Executive Officer

BSc (Statistics and Actuarial Science), MSc (Actuarial Management)

Appointed: 1 July 2020

Skills brought to Mahube: Financial management, corporate governance, Board experience, business development, strategic leadership and corporate management.

Petro Lewis (39)

Financial Director

CA(SA), BCom (Honours)

Appointed: 1 July 2020

Skills brought to Mahube: Financial management, governance, financial reporting, Board and committee experience.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Khalipha Edward Mbalo (58)

Independent Non-Executive Chairman

Television Engineering Certificate – NHK Institute: Japan

Appointed: 1 October 2015

Skills brought to Mahube: Advisory, strategic leadership, governance, entrepreneurial, management, Board and committee experience.

Karén Breytenbach (63)

Independent Non-Executive

Master of Business Leadership, BCompt

Appointed: 2 March 2020

Skills brought to Mahube: Project management, corporate advisory, strategic leadership, business development, infrastructure public private partnerships conceptualisation and design.

Sisanda Tuku (42)

Independent Non-Executive

CA(SA), BCom (Honours)

Appointed: 21 November 2016

Skills brought to Mahube: Operational, corporate advisory, business development, accounting and capital raising.

Thembani Bukula (57)

Independent Non-Executive

BSc (Eng); Post Graduate Diploma (Eng Bus Management); MSc (Math, Science and Technology Education)

Appointed: 1 June 2017

Skills brought to Mahube: Engineering, strategic leadership, management, Board and committee experience.

REMUNERATION COMMITTEE REPORT

The objective of this report of the Remuneration Committee (the “Committee”) is to provide an overview and understanding of Mahube's remuneration philosophy and to report on the remuneration paid to Executive Directors and the Non-Executive Directors.

COMPOSITION AND MEETING ATTENDANCE

During the period under review the Committee comprised the following members:

- ▶ Independent Non-Executive Director Thembani Bukula (Chairperson);
- ▶ Independent Non-Executive Director Sisanda Tuku; and
- ▶ Independent Non-Executive Director Eddie Mbalo.

The Board is satisfied that the members of the Committee have the necessary skills and experience to enable the Committee to fulfil its duties. An overview of the Directors' qualifications and experience appear in the Integrated Annual Report.

In line with the recommended practices of King IV™, the Chairperson of the Board of Directors is a member of the Committee, but not its chairperson. The CEO and the FD attend the meetings of the Committee as standing invitees but recuse themselves from the meeting before decision-making pertaining to their remuneration and/or bonuses.

The number of meetings and attendance per committee member, during the period under review, is shown in the corporate governance section of the Integrated Annual Report.

ROLE AND RESPONSIBILITIES

The Committee is responsible for overseeing the governance of remuneration matters. It is specifically responsible for ensuring that the Company remunerates its Executive Directors fairly and responsibly, and that the remuneration policies in place serve the Company's long-term interests. In discharging its responsibility, the Committee reviews the remuneration policy and its implementation on an annual basis. The remuneration policy and implementation report are outlined in the remuneration report, in the Integrated Annual Report.

The Committee operates under terms of reference that are aligned with the recommendations of King IV™ and are reviewed on a regular basis. In addition to the above, the Committee's duties and responsibilities include:

- ▶ ensuring, in consultation with the Nomination Committee, that formal succession plans for the Board of Directors, the CEO and the FD are in place;
- ▶ reviewing other remuneration-related matters, as the Board of Directors direct from time to time;
- ▶ ensuring that the Directors and executives are fairly and responsibly remunerated and that the disclosure in respect thereof is accurate and transparent. The Committee does this by overseeing the implementation of remuneration policies in relation to the Executive Directors and the Non-Executive Directors, reviewing the outcomes of the implementation of these policies and evaluating whether they promote the achievement of the Company's strategic objectives and encourage high individual performance. Where circumstances necessitate, the Committee recommends appropriate improvements to the Board of Directors;
- ▶ considering the results of the CEO and the FD evaluations in determination of bonus awards.

ACTIVITIES DURING THE YEAR

The Committee met three times during the year and focused on:

- ▶ overseeing executive management's engagement with shareholders regarding the Company's remuneration policy and implementation report;
- ▶ reviewing the Committee's terms of reference;
- ▶ assessing the outcome of the Committee's self-evaluation;
- ▶ overseeing the development of a staff incentive scheme, which is earmarked to be a key instrument in the Company's revised strategic direction;
- ▶ considering the human capital requirements of the Company;
- ▶ assessment of the proposed revisions to fees payable to the Non-Executive Directors prior to recommending to the Board of Directors and then to shareholders for approval.

In its assessment of the proposed revisions to the remuneration to be payable to Non-Executive Directors, the Committee considered the proposed new fee structure against a benchmark of the Company's peers. The proposed increments are reasonable when compared to the remuneration paid by peer companies to their Non-Executive Directors.

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

PLANNED FOCUS AREAS FOR FY2022

Future focus areas include the finalisation and implementation of the Short-Term Incentive Scheme and the Long-Term Incentive Scheme, with the objective to help the Company to attract and retain experienced and skilled personnel. This will also help the Company to adopt and implement a sound succession plan.

The Committee has considered the impact of the King IV™ Report on the remuneration policy as well as the amended JSE Listings Requirements and present this report in three parts:

Part 1: the background statement, the remuneration philosophy and the context of the decisions and considerations taken during the reporting year which influenced the remuneration outcomes.

Part 2: Mahube's remuneration policy.

Part 3: the disclosure on the implementation of the remuneration policy during the year.

PART 1: BACKGROUND STATEMENT

Remuneration philosophy

The Board has delegated to the Committee to review the Company's remuneration policy. The remuneration policy has been formulated with Mahube's key objectives in mind. For the Company to be able to achieve these objectives, it requires experienced and skilled personnel that the Company can hire, retain and motivate them to work diligently to deliver on achieving these objectives. This requires the Committee to ensure that all of Mahube's remuneration and reward offerings are commercially sound, market competitive and at all times adhere to all legal and regulatory prescripts. The Committee assists the Board of Directors by applying a remuneration strategy that ensures a balance in attracting, motivating, rewarding, and retaining key personnel through competitive remuneration practices, while creating shareholder value. In determining remuneration, the Committee takes into account the financial performance of the Company, operational requirements and future plans of the Company, as well as the interests of the shareholders. The Committee formulated a remuneration policy designed to give effect to the remuneration strategy and to support Mahube's business and strategic objectives.

REMUNERATION COMMITTEE REPORT (CONTINUED)

PART 1: BACKGROUND STATEMENT (CONTINUED)

Remuneration philosophy (CONTINUED)

Voting results and shareholder engagement

At the Company's 2020 AGM (the "2020 AGM"), the Company's remuneration report was presented and voted on in sections, namely:

Remuneration policy – supported by 59.89% (2019: 12.96%) of the Company's shareholders who voted.

Remuneration implementation report – supported by 59.89% (2019: 13.07%) of the Company's shareholders who voted.

The dissenting votes on both resolutions exceeded 25%. Even though the resolutions were advisory and do not have binding legal implications on the Company, the Board of Directors fittingly tasked the management to engage the dissenting shareholders post the 2020 AGM in order to understand the reasons for their lack of support on the two resolutions. The outcome of these engagements resulted in several refinements to the remuneration policy, including but not limited to:

| Shareholder feedback | Mahube's action taken or response to feedback |
|--|---|
| Development and implementation of short-term incentives and long-term incentives, in order to attract and retain a skilled winning team. | The Company developed a long-term Incentive Scheme and a short-term Incentive Scheme for consideration and subsequent implementation. |
| Targets for the current executives were yet to be set. | Targets for all current executives were set. |
| The current policy was CEO-specific and should be amended to address and include all executives. | The policy was amended to be applicable to all the executives. |
| The Key Performance Areas and Key Performance Indicators with the weighting needs to be allocated to the respective executives while being expanded appropriately, to cover the remaining period of the current financial year and FY2021. | Key performance areas and indicators together with weightings were developed and implemented for all executives. |
| The table in the Remuneration Policy was to be updated to address the CEO and FD roles and responsibilities. | The remuneration policy was updated to cater for the CEO and the FD roles and responsibilities. |
| Inclusion of a rewards claw-back incentive. | A rewards claw-back incentive was included in the incentive scheme. |

The remuneration policy and the remuneration implementation report will again be tabled separately for non-binding advisory votes by shareholders at the Company's forthcoming AGM. The Board of Directors commits to take measures in the event that either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the voting rights exercised, which measures will provide for taking steps in good faith and with best reasonable effort to:

- ▶ engage the dissenting shareholders in order to ascertain the reasons for their lack of support; and
- ▶ seek appropriate and lawful means to address legitimate and reasonable objections and concerns raised, which may include amending the remuneration policy, or clarifying and adjusting remuneration governance and/or processes.

PART 2: REMUNERATION POLICY

Overview of the remuneration policy

A copy of the full remuneration policy is available on request from the Company Secretary and for inspection at the Company's registered offices or available on the Company's website (www.mahube.africa).

Fundamental principles

The Committee focuses on ensuring that the Company's remuneration policy and framework is appropriate and relevant based on key principles including:

- ▶ to align to the Company's business strategy;
- ▶ to support the human capital strategy of the business of the Company;
- ▶ to appropriately remunerate employees for the services they render to the Company;
- ▶ to encourage and promote a high-performance culture;
- ▶ to remain flexible and adaptable to business requirements in a dynamic market environment;
- ▶ to meet and comply with applicable legislative requirements and best practice;
- ▶ to manage risk and adhere to corporate governance prescripts; and
- ▶ to achieve a fair, transparent, equitable and responsible remuneration framework.

Remuneration practices

Mahube's remuneration practices include the following procedures:

- ▶ benchmark remuneration packages against the market;
- ▶ provide an appropriate level of transparency;
- ▶ annually conduct performance assessments for all the Executive Directors and the Non-Executives;
- ▶ the annual adjustment will be guided by, amongst some factors, the general price inflation, the Company's retention strategies, the financial performance of the Company relative to its peers, projected growth, and industry average increase surveys, which are taken into consideration when assessing recommended increases; and
- ▶ the Committee is afforded the requisite independence on matters of remuneration governance.

Executive Directors

Executive Directors are full-time employees of the Company and, as such, each has an employment agreement that is subject to, amongst others, the Company's standard conditions of service, with a notice period that does not exceed three months. Unless otherwise stated in the contract of employment, there are no fixed terms of employment.

The objective of the Company's remuneration policy is to attract and retain, amongst others, high-calibre executives, as well as to motivate and reward them for developing and implementing the Company's strategy to deliver consistent and sustainable shareholder value, while promoting an ethical culture and corporate citizenship. During the period under review, the remuneration for the CEO and the FD consisted of only the base salary.

A 20% exgratia payment/annual acting allowance was extended to the previous CEO by the Board of Directors, on the recommendation of the Committee, for fulfilling the dual roles and function of CEO and FD and was paid up to her resignation with effect from 26 June 2020.

Short-term incentives and Long-term incentives

There were no short-term incentives nor long-term incentives paid for the period under review. We aim to request shareholders to approve a staff incentive scheme at the upcoming AGM.

REMUNERATION COMMITTEE REPORT (CONTINUED)

PART 2: REMUNERATION POLICY (CONTINUED)

Overview of the remuneration policy (CONTINUED)

Elements of remuneration

The Company has adopted an integrated approach to rewarding its employees based on the following principles:

- ▶ Total Guaranteed Package, being guaranteed base salary;
- ▶ Incentive-based rewards, being incentives earned through the achievement of financial and non-financial performance targets;
- ▶ Short-term incentives, being cash bonuses quantified with reference to a percentage of annualised total guaranteed pay, and subject to achievement of positive profitability by the Company;
- ▶ Long-term incentives, being equity value-based awards that are used to align the long-term interests of the recipients with those of the Company and of its shareholders, and which are responsibly implemented so as not to expose shareholders to unreasonable or unexpected financial impact. During the period under review the Company did not have any long-term incentive plans in place. In addition the Company does not have any post-retirement obligations;
- ▶ Executive Directors do not receive Directors' fees for attending meetings of the Board of Directors nor meetings of the committees of the Board.

Details of Executive Directors' remuneration for the year under review are provided in the implementation report below.

The table below provides a detailed breakdown of the elements of employee remuneration for the Company:

| Remuneration element | Component | Component description and intent | Delivery mechanism |
|---------------------------|-------------|---|--------------------|
| Fixed remuneration | Base salary | The employee receives a fixed amount of remuneration, which is benchmarked against the median remuneration amount paid by other South African companies of comparable size, scope, and business complexity. The base salary amount reflects the nature of the role, and the employee's skill and experience. | TGP |
| | Benefits | When the Company elects to put these in place, the benefits may include retirement provision, health, and other life insurance protection (including protection against dread diseases, death, and disability), all to be included in the TGP on a total cost to company approach. | TGP |

| Remuneration element | Component | Component description and intent | Delivery mechanism |
|------------------------------|-------------------------------|--|--|
| Variable remuneration | Short-term incentives ("STI") | These are cash bonuses intended to align the interests of all employees (including the Executives) with profitable trading by the Company. The quantification of the actual bonus amount payable to an employee seeks to encourage a high-performance culture by rewarding individual outperformance against key performance indicators (both financial and non-financial) that would have been pre-agreed for the period under review. | Staff Incentive Scheme – Bonus Pool |
| | Long-term incentives ("LTI") | LTI enables employees (including the Executive) to participate in the wealth that they create in the Company progressively over the long term, and to so participate equitably in comparison to the shareholders. It is a mechanism to promote a long-term commitment to the Company by employees. A high-performance culture is similarly encouraged by rewarding individual outperformance against the financial and non-financial performance indicators that would have been pre-agreed for the period under review. | Staff Incentive Scheme – Equity-linked Units + Share Subscription Plan |

Non-Executive Directors

Terms of service

The Board, through the Nomination Committee, proposes the election and re-election of Non-Executive Directors to shareholders. No Director is appointed for an indefinite period and accordingly, in terms of the provisions of the Company's memorandum of incorporation, one-third of the Non-Executive Directors retire by rotation each year at the Company's AGM. At the upcoming AGM, Sisanda Tuku retires by rotation and being eligible will be standing for re-election.

Basis of remuneration

In terms of the Companies Act, fees for Non-Executive Directors for their services as Directors must be put to shareholders for approval by special resolution. At the AGM held on 16 October 2020, the resolution relating to Non-Executive Directors' remuneration was presented to shareholders and approved by 97.51% of shareholders present and voting.

The following pertains to Non-executive Directors' fees:

- ▶ Non-Executive Directors' fees will be tabled for shareholder approval on an annual basis at the Company's AGM;
- ▶ Board retainer fees, as well as fees for attendance of Board and Committee meetings are paid quarterly and in arrears;
- ▶ Non-Executive Directors are remunerated per meeting attended, in accordance with the attendance fees for scheduled meetings as approved by shareholders at the AGM;

REMUNERATION COMMITTEE REPORT (CONTINUED)

PART 2: REMUNERATION POLICY (CONTINUED)

Overview of the remuneration policy (CONTINUED)

Non-Executive Directors (continued)

Basis of remuneration (continued)

- ▶ Attendance of ad hoc or special purpose committee meetings as appointed by the Board shall be rewarded on the basis applicable to an existing committee, whose purpose must closely relate to that of the particular purpose or ad hoc committee;
- ▶ Fees for special assignment of one or more tasked members of the Board or of any Committee, which may also include travel locally and abroad, are to be agreed upfront with the Chairperson of the Board;
- ▶ Travel, fares and reasonable subsistence shall be in line with the Company's relevant policies; and
- ▶ Non-Executive Directors and members of the Committee complete detailed self-evaluations, which are collated and tabled at the Board.

PART 3: IMPLEMENTATION REPORT

Executive Director remuneration

The Company has followed the King IV recommendation and disclosed the single figure remuneration for the Executive Directors' remuneration for FY2021. The total remuneration outcomes are reflected in the Annual Financial Statements, comprising salary and benefits for FY2021.

Non-Executive Director remuneration

There are no short-term incentives, long-term incentives nor pension benefits applicable to Non-Executive Directors.

Fees for FY2021

The actual fees paid to the Company's Non-Executive Directors during the period under review were as follows:

| | FY2021 R |
|--|------------------|
| Independent Non-Executive Directors | |
| E Mbalo | 408 043 |
| T Bukula | 320 048 |
| K Breytenbach | 270 568 |
| S Tuku | 304 236 |
| Total | 1 302 895 |

Fees beyond FY2022

A special resolution relation to the payment of the Non-Executive Directors' remuneration will be tabled to shareholders at the upcoming AGM. The fees proposed are tabled below:

| | 2021/2022 R | 2020/2021 R |
|---|----------------|----------------|
| Retainer | | |
| Chairperson | 74 680 | 71 124 |
| Non-Executive Director | 74 680 | 71 124 |
| Attendance fees per meeting | | |
| Board Chairperson | 22 716 | 21 634 |
| Board Non-Executive Director | 12 447 | 11 854 |
| Audit and Risk Committee Chairperson | 16 592 | 15 802 |
| Audit and Risk Committee Member | 12 447 | 11 854 |
| Nomination Committee Chairperson | 16 592 | 15 802 |
| Nomination Committee Member | 12 447 | 11 854 |
| Social and Ethics Committee Chairperson | 16 592 | 15 802 |
| Social and Ethics Committee Member | 12 447 | 11 854 |
| Remuneration Committee Chairperson | 16 592 | 15 802 |
| Remuneration Committee Member | 12 447 | 11 854 |
| Special/Ad Hoc Committee Chairperson | 16 592 | 15 802 |
| Special/Ad Hoc Committee Member | 12 447 | 11 854 |

Directors' shareholding in the ordinary share capital of the Company

The Directors held in aggregate indirect beneficial interest of 0% as at 30 June 2021 (2020: 0%) in the issued share capital of the Company being 55 151 000 shares.

Directors' interests in shares

As at 28 February 2021, the following Directors held direct or indirect beneficial interest in the Company's ordinary shares:

| Director name | Nature of interest | Number of shares | % shareholding |
|------------------------|--|------------------|----------------|
| 2021 | Indirect beneficial through an associate company – Encha Infrastructure Investments (Pty) Ltd where GS Moseneke is a director of. | | |
| Gontse Samuel Moseneke | | 330 544 | 0.6 |

As at 29 February 2020 no Directors held direct or indirect beneficial interest in the Company's ordinary shares.

There have been no changes in beneficial interests that occurred between the end of the reporting period and the date of this report.



Thembani Bukula

Chairperson of the Remuneration Committee

30 June 2021

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 28 February 2021

Mahube Infrastructure Limited

(formerly GAIA Infrastructure Capital Limited)

(Incorporated in the Republic of South Africa)

(Registration number: 2015/115237/06)

Share code: MHB: ISIN: ZAE000290763

("Mahube" or "the Company")

In terms of section 62(3)(a) of the Companies Act 71 of 2008, as amended ("**the Companies Act**"), notice is hereby given to the shareholders of Mahube that the annual general meeting ("**AGM**") of shareholders of Mahube will be held at 10:00 on Tuesday, 31 August 2021 at the Marriott Hotel Melrose Arch, 42 The High Street, Melrose Arch, Johannesburg, 2196, for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions set out in this notice of AGM ("notice"), as well as such other matters as may be required to be dealt with at the AGM in terms of the Companies Act.

COVID-19 PANDEMIC DEVELOPMENTS

One of Mahube's top priorities is to protect the health and safety of all our stakeholders and with this in mind we will continue to closely monitor developments around Covid-19 (coronavirus).

Although the intention is to hold the AGM as scheduled on Tuesday, 31 August 2021 at the set venue, Mahube strongly encourages its shareholders not to attend in person but to exercise their voting rights by way of electronic or written proxy and to submit their questions relating to the 2021 AGM agenda in advance by email to the Company Secretary melinda@fusioncorp.co.za or andrea@fusioncorp.co.za.

Shareholders will also be able to follow the AGM remotely via a live audio webcast to be provided on our website www.mahube.africa.

Mahube reserves the right to make further changes, such as limiting the number of attendees to enable social distancing, changing the venue, providing live voting facilities, or even prohibiting physical attendance, should same be required.

Shareholders should regularly check the release of SENS announcements on the JSE Limited's platform and on the Mahube website for any further updates.

Mahube will continue to evaluate the implications of regulations announced by the South African government, as well as any potential future measures that may be imposed by the government or recommended by the World Health Organisation.

SALIENT DATES

Record date to be registered in the shareholders register in order to receive the notice of AGM

Friday, 18 June 2021

Date of posting the notice of AGM

Wednesday, 30 June 2021

Last date to trade to be eligible to attend, participate in and vote at the AGM

Tuesday, 17 August 2021

Record date to be eligible to attend the AGM

Friday, 20 August 2021

Forms of proxy to be lodged preferably by 10:00

Friday, 27 August 2021

AGM at 10:00 on

Tuesday, 31 August 2021

ACTION BY SHAREHOLDERS

Certificated shareholders or "own-name" registered dematerialised shareholders are entitled to attend, participate and vote at the AGM or any adjournment thereof or may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a member of the Board. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM or any adjournment thereof.

Dematerialised shareholders (not with "own-name" registration) must notify their Central Securities Depository Participant ("CSDP") or broker of their intention to attend the AGM in order for such CSDP or broker to be able to issue them with the necessary authorisation letter to enable them to attend the AGM, or, alternatively, should the dematerialised shareholder not wish to attend the AGM, they should provide their CSDP or broker with their voting instructions.

For administrative purposes only, we request that forms of proxy be delivered to Mahube's transfer secretaries situated at Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or be posted to Private Bag X9000, Saxonwold, 2132, South Africa, to be received by them by no later than 10:00 on Friday, 27 August 2021 (or 48 hours before any adjournments of the AGM, which date, if necessary, will be notified on SENS). Thereafter, forms of proxy may be delivered to the Chairperson of the AGM, at the AGM, before voting on a particular resolution commences.

At the AGM, each shareholder will have voting rights determined in terms of the voting rights attaching to the shares held by such shareholder as set out in the memorandum of incorporation of the Company ("MOI").

AGM participants may be required to provide identification to the reasonable satisfaction of the Chairperson of the AGM. An official identification document issued by the South African Department of Home Affairs, a driver's licence or a valid passport will be accepted as sufficient identification.

Shareholders who have any doubt as to the action they are required to take in respect of the following resolutions should consult their CSDP, broker, banker, attorney, accountant, or other professional adviser immediately.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

for the year ended 28 February 2021

PURPOSE

The purpose of the AGM is for the following business to be transacted:

- (a) The Board will present the audited Annual Financial Statements of Mahube for the financial year ended 28 February 2021 (as approved by the Board as required in terms of section 30(3)(c) of the Companies Act) (2021 AFS), including the reports of the independent auditors, the Directors, the Social and Ethics Committee and the Audit and Risk Committee to shareholders;
- (b) The shareholders will consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions ("resolutions") set out in this notice (which are to be proposed at the AGM) in accordance with the requirements of the MOI, the Companies Act, the JSE Listings Requirements ("Listings Requirements") and to the extent applicable, in accordance with the principles and recommended practices set out in the King IV Report on Corporate Governance for South Africa, 2016 ("King IV"); and
- (c) Consider any matters as may lawfully be dealt with at the AGM, in terms of the Companies Act.

AGENDA

Presentation of the 2021 AFS

The Integrated Annual Report of Mahube for 2021, incorporating, *inter alia*, the Directors' report, the 2021 AFS, the report of the independent auditors, the report of the Social and Ethics Committee and the report of the Audit and Risk Committee found in the Integrated Annual Report of Mahube for 2021 was made available to shareholders on 30 June 2021.

The 2021 AFS, the report of the independent auditors, the report of the Social and Ethics Committee and the report of the Audit and Risk Committee will be presented to the shareholders at the AGM as required in terms of the Companies Act, read with the Companies Regulations, 2011.

Report on the Social and Ethics Committee

The Company's Social and Ethics Committee report, included in the Integrated Annual Report, will serve as the Social and Ethics Committee's report to the Company's shareholders on the matters within its mandate at the AGM. Any specific questions to the Committee may be sent to the Company Secretary prior to the AGM.

Ordinary resolutions

To consider and, if deemed fit, to pass, with or without modification, the ordinary resolutions relating to the business set out below. Same as contemplated below, the minimum percentage of voting rights required for each of the ordinary resolutions set out below to be adopted is more than 50% (fifty percent) of the voting rights exercised on each of the resolutions by shareholders present or represented by proxy and entitled to vote at the AGM.

1. RETIREMENT AND RE-ELECTION OF DIRECTOR

1.1 Ordinary resolution number 1

"Resolved that Ms S Tuku who retires by rotation in terms of Article 28 of the MOI and, being eligible, offers herself for re-election, be and is hereby re-elected as an Independent Non-Executive Director."

An abbreviated curriculum vitae of Ms S Tuku appears in the Integrated Annual Report.

In accordance with the MOI, one-third of all Directors are required to retire at the AGM. Accordingly, Ms S Tuku will retire and being eligible, offers herself for re-election to serve as a Director of Mahube. The Nomination Committee reviewed the composition of the Board against corporate governance, individual performance and diversity requirements and has recommended the re-election of Ms S Tuku.

Following such review, the Board recommends to shareholders the re-election of Ms S Tuku as Director, as required under section 68(2) of the Companies Act.

2. APPOINTMENT AND REAPPOINTMENT OF THE MEMBERS OF THE AUDIT AND RISK COMMITTEE OF THE COMPANY

Note:

For avoidance of doubt, all references to the Audit and Risk Committee of the Company is a reference to the Audit Committee as contemplated in the Companies Act.

"Resolved to individually elect and/or re-elect the following Directors (ordinary resolutions 2 to 4 to be voted on and adopted as separate resolutions) of Mahube as the Chairperson and members of the Audit and Risk Committee until the conclusion of the next AGM of Mahube. The Board recommends the appointment of these members."

2.1 Ordinary resolution number 2

"Resolved that, subject to the passing of Ordinary Resolution number 1.1, Ms S Tuku, being eligible, be and is reappointed as a member of the Audit and Risk Committee of the Company, until the conclusion of the next AGM of the Company."

2.2 Ordinary resolution number 3

"Resolved that Mr T Bukula, being eligible, be and is hereby reappointed as a member of the Audit and Risk Committee of the Company, until the conclusion of the next AGM of the Company."

2.3 Ordinary resolution number 4

"Resolved that Mrs K Breytenbach, being eligible, be and is hereby reappointed as a member of the Audit and Risk Committee of the Company, until the conclusion of the next AGM of the Company."

In terms of section 94(2) of the Companies Act, an audit committee comprising at least three members must be elected by shareholders at each annual general meeting of a public company. Further, in terms of regulation 42 of the Companies Regulations, 2011, at least one-third of the members of a public company's audit committee members must have appropriate academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs, or human resource management.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

for the year ended 28 February 2021

2. APPOINTMENT AND REAPPOINTMENT OF THE MEMBERS OF THE AUDIT AND RISK COMMITTEE OF THE COMPANY (CONTINUED)

2.3 Ordinary resolution number 4 (CONTINUED)

Having reviewed the composition of the Audit and Risk Committee and the qualifications, experience, expertise, and independence of each of the members of the Audit and Risk Committee, the Nomination Committee satisfied itself that the members of the Audit and Risk Committee continue to meet the requirements of the Companies Act and King IV.

The Nomination Committee accordingly unanimously recommends and supports the re-election of Ms S Tuku, Mrs K Breytenbach and Mr T Bukula to the Audit and Risk Committee.

A brief curriculum vitae of each of the Directors up for election to the Audit and Risk Committee appears in the Integrated Annual Report.

3. APPOINTMENT OF INDEPENDENT AUDITOR AND DESIGNATED AUDIT PARTNER

3.1 Ordinary resolution number 5

"Resolved that BDO South Africa Incorporated, with the designated audit partner being Mohamed Zakaria Sadek, be and is hereby appointed as the independent external auditor of the Company until the conclusion of the next AGM of the Company on the recommendation of the Audit and Risk Committee be and is hereby authorised to determine the auditor's remuneration."

The Audit and Risk Committee assessed the performance and accreditation of the proposed independent auditor and the proposed individual registered auditor (i.e., the designated auditor) in terms of the applicable regulations and legislation and is satisfied with their independence, accreditation and performance. The Audit and Risk Committee is also satisfied that the audit firm is accredited to appear on the JSE List of Accredited Auditors and that the individual registered auditor of the Company does not appear on the JSE List of Disqualified Auditors.

4. NON-BINDING ENDORSEMENT OF MAHUBE INFRASTRUCTURE LIMITED'S REMUNERATION POLICY AND IMPLEMENTATION REPORT

4.1 Non-binding advisory resolution number 1

"Resolved that the Company's remuneration policy as set out in the Integrated Annual Report, be and is hereby endorsed by way of a non-binding advisory vote."

4.2 Non-binding advisory resolution numbers 2

"Resolved that the Company's remuneration implementation report in regard to its remuneration policy, as contained in the Integrated Annual Report, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for non-binding advisory resolution number 1 and 2 is that King IV and the Listings Requirements recommend that the remuneration policy and implementation report of the Company be endorsed through a non-binding advisory vote by shareholders at each AGM of the Company.

The non-binding advisory vote enables shareholders to express their views on the remuneration policies adopted and on the manner in which the Company implements the remuneration policy. Non-binding advisory resolution numbers 1 and 2 are of an advisory nature only and failure to pass these resolutions will therefore not have any legal consequences relating to existing remuneration arrangements.

However, the Board will engage with dissenting shareholders in good faith in the event that a vote of 25% or more is recorded against either non-binding advisory resolution number 1 or non-binding advisory resolution number 2, to ascertain with best reasonable effort the reasons for the dissenting votes, and to address legitimate and reasonable objections.

Shareholder engagements were held in relation to the previous AGM and Mahube has taken steps to address shareholders' concerns. The Board will take the outcome of the vote, and any subsequent engagement with dissenting shareholders, into consideration when considering amendments to the Company's remuneration policy and appropriate action may be taken to address issues raised as envisaged in the King IV and the JSE Listings Requirements.

5. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Special resolutions

To consider and, if deemed fit, to pass, with or without modification, all of the special resolutions relating to the business set out below. At least 75% (seventy-five percent) of the voting rights exercised on each resolution must be exercised in favour of such resolution in order for it to be validly adopted.

5.1 Special resolution number 1

"Resolved that the Company be and is hereby authorised to remunerate its Non-Executive Directors for their services as Directors on the basis set out below (exclusive of value-added tax), in terms of section 66(9) of the Companies Act.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

for the year ended 28 February 2021

5. REMUNERATION OF NON-EXECUTIVE DIRECTORS (CONTINUED)

5.1 Special resolution number 1 (CONTINUED)

| | Proposed R | 2020/2021 R |
|---|---------------|----------------|
| Retainer | | |
| Chairperson | 74 680 | 71 124 |
| Non-Executive Director | 74 680 | 71 124 |
| Attendance fees per meeting | | |
| Board Chairperson | 22 716 | 21 634 |
| Board Non-Executive Director | 12 447 | 11 854 |
| Audit and Risk Committee Chairperson | 16 592 | 15 802 |
| Audit and Risk Committee Member | 12 447 | 11 854 |
| Nomination Committee Chairperson | 16 592 | 15 802 |
| Nomination Committee Member | 12 447 | 11 854 |
| Social and Ethics Committee Chairperson | 16 592 | 15 802 |
| Social and Ethics Committee Member | 12 447 | 11 854 |
| Remuneration Committee Chairperson | 16 592 | 15 802 |
| Remuneration Committee Member | 12 447 | 11 854 |
| Special/Ad Hoc Committee Chairperson | 16 592 | 15 802 |
| Special/Ad Hoc Committee Member | 12 447 | 11 854" |

The reason for special resolution number 1 is for the Company to obtain the approval of shareholders, by way of a special resolution, for the payment of remuneration to its Non-Executive Directors in accordance with the requirements of the Companies Act.

The effect of special resolution number 1 is that the Company will be able to pay its Non-Executive Directors for the services they render to the Company as Directors without requiring further shareholder approval until the next AGM of the Company.

For this resolution to be adopted, at least 75% of the shareholders present in person or by proxy and entitled to vote on this resolution at the AGM must cast their vote in favour of this resolution.

6. INTER-COMPANY FINANCIAL ASSISTANCE

6.1 Special resolution number 2

"Resolved, to the extent required in terms of, and subject to the provisions of, section 45 of the Companies Act and the requirements (if applicable) of the MOI and the Listings Requirements, as a general approval, that the Board be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance (whether by way of loan, guarantee, the provision of security or otherwise) that the Board may deem fit to any present or future related or inter-related company or corporation (wheresoever incorporated) to the Company, on the terms and conditions and for amounts that the Board may determine, provided that the aforementioned approval shall be valid until the date of the next AGM of the Company."

The reason for and effect of special resolution number 2 is to grant the Board of the Company the authority, until the next AGM, to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

For this resolution to be adopted, at least 75% of the shareholders present in person or by proxy and entitled to vote on this resolution at the AGM must cast their vote in favour of this resolution.

6.2 Special resolution number 3

“Resolved, to the extent required in terms of, and subject to the provisions of section 44 of the Companies Act and the requirements (if applicable) of the MOI and the Listings Requirements, as a general approval, that the Board be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance (whether by way of loan, guarantee, the provision of security or otherwise) that the Board of the Company may deem fit to any company or corporation (wheresoever incorporated) that is related or inter-related to the Company and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or any company or corporation (wheresoever incorporated) that is related or inter-related to the Company, on the terms and conditions and for amounts that the Board may determine for the purpose of, or in connection with the subscription of any option, or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation (wheresoever incorporated), or for the purchase of any shares or securities of the Company or a related or inter-related company or corporation (wheresoever incorporated), provided that the aforementioned approval shall be valid until the date of the next AGM of the Company.”

The reason for and effect of special resolution number 3 is to grant the Directors the authority, until the next AGM of the Company, to provide financial assistance to any company or corporation which is related or inter-related to the Company and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation. A typical example of where the Company may rely on this authority is where a subsidiary raised funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its subsidiary to the third-party funder arising from the issue of the preference shares. The Company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

For this resolution to be adopted, at least 75% of the shareholders present in person or by proxy and entitled to vote on this resolution at the AGM must cast their vote in favour of this resolution.

In terms of and pursuant to the provisions of sections 44 and 45 of the Companies Act, the Board confirms that it will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in special resolution numbers 2 and 3 above:

- ▶ the assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company);

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

for the year ended 28 February 2021

6. INTER-COMPANY FINANCIAL ASSISTANCE (CONTINUED)

6.2 Special resolution number 3 (CONTINUED)

- ▶ the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months;
- ▶ the terms under which any financial assistance is proposed to be provided, will be fair and reasonable to the Company; and
- ▶ all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company's MOI have been met.

7. OTHER BUSINESS

To transact such other business as may be transacted at an AGM or raised by shareholders with or without advance notice to the Company.

1. The Directors, whose names appear in the Integrated Annual Report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information given in special resolution number 4 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this notice of AGM contains all information required by the Listings Requirements.
2. Special resolutions numbers 2, 3 and 4 are renewals of resolutions taken at the previous AGM held on 16 October 2020.

Electronic participation

In terms of section 61(10) of the Companies Act, every shareholders' meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders. Therefore, shareholders or their proxies may participate in (but not vote at) a meeting by way of a teleconference call if they wish to do so. In this event:

- ▶ written notice to participate via electronic communication must be sent to Mahube's Company Secretary, Fusion Corporate Secretarial Services Proprietary Limited, to melinda@fusioncorp.co.za to be received by no later than 10:00 on 27 August 2021;
- ▶ a pin number and dial-in details for the conference call will be provided;
- ▶ shareholders will be billed separately by their own telephone service providers for the teleconference call to participate in the AGM; and
- ▶ valid identification will be required:
 - if the shareholder is an individual, a certified copy of their identity document and/or passport;
 - if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, specifying the name of the individual that is authorised to represent the relevant entity at the AGM by way of teleconference call; and
 - a valid email address and/or facsimile number.

Shareholders participating in this manner and who may wish to vote will still have to appoint a proxy to vote on their behalf at the AGM.

VOTING

1. The Directors have determined that the record date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the Company ("the share register") for purposes of being entitled to receive this notice is Friday, 18 June 2021.
2. The Directors have determined that the record date on which shareholders must be recorded in the share register for purposes of being entitled to attend and vote at this AGM is 20 August 2021, with the last day to trade being 17 August 2021.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the Chairperson of the AGM that the person is either a shareholder or a proxy for a shareholder and must accordingly bring a copy of their identity document, passport, or driver's licence to the AGM. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.
4. Shareholders entitled to attend and vote at the AGM may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a shareholder of the Company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed for use by a certificated shareholder or own-name registered dematerialised shareholder who wishes to be represented at the AGM. Completion of a form of proxy will not preclude such shareholders from attending and voting (in preference to that shareholder's proxy) at the AGM.
5. The instrument appointing a proxy and the authority (if any) under which it is signed must reach the transfer secretaries of the Company at the address given below by not later than 10:00 on 27 August 2021 (for administrative purposes only), provided that any form of proxy not delivered to the transfer secretary by this time may be handed to the Chairperson of the AGM at any time prior to the commencement of the AGM.
6. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the AGM in person, will need to request their Central Securities Depository Participant ("CSDP") or broker to provide them with the necessary authority in terms of the custody agreement entered into between such shareholders and the CSDP or broker.
7. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the AGM and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein.
8. Shareholders present in person, by proxy or by authorised representative shall, on a show of hands, have one vote each and, on a poll, will have one vote in respect of each share held.
9. Equity securities held by a share trust or scheme, and unlisted securities will not have their votes taken into account at the AGM for the purposes of resolutions proposed in terms of the Listings Requirements.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

for the year ended 28 February 2021

By order of the Board



Fusion Corporate Secretarial Services (Pty) Limited

Registration number 2007/008376/07

Company Secretary

30 June 2021

Registered office

Suite E014, Midlands Office Park East

Mount Quray Street

Midlands Estate

Midstream

PO Box 68528

Highveld

0169

Transfer secretaries

Computershare Investor Services (Pty) Limited

Registration number 2004/003647/07

Rosebank Towers

15 Biermann Avenue

Rosebank, 2196

Private Bag X9000

Saxonwold

2132

South Africa

FORM OF PROXY

MAHUBE INFRASTRUCTURE LIMITED
(formerly GAIA Infrastructure Capital Limited)
(Incorporated in the Republic of South Africa)
Registration number: 2015/115237/06
JSE share code: MHB ISIN: ZAE000290763
("Mahube" or "the Company")

TO BE COMPLETED BY CERTIFICATED SHAREHOLDERS AND DEMATERIALIZED SHAREHOLDERS WHO HOLD ORDINARY SHARES THROUGH A CENTRAL SECURITIES DEPOSITORY PARTICIPANT ("CSDP") OR BROKER WHO HAVE SELECTED "OWN-NAME" REGISTRATION ONLY.

If you are a shareholder referred to above, and entitled to attend and vote at the Annual General Meeting, you can appoint a proxy or proxies to attend, vote, and speak in your stead at the Annual General Meeting of Mahube Infrastructure Limited unable to attend the AGM of shareholders of the Company to be held at 10:00 on Tuesday, 31 August 2021 at Marriott Hotel Melrose Arch (42 The High Street, Melrose Arch, Johannesburg, 2076, South Africa) or at any adjournment or postponement of that meeting. A proxy need not be a shareholder of the Company.

If you are an ordinary shareholder and have dematerialised your ordinary shares through a CSDP (and have not selected "own-name" registration in the sub-register maintained by a CSDP), do not complete this form of proxy but instruct your CSDP to issue you with the necessary authority to attend the Annual General Meeting, or if you do not wish to attend, provide your CSDP with your voting instructions in terms of your custody agreement entered into with it.

I/We (please print names in full)

of (address) (contact number)
being the holder/s of shares in
the Company, do hereby appoint:

1. or, failing him/her
2. or, failing him/her
3. the Chairperson of the AGM, as my/our proxy to attend, participate in, speak and, on a poll, vote on my/our behalf at the AGM of shareholders to be held at 10:00 on Tuesday, 31 August 2021 at Marriott Hotel Melrose Arch (42 The High Street, Melrose Arch, Johannesburg, 2076, South Africa) or at any adjournment or postponement of that meeting, and to vote or abstain from voting as follows on the ordinary and special resolutions to be proposed at such meeting:

Please indicate with an "X" in the appropriate spaces provided below how you wish your vote to be cast.

| | For | Against | Abstain |
|--|-----|---------|---------|
| 1. Retirement and re-election of Director | | | |
| 1.1 Ordinary resolution number 1: Re-election of Ms S Tuku who retires by rotation | | | |
| 2. Reappointment of the members of the Audit and Risk Committee of the Company | | | |
| 2.1 Ordinary resolution number 2: Reappointment of Ms Tuku as member of the Audit and Risk Committee | | | |
| 2.2 Ordinary resolution number 3: Reappointment of Mr T Bukula as member of the Audit and Risk Committee | | | |
| 2.3 Ordinary resolution number 4: Reappointment of Mrs K Breytenbach as member of the Audit and Risk Committee | | | |
| 3. Appointment of independent auditor and designated audit partner | | | |
| 3.1 Ordinary resolution number 5: Appointment of BDO South Africa Incorporated | | | |
| 4. Non-binding endorsement of Mahube Infrastructure Limited's remuneration policy and implementation report | | | |
| 4.1 Non-binding advisory resolution number 1: Non-binding endorsement of Mahube Infrastructure Limited's remuneration policy | | | |
| 4.2 Non-binding advisory resolution number 2: Non-binding endorsement of Mahube Infrastructure Limited's implementation report | | | |
| 5. Remuneration of Non-Executive Directors | | | |
| 5.1 Special resolution number 1: Remuneration of Non-Executive Directors | | | |
| 6. Inter-company financial assistance | | | |
| 6.1 Special resolution number 2: Inter-company financial assistance | | | |
| 6.2 Special resolution number 3: Financial assistance for the subscription/or acquisition of shares in the Company or a related or inter-related company | | | |

If no indication is given, the proxy may vote or abstain as he/she sees fit.

Signed at this day of 2021

Signature

Assisted by me, where applicable (name and signature)

Please read the notes overleaf.

NOTES TO THE FORM OF PROXY

(which include, inter alia, a summary of the rights established by section 58 of the Companies Act, as amended ("Companies Act"))

1. A Mahube shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the Chairperson of the AGM". The person whose name appears first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A Mahube shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the Chairperson of the AGM, if he/she is the authorised proxy, to vote in favour of the resolutions at the meeting, or any other proxy to vote or to abstain from voting at the meeting as he/she deems fit, in respect of all the shares concerned. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of the votes cast and in respect whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or his/her proxy.
3. When there are joint registered holders of any shares, any one of such persons may vote at the meeting in respect of such shares as if he/she was solely entitled thereto, but, if more than one of such joint holders be present or represented at any meeting, that one of the said persons whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member, in whose name any shares stand, shall be deemed joint holders thereof.
4. It is recommended that the proxy forms should be lodged with the transfer secretaries of the Company, Computershare Investor Services (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or posted to the transfer secretaries at Private Bag X9000, Saxonwold, 2132, South Africa, to be received by them not later than Friday, 27 August 2021 at 10:00 (for administrative purposes only) provided that any form of proxy not delivered to the transfer secretary by this time may be handed to the Chairperson of the AGM/General Meeting prior to the commencement of the AGM/General Meeting, at any time before the appointed proxy exercises any shareholder rights at the Annual General Meeting. The form may also be emailed to proxy@computershare.co.za.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries or waived by the Chairperson of the AGM.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- ▶ a shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder;
- ▶ a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;
- ▶ irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder;
- ▶ any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- ▶ if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company;
- ▶ a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's Memorandum of Incorporation ("MOI"), or the instrument appointing the proxy, provides otherwise;
- ▶ if the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's MOI to be delivered to a shareholder must be delivered by such company to:
 - the relevant shareholder; or
 - the proxy or proxies, if the relevant shareholder has:
 - (i) directed such company to do so, in writing; and
 - (ii) paid any reasonable fee charged by such company for doing so.

CORPORATE INFORMATION

Country of incorporation and domicile

South Africa

Directors

GS Moseneke (Chief Executive Officer)

P Lewis (Financial Director)

KE Mbalo* (Chairperson)

S Tuku*

T Bukula*

K Breytenbach*

** Independent Non-Executive*

Registered office

3rd Floor

Penthouse 5

4 The High Street

Melrose Arch

2196

Sponsor

Sasfin Capital

(a member of the Sasfin Group)

Bankers

FirstRand Bank Ltd

Auditors

BDO South Africa Incorporated

Transfer secretaries

Computershare Investor Services (Pty) Ltd

Rosebank Towers

15 Biermann Avenue, Rosebank

Johannesburg

2196

Company secretary

Fusion Corporate Secretarial Services (Pty) Ltd

Suite E014

Midlands Office Park East

Mount Quray Street

Midlands Estate

Midstream

1692

Company registration number

2015/115237/06

Tax reference number

9473/844/17/4

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