Version 2
27 September 2024

FIRST ADDENDUM TO THE SALE OF BUSINESS AGREEMENT

between

THE HOLLARD INSURANCE COMPANY LIMITED

and

LOMBARD INSURANCE COMPANY LIMITED

1. Definitions

Unless otherwise stated, or the context otherwise requires, the words and expressions listed below shall bear the meanings ascribed to them below and words and expressions which do not bear their own definitions in this Addendum, shall bear the meanings assigned thereto in the Sale of Business Agreement:

1.1 **Addendum** – means this first addendum to the Sale of Business Agreement;

1.2 **Addendum Signature Date** – means the date on which this Addendum is signed by the last Party in time to do so; and

1.3 **Sale of Business Agreement** – means the written agreement titled "*Sale of Business Agreement*" concluded between the Parties on 5 September 2024, including all annexures thereto.

2. Introduction

2.1 It is recorded that:

2.1.1 on 5 September 2024, the Parties entered into the Sale of Business Agreement; and

2.1.2 the Parties now wish to amend the Sale of Business Agreement, as set out in this Addendum.

2.2 The Parties therefore agree as follows.

3. **Amendments to the Sale of Business Agreement**

The Parties hereby amend the provisions of the Sale of Business Agreement as follows:

3.1 by replacing clause 1.5 of the Sale of Business Agreement in its entirety with the following:

"*1.5 **Authorising Resolutions Due Date** – means 11 October 2024;";*

3.2 by inserting a new clause 1.23A, immediately after clause 1.23 of the Sale of Business Agreement, which shall read as follows:

"*1.23A **DAC** – means the amount on the balance sheet of the Seller in relation to the Business representing that part of acquisition costs related to broker commission and binder fees on unexpired policies to be allocated to the following financial year, or to subsequent financial years*";

3.3 by replacing clause 1.16 of the Sale of Business Agreement in its entirety with the following:

"*1.16 **Closing Date UPR** – means the UPR as at the Closing Date less the DAC as at the Closing Date;*";

3.4 by replacing clause 1.30 of the Sale of Business Agreement in its entirety with the following:

"*1.30 **First Tranche** – means an amount of R100,000,000.00 (one hundred million Rand);*";

3.5 by inserting a new clause 1.78A, immediately after clause 1.78 of the Sale of Business Agreement, which shall read as follows:

"*1.78A **UPR** – means the amount on the balance sheet of the Seller in relation to the Business representing the portion of the premiums received or receivable that relates to the unexpired portion of the coverage period of unexpired policies to be allocated to subsequent reporting periods;*";

3.6 by deleting clause 3.1.2 of the Sale of Business Agreement in its entirety;

3.7 by replacing clause 4.6 of the Sale of Business Agreement in its entirety with the following:

"*4.6 Preparation and submission of the application for the Regulatory Filing contemplated in clause 4.1.2 shall be attended to by the Seller, with the reasonable assistance of the Purchaser.*";

3.8 by deleting clauses 5.5 to 5.8 of the Sale of Business Agreement in their entirety;

3.9 by replacing the reference, in paragraph 1.6.2.2 of Appendix 6, to the number and words "*R327,000,000.00 (three hundred and twenty-seven million Rand)*" with the number and words "*R288,800,000.00 (two hundred and eighty eight million eight hundred thousand Rand)";*

3.10 by replacing the reference, in paragraph 1.9 of Appendix 6, to the number and words "*R225,000,000.00 (two hundred and twenty-five million Rand)*" with the

number and words "*R198,816,000.00 (one hundred and ninety-eight million eight hundred and sixteen thousand Rand)";*

3.11 by replacing the reference, in paragraph 1.10 of Appendix 6, to the number and words "*R115,100,000.00 (one hundred and fifteen million one hundred thousand Rand)*" with the number and words "*R104,600,000.00 (one hundred and four million six hundred thousand Rand)";*

3.12 by replacing the reference, in paragraph 1.12.2.2 of Appendix 6, to the number and words "*R348,000,000.00 (three hundred and forty-eight million Rand)*" with the number and words "*R307,800,000.00 (three hundred and seven million eight hundred thousand Rand)";*

3.13 by replacing the reference, in paragraph 1.13 of Appendix 6, to the number and words "*R239,600,000.00 (two hundred and thirty-nine million six hundred thousand Rand)*" with the number and words "*R211,736,000.00 (two hundred and eleven million seven hundred and thirty six thousand Rand)";*

3.14 by replacing the reference, in paragraph 1.14 of Appendix 6, to the number and words "*R122,600,000.00 (one hundred and twenty-two million six hundred thousand Rand)*" with the number and words "*R111,400,000.00 (one hundred and eleven million four hundred thousand Rand)";*

3.15 by replacing the references, in each of paragraphs 2.1, 3.2, 4.1 and 5.2 of Appendix 6, to the number and words "*R52,500,000.00 (fifty-two million five hundred thousand Rand)*" with the number and words "*R45,000,000.00 (forty five million Rand)";*

4. Effective date of this Addendum

The amendments recorded in this Addendum shall take effect on the Addendum Signature Date.

5. Remaining terms binding

5.1 The remaining terms and conditions of the Sale of Business Agreement shall remain binding and be of full force and effect between the Parties.

5.2 To the extent that the Sale of Business Agreement may have lapsed due to any non-timeous fulfilment of any of the Conditions Precedent, the Sale of Business Agreement is hereby re-instate on all of the same terms and conditions save as amended in terms of this Addendum.

5.3 In the event of there being a conflict between the terms and conditions of this Addendum and the Sale of Business Agreement, the terms and conditions of this Addendum shall prevail.

6. Counterparts

This Addendum may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute the same agreement.

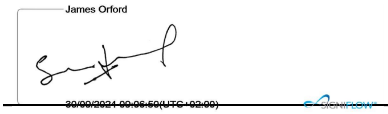
Signed at Port Elizabeth on 1 October 2024

The Hollard Insurance Company Limited

Who warrants authority

Signed at Parktown on 30 September 2024

Lombard Insurance Company Limited



Who warrants authority