

# THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

*The definitions and interpretations commencing on page 6 of this Circular apply mutatis mutandis to this cover.*

## **ACTION REQUIRED BY SHAREHOLDERS**

- This entire Circular is important and should be read with particular attention to the section entitled “*Action required by Shareholders*”, which commences on page 3.
- If you are in any doubt as to what action to take, you should consult your broker, CSDP, banker, accountant, attorney or other professional advisor immediately.
- If you have disposed of all your Quantum Shares, please forward this Circular, the attached Form of Proxy (*grey*), Form of Election and Surrender for the Odd-lot Offer (*blue*) and the Form of Election and Surrender for the Specific Offer (*pink*) to the purchaser to whom, or the broker, CSDP or other agent through whom, the disposal was effected.

## **DISCLAIMER**

- **Quantum does not accept any responsibility and will not be held liable for any failure on the part of a CSDP or broker of a Dematerialised Shareholder to notify such Shareholder of the information set out in this Circular.**



**QUANTUM FOODS HOLDINGS LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2013/208598/06)  
Share Code: QFH, ISIN: ZAE000193686  
("Quantum" or "the Company")

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## **CIRCULAR TO SHAREHOLDERS**

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### **Regarding**

- an Odd-lot Offer to Shareholders holding less than 100 Shares in the share capital of Quantum;
- a Specific Offer to repurchase Shares from Shareholders holding 100 Shares or more but equal to or less than 5 000 Shares;
- a specific authority for Quantum to repurchase its own Shares for purposes of implementing the Offers,

### **and incorporating**

- a Notice of General Meeting;
- a Form of Proxy (*grey*) for the General Meeting (for use by Certificated Shareholders and Dematerialised Shareholders with “own name registration only”);
- a Form of Election and Surrender for the Odd-lot Offer (*blue*) (for use by Certificated Shareholders only); and
- a Form of Election and Surrender for the Specific Offer (*pink*) (for use by Certificated Shareholders only).



PSG CAPITAL

**Transaction Advisor and Sponsor**

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**Date of issue: 24 January 2018**

*This Circular is available in English only. Copies may be obtained during normal business hours from the registered office of Quantum and from the offices of the Transaction Advisor and Sponsor, whose addresses are set out in the “Corporate Information” section of this Circular from Wednesday, 24 January 2018 until the General Meeting (both days inclusive). A copy of this Circular will also be available on Quantum’s website ([www.quantumfoods.co.za](http://www.quantumfoods.co.za)) from Wednesday, 24 January 2018.*

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<b>Form of Election and Surrender for the Specific Offer (<i>pink</i>)</b>	Attached

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## CORPORATE INFORMATION

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### Directors

WA Hanekom (Chairman)\*#  
HA Lourens (Chief Executive Officer)  
AH Muller (Chief Financial Officer)  
PE Burton (Lead Independent)\*#  
GG Fortuin\*#  
Prof. ASM Karaan\*#  
N Celliers\*

\* *non-executive*

# *independent*

### Company secretary and registered office

INT Makomba  
11 Main Road, Wellington, 7655  
(PO Box 1183, Wellington, 7654)

### Date of incorporation

7 November 2013

### Place of incorporation

South Africa

### Transfer Secretaries

Computershare Investor Services Proprietary Limited  
(Registration number 2004/003647/07)  
Rosebank Towers  
15 Biermann Avenue  
Rosebank, 2196  
(PO Box 61051, Marshalltown, 2107)

### Transaction Advisor and Sponsor

PSG Capital Proprietary Limited  
(Registration number 2006/015817/07)  
1st Floor, Ou Kollege  
35 Kerk Street  
Stellenbosch, 7599  
(PO Box 7403, Stellenbosch, 7599)

and at

2nd Floor  
11 Alice Lane (Bowmans Building)  
Sandhurst  
Sandton, 2196  
(PO Box 650957, Benmore, 2010)

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## ACTION REQUIRED BY SHAREHOLDERS

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*The definitions and interpretations commencing on page 6 of this Circular apply to this section headed "Action required by Shareholders".*

This Circular is important and requires your immediate attention. The action you need to take, is set out below. If you are in any doubt as to what action to take, please consult your broker, CSDP, banker, attorney, accountant or other professional advisor immediately. If you have disposed of all of your Quantum Shares, this Circular should be handed to the purchaser to whom, or the CSDP, broker or other agent through whom, the disposal was effected.

**A General Meeting of Quantum Shareholders will be held at the Le Bac Estate, R45 Noorderpaarl, Paarl at 10:30, or as soon as possible thereafter once the Annual General Meeting concludes, on Friday, 23 February 2018, at which General Meeting, Quantum Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the Resolutions set out in the Notice of General Meeting attached to this Circular.**

### ACTION REQUIRED BY SHAREHOLDERS REGARDING THE GENERAL MEETING

#### 1. DEMATERIALIZED SHAREHOLDERS WITHOUT "OWN-NAME" REGISTRATION

##### 1.1 Voting at the General Meeting

- 1.1.1 If you do not wish to, or are unable to, attend the General Meeting and you have not been contacted by your CSDP or broker, it is advisable for you to contact your CSDP or broker immediately and furnish your CSDP or broker with your voting instructions in the manner and by the cut-off time stipulated by your CSDP or broker in terms of the custody agreement between you and your CSDP or broker.
- 1.1.2 If your CSDP or broker does not obtain voting instructions from you, your CSDP or broker will be obliged to act in accordance with the instructions contained in the custody agreement between you and your CSDP or broker.
- 1.1.3 You must not complete the attached Form of Proxy (*grey*).

##### 1.2 Attendance and representation at the General Meeting

- 1.2.1 In accordance with the custody agreement between you and your CSDP or broker, you must advise your CSDP or broker if you wish to:
  - 1.2.1.1 attend, speak and vote at the General Meeting; or
  - 1.2.1.2 send a proxy to represent you at the General Meeting.
- 1.2.2 Your CSDP or broker should then issue the necessary letter of representation to you for you or your proxy to attend, speak and vote at the General Meeting.

#### 2. CERTIFICATED SHAREHOLDERS OR DEMATERIALIZED SHAREHOLDERS WITH "OWN-NAME" REGISTRATION

You may attend, speak and vote at the General Meeting in person (or, if you are a company or other body corporate, be represented by a duly authorised natural person). Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Form of Proxy (*grey*) in accordance with its instructions and returning it to the Transfer Secretaries, Computershare, at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) or Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (PO Box 61051, Marshalltown, 2107), to be received by them for administrative purposes only no later than 10:30 on Wednesday, 21 February 2018, provided that any Form of Proxy (*grey*) not delivered to the Transfer Secretaries by this time may be handed to the chairman of the General Meeting at any time before the appointed proxy exercises any shareholder rights at the General Meeting.

### ACTION REQUIRED IN TERMS OF THE ODD-LOT OFFER AND SPECIFIC OFFER

If you own less than 100 Shares in total as at the close of business on Friday, 16 March 2018, you are an Odd-lot Holder. Additionally, if you hold 100 Shares or more but equal to or less than 5 000 Shares as at the close of business on Friday, 16 March 2018, you are a Specific Holder.

If you are an Odd-lot Holder you must choose to either:

- sell your Odd-lot Holding to Quantum, at the Offer Price; or
- retain your Odd-lot Holding.

**Those Odd-lot Holders who do not make an election by completing the attached Form of Election and Surrender for the Odd-lot Offer and returning it to Computershare to be received by no later than 12:00 on Friday, 16 March 2018 will automatically be regarded as having accepted the Odd-lot Offer and chosen to receive the Cash Consideration.**

**If you are a Specific Holder:**

Quantum is extending a Specific Offer for you to sell all your Shares at the Offer Price. If you do not make an election to sell your Shares, your shareholding will remain unchanged.

Odd-lot Holders and Specific Holders, should note that the Offers open on Monday, 26 February 2018 but that the Offers are conditional on the Resolutions, which will be considered, and if deemed fit, approved at the General Meeting to be held on Friday, 23 February 2018. Should the Resolutions be approved by the Shareholders, the Offers will be unconditional following the announcement of the results of the General Meeting.

**1. IF YOU ARE A CERTIFICATED ODD-LOT HOLDER OR SPECIFIC HOLDER**

**1.1 Certificated Odd-lot Holder**

- 1.1.1 You must complete the Form of Election and Surrender for the Odd-lot Offer (*blue*) and select one of the two choices to either sell or retain your Odd-lot Holding; and
- 1.1.2 if you choose to retain your Odd-lot Holdings you must make sure that you complete the Form of Election and Surrender for the Odd-lot Offer (*blue*) and return it to Computershare at the address set out in that form to be received by no later than Friday, 16 March 2018. If Computershare does not receive your completed form in time, you will automatically be regarded as having accepted the Odd-lot Offer and you will receive the Cash Consideration.

**1.2 Certificated Specific Holder**

- 1.2.1 You may elect to sell your shareholding to Quantum by completing the Form of Election and Surrender for the Specific Offer (*pink*) and returning it to Computershare at the address set out in that form to be received by no later than 12:00 on Friday, 16 March 2018.
- 1.3 If any Documents of Title of Certificated Odd-lot Holders or Specific Holders have been lost or destroyed and the Odd-lot Holder or Specific Holder concerned produces evidence to this effect to the satisfaction of Computershare and Quantum, then Computershare, subject to obtaining Quantum's consent, may dispense with the surrender of such existing Documents of Title against provision of an acceptable indemnity.

**2. IF YOU ARE A DEMATERIALIZED ODD-LOT HOLDER OR SPECIFIC HOLDER WITH OR WITHOUT "OWN NAME" REGISTRATION**

- 2.1 Your CSDP or broker is obliged to contact you in the manner stipulated in the agreement concluded between you and your CSDP or broker to ascertain what choice you wish to make in terms of the Offers and thereafter to advise Computershare of such choice.
- 2.2 If you have not been contacted, you should contact your CSDP or broker and furnish it with your instructions relating to your choice.
- 2.3 If your CSDP or broker does not obtain instructions from you regarding your choice, it will be obliged to act in accordance with the provisions contained in the agreement concluded between you and your CSDP or broker.
- 2.4 You must NOT complete either the Form of Election and Surrender for the Odd-lot Offer (*blue*) or the Form of Election and Surrender for the Specific Offer (*pink*).

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## SALIENT DATES AND TIMES

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The definitions and interpretations commencing on page 6 of this Circular apply to this section headed "Salient Dates and Times".

2018

Record date to determine which Shareholders are entitled to receive the Circular	Friday, 19 January
Publication of declaration announcement released on SENS on or before	Wednesday, 24 January
Circular and Notice of General Meeting to be posted to Shareholders on	Wednesday, 24 January
Publication of declaration announcement released in the press on	Thursday, 25 January
Last day to trade in order to be eligible to attend and vote at the General Meeting	Tuesday, 13 February
Record date to determine which Shareholders are entitled to attend and vote at the General Meeting	Friday, 16 February
For administrative purposes, the date by which Forms of Proxy for the General Meeting are requested to be lodged, by 10:30	Wednesday, 21 February
Forms of Proxy may be handed to the chairman of the General Meeting at any time before the proxy exercises any rights at the General Meeting on	Friday, 23 February
General Meeting to be held at 10:30 or as soon as possible thereafter once the Annual General Meeting concludes on	Friday, 23 February
Results of the General Meeting announced on SENS on	Friday, 23 February
Offers open at 09:00	Monday, 26 February
Finalisation announcement (including the final Offer Price) released on SENS on or before	Tuesday, 6 March
Last day to trade in order to participate in the Offers	Tuesday, 13 March
Shares trade "ex" the Offers on	Wednesday, 14 March
Forms of Election and Surrender for the Offers to be received by Computershare by 12:00 on (blue and/or pink)	Friday, 16 March
Offers close at 12:00 on	Friday, 16 March
Record date for the Offers (to determine which Shareholders are entitled to participate in the Odd-lot Offer and the Specific Offer) at close of business on	Friday, 16 March
Implementation of the Offers takes effect after close of business on	Friday, 16 March
Dematerialised Odd-lot Holders and Dematerialised Specific Holders who have accepted the Offers or are deemed to have accepted the Odd-lot Offer will have their accounts held at their CSDP or broker credited with the Offer Price on	Monday, 19 March
Payments of the Offer Price to Certificated Odd-lot Holders and Certificated Specific Holders who have accepted the Offers on	Monday, 19 March
Results of the Offers released on SENS on	Monday, 19 March
Results of the Offers published in the press on	Tuesday, 20 March
Cancellation and termination of listing of Quantum Shares repurchased in terms of the Offers expected on or about	Friday, 23 March

### Notes:

1. The above dates and times are subject to change. Any changes will be published on SENS.
2. All times quoted in this Circular are local times in South Africa.
3. Dematerialised Odd-lot Holders and Specific Holders are requested to notify their duly appointed CSDP or broker of their election by the cut-off time stipulated by their CSDP or broker. This will be an earlier date than the closing of the Offers.
4. In the case of Certificated Odd-lot Holders and Certificated Specific Holders who choose the Cash Consideration, payment will be made either by:
  - 4.1 electronic funds transfer into the bank accounts of the Odd-lot Holders and Specific Holders on or about Monday, 19 March 2018, if such holders' banking details have been provided in the relevant Form of Election and Surrender; or
  - 4.2 by cheque, which will be posted at the risk of the Odd-lot Holders and Specific Holders on or about Monday, 19 March 2018, if such holders' banking details have not been provided in the relevant Form of Election and Surrender.
5. Those Odd-lot Holders who do not make an election will automatically be regarded as having chosen and accepted the Cash Consideration.
6. If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting unless the contrary is stated on such Forms of Proxy.
7. Shareholders may not Dematerialise or rematerialise their Shares after the last day to trade, being 13 March 2018.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular, unless the context indicates a contrary intention, an expression which denotes any gender includes the other genders, any reference to a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa* and the following expressions bear the meanings assigned to them, below:

“Annual General Meeting”	the annual general meeting of Shareholders to be held at the Le Bac Estate, R45 Noorderpaarl, Paarl at 10:00 on Friday, 23 February 2018;
“Board” or “Directors”	the board of directors of Quantum;
“Business Day”	any day other than a Saturday, Sunday or an official public holiday in South Africa;
“Cash Consideration”	the cash Offer Price to be received by: Odd-lot Holders who elect to sell their Shares or who do not make an election; and Specific Holders who elect to sell their Shares;
“Certificated Odd-lot Holders”	Odd-lot Holders who hold Certificated Shares;
“Certificated Shareholders”	Shareholders who hold Certificated Shares;
“Certificated Shares”	shares which have not yet been dematerialised, title to which is represented by a share certificate or other Documents of Title;
“Certificated Specific Holders”	Specific Holders who hold Certificated Shares;
“Circular”	this Circular to Shareholders, dated Wednesday, 24 January 2018, together with any annexures hereto, and including the Notice of General Meeting and the relevant forms in relation to the General Meeting;
“Common Monetary Area”	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
“Companies Act”	the Companies Act, No. 71 of 2008, as amended;
“Computershare” or “Transfer Secretaries”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company incorporated under the laws of South Africa;
“CSDP”	Central Securities Depository Participant;
“Dematerialised Shareholders”	holders of Dematerialised Shares;
“Dematerialised Shares”	Shares which have been incorporated into the Strate system and which are no longer evidenced by share certificates;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts or any other documents of title to Shares acceptable to the Board;
“Exchange Control Regulations”	the Exchange Control Regulations, 1961, as amended, issued in terms of section 9 of the Currency and Exchanges Act, No. 9 of 1933, as amended;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“Form of Election and Surrender for the Odd-lot Offer”	form of election and surrender for use by Certificated Odd-lot Holders in order for such Shareholders to sell or retain their Odd-lot Holding ( <i>blue</i> );
“Form of Election and Surrender for the Specific Offer”	form of election and surrender for use by Certificated Specific Holders in order for such Shareholders to sell their Specific Holding ( <i>pink</i> );
“Form of Proxy”	the Form of Proxy ( <i>grey</i> ) for use by Certificated Shareholders and Dematerialised Shareholders with “own name” registration to appoint a proxy to represent such shareholders at the General Meeting;
“General Meeting”	the general meeting of Shareholders to be held at the Le Bac Estate, R45 Noorderpaarl, Paarl at 10:30 or as soon as possible thereafter once the Annual General Meeting concludes, on Friday, 23 February 2018 to consider and, if deemed fit, approve the Resolutions set out in the Notice of General Meeting;
“Income Tax Act”	the Income Tax Act, No. 58 of 1962;
“JSE”	the exchange, licensed under the Financial Markets Act, operated by the JSE Limited (registration number 2005/022939/06), a public company incorporated under the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“Last Practicable Date”	the last practicable date prior to the finalisation of this Circular, being Friday, 12 January 2018;
“Listings Requirements”	the Listings Requirements of the JSE;

“Major Subsidiary”	a subsidiary that represents 25% or more of total assets or revenue of the consolidated group based on the latest published interim or year-end financial results, being Quantum Foods Operations;
“Notice of General Meeting”	the notice of the General Meeting of Shareholders forming part of this Circular;
“Odd-lot Holders”	Shareholders holding an Odd-lot Holding as at the record date of the Offers;
“Odd-lot Holding”	an aggregate shareholding of less than 100 ordinary Shares;
“Odd-lot Offer”	the offer to Odd-lot Holders to repurchase all of their Shares at the Offer Price;
“Offer Price”	being the volume weighted average traded price of Quantum’s Shares on the JSE for the ten trading days immediately prior to the General Meeting, plus a 5% premium;
“Offers”	collectively the Odd-lot Offer and the Specific Offer;
“PSG Capital” or “Transaction Advisor and Sponsor”	PSG Capital Proprietary Limited (registration number 2006/015817/07), a private company incorporated under the laws of South Africa, particulars of which appear in the “ <i>Corporate Information</i> ” section of the Circular;
“Resolutions”	the special and ordinary resolutions set out in the Notice of General Meeting which forms part of this Circular;
“Quantum” or “the Company”	Quantum Foods Holdings Limited (registration number 2013/208598/06), a public company incorporated under the laws of South Africa;
“Quantum Group”	Quantum and its subsidiaries from time to time;
“Quantum Foods Operations”	Quantum Foods Proprietary Limited (registration number 2012/124966/07), a private company incorporated under the laws of South Africa, being a Major Subsidiary of Quantum;
“Quantum Shareholders” or “Shareholders”	holders of Shares;
“Shares”	ordinary no par value shares in Quantum’s share capital;
“South Africa”	the Republic of South Africa;
“Specific Holders”	Shareholders holding a Specific Holding, as at the record date of the Offers;
“Specific Holding”	aggregate shareholding of 100 Shares or more but equal to or less than 5 000 Shares;
“Specific Offer”	voluntary offer to Specific Holders to repurchase all their Shares at the Offer Price; and
“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a private company incorporated under the laws of South Africa, a central securities depository licensed in terms of the Financial Markets Act and responsible for the electronic clearing and settlement system provided to the JSE.





**QUANTUM FOODS HOLDINGS LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2013/208598/06)  
Share Code: QFH, ISIN: ZAE000193686  
("Quantum" or "the Company")

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**Directors**

WA Hanekom (Chairman)\*#  
HA Lourens (Chief Executive Officer)  
AH Muller (Chief Financial Officer)  
PE Burton (Lead Independent)\*#  
GG Fortuin\*#  
Prof. ASM Karaan\*#  
N Celliers\*

\* *non-executive*

# *independent*

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**CIRCULAR TO SHAREHOLDERS**

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**1. INTRODUCTION AND PURPOSE OF THE CIRCULAR**

- 1.1 Post the listing and separation of Quantum from Pioneer Food Group Limited, Quantum inherited a large number of minority shareholders. Quantum wishes to make the Offers to Odd-lot Holders and Specific Holders in order to reduce the on-going administration costs associated with having a large number of Shareholders who hold up to 5 000 Shares each. A high-level analysis of Quantum's shareholder register as at the Last Practicable Date reveals that:
- 1.1.1 Quantum has 4 317 Shareholders;
  - 1.1.2 approximately 721 Shareholders (i.e. 17% of all Shareholders) hold less than 100 Shares; and
  - 1.1.3 approximately 2 374 Shareholders (i.e. 55% of all Shareholders) hold 100 Shares or more but equal to or less than 5 000 Shares.
- 1.2 The annual cost of servicing such a large shareholder base is significant and is not considered efficient or cost effective for Quantum to manage. Corporate actions requiring shareholder approval are also more expensive due to processing large numbers of shareholder proxies and votes.
- 1.3 Accordingly, Quantum has decided to undertake an Odd-lot Offer and Specific Offer to rationalise its minority shareholding base and to reduce its on-going administrative costs.
- 1.4 Additionally, the Offers will facilitate an inexpensive method for minority Shareholders in Quantum to realise their investment whereby they receive an Offer Price, which includes a premium per Quantum Share and without having to incur transaction costs.
- 1.5 The purpose of this Circular is to furnish Shareholders with all the relevant information relating to the Odd-lot Offer and the Specific Offer in accordance with the Companies Act and the Listings Requirements and to convene a General Meeting of the Shareholders in order for them to consider and, if deemed fit, approve, with or without amendment, the Resolutions, in terms of the Notice of General Meeting attached to and forming part of this Circular.

**2. GENERAL MEETING**

- 2.1 A General Meeting of Shareholders will be held at the Le Bac Estate, R45 Noorderpaarl, Paarl at 10:30 or as soon as possible thereafter once the Annual General Meeting concludes, on Friday, 23 February 2018 in order to consider and approve the Resolutions proposed in the Notice of General Meeting.
- 2.2 Certificated Shareholders and Dematerialised Shareholders with "own name" registration may attend the General Meeting in person and may vote at the General Meeting.
- 2.3 Alternatively, they may appoint a proxy to represent them at the General Meeting by completing the attached Form of Proxy (grey) in relation to the General Meeting in accordance with the instructions it contains. It is requested that, for administrative purposes, the Form of Proxy be returned to the Transfer Secretaries to be received by no later than 10:30 on Wednesday, 21 February 2018. The Form of Proxy may however be handed to the chairman of the General Meeting, at any time before the proxy exercises any shareholder rights at the General Meeting.

- 2.4 At the General Meeting, Shareholders will be asked to consider and approve the following Resolutions:
- 2.4.1 as an ordinary resolution, authority for the Directors to make and implement the Odd-lot Offer;
  - 2.4.2 as a special resolution, specific authority for Quantum to repurchase Shares in terms of the Odd-lot Offer; and
  - 2.4.3 as a special resolution, specific authority for Quantum to repurchase Shares in terms of the Specific Offer.
- 2.5 The Offers are conditional upon all of the above Resolutions being passed at the General Meeting and the Directors satisfying themselves that the solvency and liquidity requirements of section 4 of the Companies Act as envisaged in section 46 read with section 48 of the Companies Act will be met in respect of the proposed Offers and that since the test was performed, there have been no material changes to the financial position of the Quantum Group.
- 2.6 Full details of the action required by the holders of Certificated Shares and Dematerialised Shares commences below.

### 3. THE OFFERS

#### 3.1 Terms of the Offers

- 3.1.1 In terms of the Odd-lot Offer, Odd-lot Holders are offered the opportunity to either:
- 3.1.1.1 sell their Odd-lot Holdings for the Cash Consideration; or
  - 3.1.1.2 retain their Odd-lot Holdings. If Odd-lot Holders want to retain their Odd-lot Holding, Certificated Odd-lot Holders have to make this choice by completing the attached Form of Election and Surrender for the Odd-lot Offer (*blue*) and return it to Computershare to be received by no later than 12:00 on Friday, 16 March 2018. Dematerialised Odd-lot Holders should instruct their CSDP or broker as to what action they wish to take.

**Those Odd-lot Holders who do not make an election will automatically be regarded as having chosen to sell their Odd-lot Holdings for the Cash Consideration.**

- 3.1.2 In the case of Specific Holders, Quantum is extending a Specific Offer to acquire their entire shareholding for the Cash Consideration. Those Specific Holders who do not make an election will retain their shareholding in Quantum.

#### 3.2 Record date

- 3.2.1 The record date is the close of business on Friday, 16 March 2018. If a Shareholder holds less than 100 Shares on the record date, such Shareholder is an Odd-lot Holder and, as such, is entitled to take part in the Odd-lot Offer.
- 3.2.2 A Shareholder with a holding of 100 Shares or more but equal to or less than 5 000 Shares on the record date is a Specific Holder and as such is entitled to take part in the Specific Offer. Shareholders will not be advised individually as to whether they are entitled to take part in the Offers, and accordingly each Shareholder must determine this on their own. No further documentation will be sent to Shareholders in this regard.

#### 3.3 Last day to trade

- 3.3.1 Shareholders are advised that the last date to trade in order to take part in the Offers will be Tuesday, 13 March 2018.
- 3.3.2 Any Shareholder who sells down to below 100 Shares after Tuesday, 13 March 2018 will not be treated as an Odd-lot Holder for the purposes of the Odd-lot Offer. If an Odd-lot Holder acquires additional Shares by close of business on Tuesday, 13 March 2018 and the Odd-lot Holder's shareholding at the close of business on Friday, 16 March 2018 exceeds 99 but is not greater than 5 000 Shares as a result of such acquisition, then the Shareholder will be entitled to participate in the Specific Offer.

#### 3.4 Offer Price

The Offer Price will be calculated using the volume weighted average traded price of a Quantum Share on the JSE over the ten trading days immediately prior to the General Meeting, plus a 5% premium. The Offer Price will be announced on SENS on Tuesday, 6 March 2018. Shareholders who choose the Cash Consideration will receive the product of the Offer Price multiplied by the number of Quantum Shares held by them on the record date.

#### 3.5 Conditions precedent

The implementation of the Offers are subject to the fulfilment of the conditions precedent that the Resolutions relating to the Odd-lot Offer and the Specific Offer contained in the Notice of General Meeting attached to and forming part of this Circular are duly passed.

#### 3.6 Compulsory sale of Odd-lot Holdings

- 3.6.1 Quantum will repurchase the Odd-lot Holdings of any Odd-lot Holder who does not make an election or who chooses the Cash Consideration.
- 3.6.2 Those Odd-lot Holders who do not make an election will automatically be regarded as having chosen and accepted the Cash Consideration.

#### 3.7 Transaction costs

- 3.7.1 Save as set out in paragraph 3.7.4 below, Odd-lot Holders and Specific Holders will not have to bear any transaction costs.
- 3.7.2 The transfer costs of Odd-lot Holders and Specific Holders who sell their holdings to Quantum will be borne by Quantum.

- 3.7.3 Quantum, by proposing the Offers, is therefore making it possible for the Odd-lot Holders and Specific Holders who wish to dispose of their shareholding to do so in a cost effective manner.
- 3.7.4 The Cash Consideration payable to Odd-lot Holders and Specific Holders will constitute a “dividend” as defined in section 1 of the Income Tax Act. The Cash Consideration will give rise to a liability for dividends tax in accordance with the Income Tax Act in the event that any Odd-lot Holder or Specific Holder does not qualify for an exemption from the dividends tax.
- 3.7.5 In the event that any Odd-lot Holder or Specific Holder does not qualify for an exemption from the dividends tax, Quantum will withhold the relevant portion from the Cash Consideration in relation to a particular Shareholder in order to make payment of such liability for dividends tax.

### 3.8 Mechanism

- 3.8.1 The Offers are expected to be open for acceptance from 09:00 on Monday, 26 February 2018 and will close at 12:00 on Friday, 16 March 2018. All Shareholders who hold a total of less than 100 Shares as at the record date will be entitled to participate in the Odd-lot Offer, and Shareholders with shareholdings of 100 Shares or more but equal to or less than 5 000 Shares as at the record date will be entitled to take part in the Specific Offer. The procedure on how such Shareholders must make their choice (election and surrender procedure) is set out in paragraph 3.9 below.
- 3.8.2 The Shares of those Odd-lot Holders who do not make an election or who choose the Cash Consideration will be repurchased by Quantum at the Offer Price. Any such repurchase will be regarded as a specific repurchase of shares in terms of the Companies Act and the Listings Requirements.
- 3.8.3 The Shares of those Specific Holders who choose the Cash Consideration will be repurchased by Quantum at the Offer Price. Any such repurchase will be regarded as a specific repurchase in terms of the Companies Act and the Listings Requirements.
- 3.8.4 Odd-lot Holders who do not make an election should note that their Shares will automatically be repurchased by Quantum, without any further action on their part and without any further notice to them.
- 3.8.5 Specific Holders who do not make an election will retain their shareholding in Quantum.
- 3.8.6 The repurchase as set out above, will not be from a related party as described in sections 10.1 to 10.3 of the Listings Requirements.

### 3.9 Election and surrender procedure

- 3.9.1 Odd-lot Holders may choose to either:
  - 3.9.1.1 sell their Odd-lot Holdings to Quantum at the Offer Price; or
  - 3.9.1.2 retain their Odd-lot Holdings. If such Shareholders want to retain their Odd-lot Holding they have to make this election. Those Odd-lot Holders who do not make an election will automatically be regarded as having chosen and accepted the Cash Consideration.
- 3.9.2 Specific Holders may choose to sell their Specific Holdings to Quantum at the Offer Price. Those Specific Holders who do not make an election will retain their existing shareholding.
- 3.9.3 The choice made by Odd-lot Holders and Specific Holders is final and may not be withdrawn once made.
- 3.9.4 Certificated Odd-lot Holders must complete the attached Form of Election and Surrender for the Odd-lot Offer (*blue*) and return it to Computershare, to be received by no later than 12:00 on Friday, 16 March 2018. Certificated Specific Holders must complete the attached Form of Election and Surrender for the Specific Offer (*pink*) and return it to Computershare, to be received by no later than 12:00 on Friday, 16 March 2018.
- 3.9.5 Dematerialised Odd-lot Holders and Dematerialised Specific Holders should instruct their CSDP or broker as to what action they wish to take in the time and manner stipulated in the agreement entered into between them and their CSDP or broker. Dematerialised Odd-lot Holders and Specific Holders must NOT return their respective forms to Computershare.
- 3.9.6 If any Documents of Title of Certificated Odd-lot Holders or Specific Holders have been lost or destroyed and the Odd-lot Holder or Specific Holder concerned produces evidence to this effect to the satisfaction of Computershare and Quantum, then Computershare, subject to obtaining Quantum’s consent, may dispense with the surrender of such existing Documents of Title against provision of an acceptable indemnity.
- 3.9.7 Receipts for the surrender of Documents of Title of Certificated Odd-lot Holders and Specific Holders will be issued only on request. In compliance with the Listings Requirements, lodging agents are requested to prepare special transaction receipts, if required.
- 3.9.8 In the event of an Odd-lot Holder not making an election to retain his Odd-lot Holding it must be drawn to his attention that his share certificates will no longer be good for delivery after the last day to trade in respect of the Offers, other than to receive the proceeds of the sale of such Shares (being the Offer Price), upon surrender.
- 3.9.9 Subject to the implementation of the Offers, it will be necessary for Certificated Odd-lot Holders and Certificated Specific Holders who have elected to sell their Odd-lot Holdings or Specific Holdings (as the case may be), either by completing the relevant option set out in the appropriate form of election and surrender in the case of Odd-lot Holders or by not responding, to submit all existing Documents of Title under cover of the attached form of election and surrender to Computershare.
- 3.9.10 Securities transfer tax, if any, will be paid by Quantum.

- 3.9.11 Nominee companies will be treated as a single Shareholder, but should a nominee company choose to dispose of Odd-lot and/or Specific Holdings on behalf of principals whose shareholdings constitute Odd-lot or Specific Holdings, it may do so by applying in writing to Computershare, giving details of the number of Shares involved, such application to be received by no later than 12:00 on Friday, 16 March 2018.
- 3.9.12 For those Odd-lot Holders and Specific Holders who choose the Cash Consideration, all forms of election and surrender, received by Computershare by no later than 12:00 on Friday, 16 March 2018, will be processed and payment will be made by electronic funds transfers into the Shareholder's bank account on or about Monday, 19 March 2018, if such Shareholders have provided the banking details on the form of election and surrender. Alternatively, if the Shareholders have not provided their banking details on the Form of Election and Surrender, cheques will be posted on or about Monday, 19 March 2018, by ordinary post, to the respective Shareholders at the risk of such Shareholders.
- 3.9.13 In respect of Dematerialised Odd-lot Holders and Specific Holders who elect to participate in the Offers, or in the case of Odd-lot Holders who fail to make an election, their accounts held at their CSDP or broker will be credited with the cash amount on or about Monday, 19 March 2018.

### 3.10 **Financial effect and source of funds**

- 3.10.1 The repurchase of Shares pursuant to the Offers will have no significant effect on Quantum's earnings per Share, net asset value per Share or tangible net asset value per Share.
- 3.10.2 Assuming the maximum number of 2 960 392 Shares are repurchased in terms of the Offers, the financial cost is expected to be approximately R12 321 880 (99.37% of total cost) for the Specific Holders and R78 120 (0.63% of total cost) for the Odd-lot Holders (excluding transfer costs), plus transaction costs of approximately R790 000.
- 3.10.3 Quantum's existing cash resources will be utilised to satisfy all cash requirements arising out of the Offers.

### 3.11 **Directors statement on working capital**

Having considered the possible effects of repurchasing Shares in terms of the Offers, the Directors are of the opinion that:

- 3.11.1 the Quantum Group will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of the approval of the Circular;
- 3.11.2 the assets of the Quantum Group will be in excess of the liabilities of the Quantum Group for a period of 12 months after the date of the approval of the Circular. For this purpose, assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements;
- 3.11.3 the share capital and reserves of the Quantum Group will be adequate for ordinary business purposes for a period of 12 months after the date of the approval of the Circular; and
- 3.11.4 working capital of the Quantum Group will be adequate for ordinary business purposes for a period of 12 months after the date of the approval of the Circular.

### 3.12 **Non-resident Shareholders**

- 3.12.1 All transactions arising from the provisions of this Circular shall be governed by and be subject to the laws of South Africa. The Offers may be affected by the laws of the relevant jurisdictions of foreign Shareholders. Such foreign Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions in relation to all aspects of this Circular that may affect them.
- 3.12.2 The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than South Africa should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction.
- 3.12.3 It is the responsibility of any foreign Shareholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant jurisdiction in connection with the Offers, including the obtaining of any governmental, exchange control or other consent or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any issue, transfer or other taxes or requisite payments due in such jurisdiction. The Offers are further subject to any other applicable laws and regulations, including the Exchange Control Regulations.
- 3.12.4 Any foreign Shareholder who is in doubt as to his position, including, without limitation, his tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

### 3.13 **Exchange Control Regulations**

The following is a summary of the Exchange Control Regulations. It is intended as a guide only and is not a comprehensive statement of the Exchange Control Regulations which apply to Shareholders. Shareholders who have any queries regarding the Exchange Control Regulations should contact their own professional advisors without delay.

#### 3.13.1 **Emigrants from the Common Monetary Area**

- 3.13.1.1 The Cash Consideration is not freely transferable from South Africa and must be dealt with in terms of the Exchange Control Regulations.

- 3.13.1.2 The Cash Consideration due to an Odd-lot Holder or Specific Holder who is an emigrant from South Africa, whose registered address is outside the Common Monetary Area and whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, will be deposited in a blocked account with the Odd-lot Holder or Specific Holder's authorised dealer in foreign exchange in South Africa (controlling the Odd-lot Holder or Specific Holder's blocked assets in accordance with his instructions), against delivery of the relevant Documents of Title.
- 3.13.1.3 The authorised dealer releasing the relevant Documents of Title in terms of the Offers must countersign the relevant attached forms of election and surrender thereby indicating that the Cash Consideration will be placed directly in its control.
- 3.13.1.4 The attached forms of election and surrender makes provision for the details of the authorised dealer concerned to be provided.

3.13.2 **All other non-residents of the Common Monetary Area**

- 3.13.2.1 The Cash Consideration due to an "own-name" Odd-lot Holder or Specific Holder who is a non-resident of South Africa and who has never resided in the Common Monetary Area, whose registered address is outside the Common Monetary Area and whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, will be deposited with the authorised dealer in foreign exchange in South Africa nominated by such Odd-lot Holder or Specific Holder. It will be incumbent on the Odd-lot Holder or Specific Holder concerned to instruct the nominated authorised dealer as to the disposal of the Cash Consideration against delivery of the relevant Documents of Title.
- 3.13.2.2 The relevant forms of election and surrender attached to this Circular makes provision for the nomination required in terms of paragraph 3.13.2.1 above. If the information regarding the authorised dealer is not given in terms of paragraph 3.13.2.1 above, the Cash Consideration will be held in trust by Quantum for the Odd-lot Holders or Specific Holders concerned pending receipt of the necessary information or instruction.
- 3.13.2.3 All CSDPs and brokers with whom Shares have been Dematerialised should note that they are required to comply with the Exchange Control Regulations set out above.

3.14 **Prohibited period**

Quantum will not undertake the Odd-lot Offer or Specific Offer during a prohibited period as defined in the Listings Requirements.

3.15 **Memorandum of incorporation**

The memorandum of incorporation of Quantum provides the Directors with the authority to make and implement the Odd-lot Offer, the Specific Offer and the repurchase of its own Shares in accordance with the Listings Requirements.

4. **MATERIAL CHANGES**

There have been no negative material changes in the financial or trading position of the Quantum Group since the publication of Quantum's annual financial statements for the year ended 30 September 2017.

5. **SHARE CAPITAL**

- 5.1 The authorised and issued share capital of Quantum before the implementation of the Offers, is as follows:

	Number of Shares	R
<b>Authorised share capital</b>		
Shares of no par value	400 000 000	
<b>Issued share capital prior to the implementation of the Offers</b>		
Stated capital – Shares of no par value	222 314 657	1 552 669 890
Treasury Shares	–	–

- 5.2 The authorised and issued share capital of Quantum after the implementation of the Offers, is as follows:

	Number of Shares	R
<b>Authorised share capital</b>		
Shares of no par value	400 000 000	
<b>Issued share capital after the implementation of the Offers</b>		
Stated capital – Shares of no par value	219 354 265	1 540 269 890
Treasury Shares	–	–

## 6. DIRECTORS

6.1 The full names, ages, business address and capacities of the Directors of Quantum and its Major Subsidiary, are set out below:

Full name	Age	Capacity	Company	Business Address
WA Hanekom	58	Independent non-executive Chairman	Quantum	11 Main Road, Wellington, 7655
HA Lourens	54	Chief Executive Officer	Quantum and Quantum Foods Operations	11 Main Road, Wellington, 7655
AH Muller	47	Chief Financial Officer	Quantum and Quantum Foods Operations	11 Main Road, Wellington, 7655
PE Burton	65	Lead Independent non-executive Director	Quantum	11 Main Road, Wellington, 7655
GG Fortuin	51	Independent non-executive Director	Quantum	Boundary Terraces, 1 Mariendahl Lane, Newlands, 7735
Prof. ASM Karaan	49	Independent non-executive Director	Quantum	1st Floor, 2 Kiepersol Close, Platteklouf, Parow, 7500
N Celliers	44	Non-executive Director	Quantum	2nd Floor, Ou Kollege, 35 Kerk Street, Stellenbosch, 7600
INT Makomba	31	Executive Director	Quantum Foods Operations	11 Main Road, Wellington, 7655

6.2 An abridged curriculum vitae on each of the Directors are set out in **Annexure 1**.

## 7. DIRECTORS BENEFICIAL INTERESTS

The beneficial interests in Shares held by all the Directors of Quantum as at the Last Practicable Date, are set out below:

Director	Number of Shares held directly	Number of Shares held indirectly	Total number of Shares held	% of issued ordinary share capital
WA Hanekom	–	7 495 758	7 495 758	3.372
HA Lourens	605 005	–	605 005	0.272
AH Muller	200 000	–	200 000	0.090
PE Burton	–	3 000	3 000	0.001
GG Fortuin	–	–	–	–
Prof. ASM Karaan	–	86 147	86 147	0.039
N Celliers	–	–	–	–
<b>Total</b>	<b>805 005</b>	<b>7 584 905</b>	<b>8 389 910</b>	<b>3.774</b>

### Note:

1. Includes Shares held in trusts of which the Directors are discretionary beneficiaries.

## 8. MAJOR SHAREHOLDERS

As far as the Directors are aware, as at the Last Practicable Date, the following persons, other than Directors, are beneficially interested, directly or indirectly, in 5% or more of the Shares in issue:

Name of Shareholder	Number of Shares	% of Shares in issue
Zeder Investments Limited	61 620 084	27.7
Allan Gray Proprietary Limited	33 312 130	15.0
Coronation Management Company (RF) Proprietary Limited	13 189 991	5.9

## 9. LITIGATION

There are no legal or arbitration proceedings (including any such proceedings that are pending or threatened) of which Quantum is aware, which may have, or have during the 12 months preceding the Last Practicable Date had, a material effect on the financial position of the Quantum Group.

## 10. EXPERTS' CONSENTS

Each of the experts, whose names appear in the "Corporate Information" section of this Circular have given and have not, prior to the formal approval of this Circular by the JSE, withdrawn their written consents to the inclusion of their names, and acting in the capacities stated in this Circular.

## 11. EXPENSES

Quantum's preliminary expenses relating to the Offers, which have been incurred or which are expected to be incurred, including the fees payable to professional advisers, are anticipated to amount to approximately R790 000, excluding VAT, and include the following:

Nature of Expense	Payable to	R'000
Transaction Advisor and Sponsor fees	PSG Capital	450
Documentation inspection fees	JSE	30
Transfer Secretaries fees	Computershare	120
Strate fees	Strate	10
Printing, publication and distribution	Greymatter & Finch	100
Contingency		80
<b>Estimated Total</b>		<b>790</b>

## 12. RESPONSIBILITY STATEMENT

The Directors, whose names are set out in the "Corporate Information" section of this Circular, collectively and individually accept full responsibility for the accuracy of the information contained in this Circular which relates to Quantum and, in this regard, 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 Circular contains all information required by the Listings Requirements.

## 13. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of Quantum and at the offices of PSG Capital at the addresses referred to in the "Corporate Information" section of this Circular, during normal office hours from the date of issue of this Circular, until the General Meeting:

- 13.1 the memorandum of incorporation of Quantum and its Major Subsidiary;
- 13.2 the audited annual financial statements of Quantum for the 2015, 2016 and 2017 financial years;
- 13.3 consent letters referred to in paragraph 10 above; and
- 13.4 a copy of this Circular, including all annexures hereto.

By order of the Board



HA LOURENS

**SIGNED IN WELLINGTON ON 12 JANUARY 2018 BY HA LOURENS ON BEHALF OF ALL OF THE DIRECTORS OF QUANTUM FOODS HOLDINGS LIMITED IN TERMS OF POWERS OF ATTORNEYS SIGNED BY SUCH DIRECTORS**

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## DIRECTOR PROFILES

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<p><b>Hendrik Albertus Lourens (Hennie) (54)</b>  <b>Chief Executive Officer</b>            B Com (Hons), M.Com, B Proc  <b>Appointed:</b> 27 January 2014  <b>Nationality:</b> South African</p>	<p><b>Expertise and experience:</b>            Hennie was appointed as executive of Quantum in 2007, while it was a division of Pioneer Food Group Limited. He commenced his services with Pioneer Food Group Limited as the human resources manager for Bokomo in 1996 and was later appointed as general manager for the Sasko Grain Business. He has been in the FMCG industry for 21 years.</p>
<p><b>André Hugo Muller (André) (47)</b>  <b>Chief Financial Officer</b>            CA(SA)  <b>Appointed:</b> 27 January 2014  <b>Nationality:</b> South African</p>	<p><b>Expertise and experience:</b>            André joined Quantum while it was a division of Pioneer Food Group Limited. He started at <i>Nulaid</i> as financial manager and was later appointed as the farming operations manager for <i>Nulaid</i>, a position he held for four years. André spent a year as national sales and marketing manager for Tydstroom before being appointed as head of finance for Quantum.</p>
<p><b>Norman Celliers (Norman) (44)</b>  <b>Non-executive Director</b>            B.Eng (Civil), MBA  <b>Appointed:</b> 10 June 2014  <b>Nationality:</b> South African</p>	<p><b>Expertise and experience:</b>            Norman holds a B.Eng (Civil) degree from the University of Stellenbosch and a MBA from the University of Oxford (England). His professional experience includes engineering, management consulting and private equity in South Africa and abroad. Currently, he is the chief executive officer of Zeder Investments Limited.</p>
<p><b>Wouter André Hanekom (58)</b>  <b>Independent non-executive Chairman</b>            CA(SA)  <b>Appointed:</b> 1 October 2014  <b>Nationality:</b> South African</p>	<p><b>Expertise and experience:</b>            André joined Bokomo Breakfast Cereals in 1988 as a financial manager. He was later appointed as operational executive and, in 1994, he was appointed as chief executive officer of Bokomo. After the merger between Sasko and Bokomo, André served as the executive responsible for Sasko Milling and Baking, after which he was appointed as chief executive officer of Pioneer Food Group Limited in 1999. André retired as chief executive officer of Pioneer Food Group Limited in March 2013.</p>
<p><b>Patrick Ernest Burton (65)</b>  <b>Independent non-executive Director</b>            BCom (Hons) Financial Management, HDip in Tax Law  <b>Appointed:</b> 29 July 2014  <b>Nationality:</b> South African</p>	<p><b>Expertise and experience:</b>            Patrick is an experienced businessman with experience as a director which includes non-executive positions in fishing, food, insurance, financial services and investment holding companies. Patrick serves on a number of boards of listed and unlisted companies.</p>
<p><b>Prof. Abdus Salam Mohammad Karaan (49)</b>  <b>Independent non-executive Director</b>            BSc Agric, BSc Agric (Hons), MSc Agric, PhD (Agric)  <b>Appointed:</b> 10 June 2014  <b>Nationality:</b> South African</p>	<p><b>Expertise and experience:</b>            Mohammad joined the Development Bank of Southern Africa in Johannesburg as an economist and later returned to Stellenbosch to join the Rural Foundation as head of research. In 1997, he joined Stellenbosch University as a lecturer in the Agricultural Faculty. In October 2008, he became dean of the Faculty of Agri-Sciences at Stellenbosch University. He serves on a number of boards.</p>
<p><b>Geoffrey George Fortuin (51)</b>  <b>Independent non-executive Director</b>            BCom (Acc), BCom (Acc) (Hons), CA(SA)  <b>Appointed:</b> 28 April 2015  <b>Nationality:</b> South African</p>	<p><b>Expertise and experience:</b>            Geoff is a qualified chartered accountant and practised as a partner at Deloitte &amp; Touche for 15 years during which time he was responsible for a number of South African listed companies.            He was also a member of the Deloitte South Africa Board. Geoff is currently the financial director of Brimstone Investment Corporation Limited.</p>
<p><b>Ignatia Ntokozo Tamarie Makomba (31)</b>  <b>Executive director of Quantum Foods Operations</b>            LLB  <b>Appointed:</b> 7 October 2014  <b>Nationality:</b> South African</p>	<p><b>Expertise and experience:</b>            Ntokozo joined Quantum in 2014 from Van der Spuy and Partners (Paarl), where she practised as an attorney in the commercial department. She articulated in Bloemfontein at Phatshoane Henney Attorneys. She has six years' experience in the legal and compliance environment. She was appointed as the company secretary of Quantum on 5 May 2014.</p>





**QUANTUM FOODS HOLDINGS LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2013/208598/06)  
Share Code: QFH, ISIN: ZAE000193686  
("Quantum" or "the Company")

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## NOTICE OF GENERAL MEETING

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*Unless specifically defined herein, the definitions and interpretations commencing on page 6 of the Circular to which this Notice of General Meeting forms part apply, mutatis mutandis, to this Notice of General Meeting.*

Notice is hereby given of a General Meeting of Shareholders to be held at the Le Bac Estate, R45 Noorderpaarl, Paarl at 10:30 or as soon as possible thereafter once the Annual General Meeting concludes, on Friday, 23 February 2018, for the purpose of considering and, if deemed fit, passing with or without modification, the special and ordinary resolutions set out below:

**1. SPECIAL RESOLUTION NUMBER 1 – SPECIFIC AUTHORITY TO REPURCHASE FROM THE ODD-LOT HOLDERS**

"Resolved that, the Company is hereby authorised by way of a specific authority in terms of section 48 of the Companies Act, clause 20 of the Company's memorandum of incorporation and in accordance with the Listings Requirements, to acquire, at the Offer Price per Share pursuant to the Odd-lot Offer, details of which are contained in the Circular, the Shares of those Odd-lot Holders holding less than 100 Shares in the Company, who elect, pursuant to the Odd-lot Offer, to sell their Odd-lot Holdings or who do not make an election to retain their Odd-lot Holdings."

**Reason for and effect of Special Resolution Number 1**

The reason for Special Resolution Number 1 is to obtain a specific approval in terms of section 48 of the Companies Act, the Listings Requirements and the Company's memorandum of incorporation for the acquisition by the Company, from the Odd-lot Holders of their Odd-lot Holdings as proposed in the Odd-lot Offer. The effect of Special Resolution Number 1 is that Quantum will be authorised, to acquire Shares in Quantum in terms of the Odd-lot Offer from the Odd-lot Holders who elect to sell their Odd-lot Holding or who do not make an election.

**2. SPECIAL RESOLUTION NUMBER 2 – SPECIFIC AUTHORITY TO REPURCHASE FROM THE SPECIFIC HOLDERS**

"Resolved that, the Company is hereby authorised by way of a specific authority in terms of section 48 of the Companies Act, clause 20 of the Company's memorandum of incorporation and in accordance with the Listings Requirements, to acquire, at the Offer Price per Share pursuant to a Specific Offer, the details of which are contained in the Circular, the Shares of those Specific Holders holding 100 Shares or more but equal to or less than 5 000 Shares who elect, pursuant to the Specific Offer, to sell their Specific Holdings."

**Reason for and effect of Special Resolution Number 2**

The reason for Special Resolution Number 2 is to obtain a specific approval in terms of section 48 of the Companies Act, the Listings Requirements and the Company's memorandum of incorporation for the acquisition by the Company, from Specific Holders of their Specific Holdings as proposed in the Specific Offer. The effect of Special Resolution Number 2 is that Quantum will be authorised, to acquire Shares in Quantum in terms of the Specific Offer from Specific Holders who elect to sell their Specific Holdings.

**3. ORDINARY RESOLUTION NUMBER 1 – IMPLEMENTATION OF THE ODD-LOT OFFER**

"Resolved that, subject to the passing of Special Resolution Number 1, the Directors are hereby authorised to make and implement the Odd-lot Offer to Shareholders holding less than 100 Shares in the Company at the close of business on Friday, 16 March 2018 (or such other date as approved by the JSE) according to the terms and conditions of the Odd-lot Offer contained in the Circular."

**Reason for and effect of Ordinary Resolution Number 1**

The reason for Ordinary Resolution Number 1 is to obtain the authority of Shareholders in order for the Company to make and implement the Odd-lot Offer. The effect of Ordinary Resolution Number 1 is that the Company will be authorised to make and implement the Odd-lot Offer.

**4. ORDINARY RESOLUTION NUMBER 2 – ENABLING RESOLUTION**

"Resolved that, subject to the passing of Special Resolution Numbers 1 and 2 and Ordinary Resolution Number 1, the Directors be and are hereby authorised to do all such things and sign all such documents as may be necessary to implement the aforementioned resolutions."

**Reason for and effect of Ordinary Resolution Number 2**

The reason for Ordinary Resolution Number 2 is to obtain the authority of Shareholders in order for the Directors to implement the aforementioned resolutions. The effect of Ordinary Resolution Number 2 is that Directors shall be authorised to implement the aforementioned resolutions.

## **VOTING AND PROXIES**

Certificated Shareholders and Dematerialised Shareholders with “own name” registration who are unable to attend the General Meeting but wish to be represented thereat, should complete and return the attached Form of Proxy, in accordance with the instructions contained therein, to the office of the Transfer Secretaries, Computershare, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (PO Box 61051, Marshalltown, 2107) or by email to proxy@computershare.co.za, to be received by them for administrative purposes only, by no later than 10:30 on Wednesday, 21 February 2018, provided that any Form of Proxy (*grey*) not delivered to the Transfer Secretaries by this time may be handed to the chairman of the General Meeting at any time before the appointed proxy exercises any shareholder rights at the General Meeting.

Dematerialised Shareholders, other than those with “own name” registration, who wish to attend the General Meeting must instruct their Central Securities Depository Participant (“CSDP”) or broker to issue them with the necessary letter of representation to attend. Should Shareholders who have already Dematerialised their Quantum Shares, other than those with “own name” registration, wish to vote by way of proxy, they must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between them and their CSDP or broker. A proxy need not also be a Shareholder of the Company. In respect of Dematerialised Shares, it is important to ensure that the person or entity (such as a nominee) whose name has been entered into the relevant sub-register maintained by a CSDP completes the Form of Proxy in terms of which he/she appoints a proxy to vote at the General Meeting of Shareholders in accordance with the instructions received from Dematerialised Shareholders.

On a show of hands, every Shareholder present in person shall have only one vote in respect of the number of Shares he/she holds or represents, provided that a proxy shall, irrespective of the number of Shareholders he/she represents, have only one vote.

On a poll, every Quantum Shareholder present in person or represented by proxy shall have one vote for every Share held in Quantum by such Shareholder.

By order of the Board



**HA LOURENS**  
**QUANTUM FOODS HOLDINGS LIMITED**

**WELLINGTON**

**Registered office**

11 Main Road  
Wellington, 7655  
(PO Box 1183, Wellington, 7654)

**Transfer Secretaries**

Computershare Investor Services Proprietary Limited  
(Registration number 2004/003647/07)  
Rosebank Towers  
15 Biermann Avenue  
Rosebank, 2196  
(PO Box 61051, Marshalltown, 2107)



**QUANTUM FOODS HOLDINGS LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2013/208598/06)  
Share Code: QFH, ISIN: ZAE000193686  
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**FORM OF PROXY (GREY)**

Unless specifically defined herein, the definitions and interpretations commencing on page 6 of the Circular to which this Form of Proxy forms part apply, mutatis mutandis, to this Form of Proxy.

**ONLY FOR USE BY CERTIFICATED SHAREHOLDERS AND "OWN NAME" REGISTERED DEMATERIALIZED SHAREHOLDERS**

For use by Shareholders at the General Meeting of Quantum Shareholders to be held at the Le Bac Estate, R45 Noorderpaarl, Paarl at 10:30 or as soon as possible thereafter once the Annual General Meeting concludes, on Friday, 23 February 2018, or any adjourned or postponed meeting.

**If you are a Dematerialised Shareholder without "own-name" registration you must not complete this Form of Proxy but must instruct your CSDP or broker as to how you wish to vote.** This must be done in terms of the custody agreement between you and your CSDP or broker.

I/We (Please PRINT names in full)  
of (address)

Telephone numbers: Landline \_\_\_\_\_ Mobile \_\_\_\_\_

E-mail address: \_\_\_\_\_

being the holder of \_\_\_\_\_ Certified Shares or

Dematerialised Shares with "own-name" registration do hereby appoint (see notes 1 and 2):

- 1. \_\_\_\_\_ or failing him/her
- 2. \_\_\_\_\_ or failing him/her
- 3. the chairperson of the General Meeting,

as my/our proxy to attend, speak and vote for me/us at the General Meeting (or any adjournment thereof) for purposes of considering and, if deemed fit, passing, with or without modification, the Resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the Resolutions and/or abstain from voting in respect of the Shares registered in my/our name(s), in accordance with the following instruction (see notes):

	For*	Against*	Abstain*
<b>Special Resolution Number 1</b> Specific authority to repurchase from the Odd-lot Holders			
<b>Special Resolution Number 2</b> Specific authority to repurchase from the Specific Holders			
<b>Ordinary Resolution Number 1</b> Implementation of the Odd-lot Offer			
<b>Ordinary Resolution Number 2</b> Authority			

\* One vote per Share held by Shareholders. Shareholders must insert the relevant number of votes they wish to vote in the appropriate box provided or "X" should they wish to vote all Shares held by them. If the Form of Proxy is returned without an indication as to how the proxy should vote on any particular matter, the proxy will exercise his/her discretion as to whether, and if so, how he/she votes.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ 2018

Signature \_\_\_\_\_

Capacity of signatory (where applicable) \_\_\_\_\_

Assisted by (where applicable) (state capacity and full name) \_\_\_\_\_

**Note:** Authority of signatory to be attached – see notes 8 and 9.

Telephone number \_\_\_\_\_

Mobile number \_\_\_\_\_

Assisted by me (where applicable) \_\_\_\_\_

Full name \_\_\_\_\_

Capacity \_\_\_\_\_

Signature \_\_\_\_\_

## SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

### In terms of section 58 of the Companies Act:

- A Shareholder 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 Shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the Shareholder.
- A proxy may delegate 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, 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 memorandum of incorporation 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.

### Notes:

1. Each Shareholder is entitled to appoint one (or more) proxies (none of whom need be a Shareholder of the Company) to attend, speak and vote in place of that Shareholder at the General Meeting.
2. A 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 chairman of the General Meeting" but the Shareholder must initial any such deletion. The person whose name stands first on the Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Shareholder in the appropriate box provided or "X" should the Shareholder wish to vote all Shares held by him. Failure to comply with the above will be deemed to authorise and direct the proxy to vote or abstain from voting at the General Meeting as he/she deems fit, in respect of all the Shareholder's votes exercisable at the meeting.
4. Completed Forms of Proxy and the authority (if any) under which they are signed must be lodged with or emailed to proxy@computershare.co.za or posted to the Transfer Secretaries, Computershare, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (PO Box 61051, Marshalltown, 2107), to be received by them for administrative purposes only by no later than 48 hours before the commencement of the General Meeting (or any adjournment of the General Meeting), excluding Saturdays, Sundays and official public holidays, provided that any Form of Proxy not delivered to the Transfer Secretaries by this time may be handed to the chairman of the General Meeting at any time before the appointed proxy exercises any shareholder rights at the General Meeting.
5. The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.
6. The chairman of the General Meeting may accept or reject any Form of Proxy not completed and/or received in accordance with these notes or with the memorandum of incorporation of the Company.
7. Any alteration or correction made to this Form of Proxy must be initialled by the signatory/ies.
8. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this Form of Proxy, unless previously recorded by the Company or the Transfer Secretaries.
9. Where this Form of Proxy is signed under power of attorney, such power of attorney must accompany this Form of Proxy, unless it has been registered by the Company or the Transfer Secretaries or waived by the chairman of the General Meeting.
10. Where Shares are held jointly, all joint holders are required to sign this Form of Proxy.
11. A minor Shareholder must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company or the Transfer Secretaries.
12. Dematerialised Shareholders who do not own Shares in "own-name" dematerialised form and who wish to attend the General Meeting, or to vote by way of proxy, must contact their CSDP or broker who will furnish them with the necessary letter of representation to attend the General Meeting or to be represented thereat by proxy. This must be done in terms of the agreement between the Shareholder and his/her CSDP or broker.
13. This Form of Proxy shall be valid at any resumption of an adjourned meeting to which it relates although this Form of Proxy shall not be used at the resumption of an adjourned meeting if it could not have been used at the General Meeting from which it was adjourned for any reason other than it was not lodged timeously for the meeting from which the adjournment took place. This Form of Proxy shall in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the General Meeting in question, subject to any specific direction contained in this Form of Proxy as to the manner of voting.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Share in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Transfer Secretaries before the commencement of the meeting or adjourned meeting at which the proxy is used.
15. Any proxy appointed pursuant to this Form of Proxy may not delegate her or his authority to act on behalf of the relevant Shareholder.
16. In terms of section 58 of the Companies Act, unless revoked, an appointment of a proxy pursuant to this Form of Proxy remains valid only until the end of the General Meeting or any adjournment of the General Meeting.



**QUANTUM FOODS HOLDINGS LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2013/208598/06)  
Share Code: QFH, ISIN: ZAE000193686  
("Quantum" or "the Company")

## FORM OF ELECTION AND SURRENDER FOR THE ODD-LOT OFFER (*BLUE*)

Unless specifically defined herein, the definitions and interpretations commencing on page 6 of the Circular to which this Form of Election and Surrender forms part apply, mutatis mutandis, to this Form of Election and Surrender.

**For completion by Certificated Shareholders who hold less than 100 Shares in total ("Odd-lot Holdings") as at close of business on Friday, 16 March 2018 ("Odd-lot Holders"). Your share certificate must be submitted along with this form in the event that you do not elect to retain your Odd-lot Holding.**

**Note:** A separate form is required for each Shareholder.

**Instructions:**

- Part 1 must be completed by **ALL** Odd-lot Holders who hold a share certificate in respect of their Shares and who return this form.
- Part 2 must **ONLY** be completed by Odd-lot Holders who hold a share certificate and **WHO WISH TO SELL THEIR ODD-LOT HOLDINGS**.
- Part 3 must **ONLY** be completed by Odd-lot Holders who hold a share certificate in respect of their Shares and **WHO ARE EMIGRANTS FROM OR NON-RESIDENTS OF THE COMMON MONETARY AREA**, and who wish to sell their Odd-lot Holdings.
- Additional forms of election and surrender may be obtained from Computershare at the applicable address set out below.
- ALL Odd-lot Holders who complete this blue form of election and surrender must attach a certified copy of their identity document.**
- If this form of election and surrender is returned with the relevant Documents of Title before the Odd-lot Offer is implemented, it will be treated as a conditional surrender which is made subject to the Odd-lot Offer (details of which are set out in the Circular to which this form is attached) being implemented. In the event of the Odd-lot Offer not being implemented for any reason whatsoever the Transfer Secretaries will, within five business days of the date upon which it becomes known that the Odd-lot Offer will not be implemented, return the Documents of Title to the Odd-lot Holders concerned, by registered post, at the risk of such Odd-lot Holders.
- All forms of election and surrender must be lodged with Computershare at the address set out below, so as to be received by no later than Friday, 16 March 2018.**  

To be delivered at:	or posted at the risk of the Odd-lot Holder to:
Computershare Investor Services Proprietary Limited	Computershare Investor Services Proprietary Limited
Rosebank Towers	PO Box 61763
15 Biermann Avenue	Marshalltown
Rosebank	2107
2196	
- Odd-lot Holders who have Dematerialised their Shares must advise their Central Securities Depository Participant ("**CSDP**") or broker as to the action they wish to take in terms of the agreement entered into between them and their CSDP or broker. Such Shareholders must NOT return this form of election and surrender to Computershare.

**ALL CERTIFICATED ODD-LOT HOLDERS MUST COMPLETE THIS SIGNATURE AND CONTACT DETAILS SECTION**

Name	
Surname	
Share certificate number	
ID number/Company registration number	
Assisted by me (if applicable)	
(State full name and capacity)	
Date	
Telephone number (Home)	(    )
Telephone number (Work)	(    )
Cellular number	(    )
Postal address	
<b>Signature of Shareholder</b>	

**PART 1 – To be completed by ALL Odd-lot Holders who return this form.**

Odd-lot Holders who hold a share certificate in respect of their Shares and who do not complete and return this form of election and surrender so as to be received by no later than 12:00 on Friday, 16 March 2018 should note that their Shares will be repurchased without any further action on their part and without any further notice to them.

Indicate your choice by means of an "X".

**Option A – I would like to sell all my Shares at the Offer Price.**

**Option B – I would like to retain all my Shares.**

If Option A is chosen, please complete Part 2. If you do not provide bank account details, payment will be made by cheque to you which will be sent to the postal address provided above and where no postal address is given or such address is incomplete, payment will be posted to your address contained in the share register of Quantum on **Monday, 19 March 2018**. The posting of such cheque will be by ordinary post at your risk.

**PART 2 – To be completed if you have elected to sell your Odd-lot Holding**

I have a bank account and would like to sell my Shares. Please pay the cash owing to me for purchasing my Shares into the following bank account:

Banking details	
Account holder	
Bank name	
Account number	
Bank branch	
Branch code	

**NB: In order to comply with FICA requirements, the Transfer Secretaries will be unable to record any changes of address or payment mandates unless a certified true copy of the undermentioned documentation is received from the relevant Shareholder. (i) a copy of an identification document (in respect of change of address and payment mandate) and (ii) a copy of a bank statement (in respect of bank mandate).**

**PART 3 – To be completed by ODD-LOT HOLDERS WHO ARE EMIGRANTS FROM OR NON-RESIDENTS OF THE COMMON MONETARY AREA who wish to sell their Shares**

Name of authorised dealer	
Address	
Account number	
Stamp and address of agent lodging this form (if any)	

**Signature of Shareholder**

**Notes:**

1. This form is to be used by Odd-lot Holders who have not Dematerialised their Shares and who wish to sell or retain their Shares in terms of the Odd-lot Offer and who are registered as such as at the close of business on Friday, 16 March 2018.
2. Odd-lot Holders who have elected to sell their Shares will have payments for the proceeds of the sale of their Shares processed in the manner set out in paragraph 3.9.12 of the Circular, on or about Monday, 19 March 2018.
3. If this form of election and surrender is signed under a power of attorney, then such power of attorney, or a certified copy of the original, must be sent with this form of election and surrender for noting (unless it has already been noted by Quantum or Computershare).
4. Where the Odd-lot Holder is a company or a close corporation, unless it has already been registered with Quantum or Computershare, a certified copy of the directors' or members' resolution authorising the signing of this form of election and surrender must be submitted if so requested by Quantum.
5. Note 4 above does not apply in the event of this form of election and surrender bearing the stamp of a broking member of the JSE.
6. Where there are joint holders of any Shares, only that holder whose name appears first in the register in respect of such Shares need sign this form of election and surrender.
7. No receipts will be issued for documents lodged, unless specifically requested. In compliance with the requirements of the JSE, lodging agents are required to prepare special transaction receipts.
8. The Directors of Quantum reserve the right to accept or reject any form of election and surrender where the Odd-lot Holder has not completed all the required information or has not delivered all the required documents to Computershare.



**QUANTUM FOODS HOLDINGS LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2013/208598/06)  
Share Code: QFH, ISIN: ZAE000193686  
("Quantum" or "the Company")

**FORM OF ELECTION AND SURRENDER FOR THE SPECIFIC OFFER (PINK)**

*Unless specifically defined herein, the definitions and interpretations commencing on page 6 of the Circular to which this Form of Election and Surrender forms part apply, mutatis mutandis, to this Form of Election and Surrender.*

**For completion by Certificated Shareholders who hold 100 Shares or more but equal to or less than 5 000 Shares in total ("Specific Holdings") as at close of business on Friday, 16 March 2018 ("Specific Holders"). Your share certificate must be submitted along with this form.**

**Note:** A separate form is required for each Shareholder.

**Instructions:**

- Part 1 and Part 2 must be completed by **ALL** Specific Holders who hold a share certificate in respect of their Shares and who wish to sell **ALL** their Shares.
- Part 3 must **ONLY** be completed by Specific Holders who hold a share certificate, who wish to sell their Shares and **WHO ARE EMIGRANTS FROM OR NON-RESIDENTS OF THE COMMON MONETARY AREA.**
- Additional forms of election and surrender may be obtained from Computershare at the applicable address set out below.
- ALL** Specific Holders who complete this pink form of election and surrender must attach a certified copy of their identity document.
- All forms of election and surrender must be lodged with Computershare at the address set out below, so as to be received by no later than 12:00 on Friday, 16 March 2018.

To be delivered at:  
Computershare Investor Services Proprietary Limited  
Rosebank Towers  
15 Biermann Avenue  
Rosebank  
2196

or posted at the risk of the Specific Holder to:  
Computershare Investor Services Proprietary Limited  
PO Box 61763  
Marshalltown  
2107

- Specific Holders who have Dematerialised their Shares must advise their Central Securities Depository Participant ("**CSDP**") or broker as to the action they wish to take in terms of the agreement entered into between them and their CSDP or broker. Such Shareholders must **NOT** return this form of election and surrender to Computershare.

**ALL CERTIFICATED SPECIFIC HOLDERS WHO WISH TO SELL THEIR SHARES MUST COMPLETE THIS SIGNATURE AND CONTACT DETAILS SECTION**

Name	
Surname	
Share certificate number	
ID number/Company registration number	
Assisted by me (if applicable)	
(State full name and capacity)	
Date	
Telephone number (Home)	(    )
Telephone number (Work)	(    )
Cellular number	(    )
Postal address	
<b>Signature of Shareholder</b>	

**PART 1 – To be completed by ALL Certificated Specific Holders who wish to sell their Shares.**

**Specific Holders who hold a share certificate in respect of their Shares and who elect to sell their Shares should note that their Shares will be repurchased without any further action on their part and without any further notice to them.**

Indicate that you wish to sell all your Shares by means of an “X”.

**I would like to sell all my Shares at the Offer Price.**

**If you have elected to sell your Specific Holding, please complete PART 2.** If you do not provide bank account details, payment will be made by cheque to you which will be sent to the postal address provided above and where no postal address is given or such address is incomplete, payment will be posted to your address contained in the share register of Quantum on **Monday, 19 March 2018**. The posting of such cheque will be by ordinary post at your risk.

**PART 2 – To be completed if you have elected to sell your Specific Holding**

I have a bank account and would like to sell my Shares. Please pay the cash owing to me for purchasing my Shares into the following bank account:

Banking details	
Account holder	
Bank name	
Account number	
Bank branch	
Branch code	

**NB: In order to comply with FICA requirements, the Transfer Secretaries will be unable to record any changes of address or payment mandates unless a certified true copy of the undermentioned documentation is received from the relevant Shareholder. (i) a copy of an identification document (in respect of change of address and payment mandate) and (ii) a copy of a bank statement (in respect of bank mandate).**

**PART 3 – To be completed by SPECIFIC HOLDERS WHO ARE EMIGRANTS FROM OR NON-RESIDENTS OF THE COMMON MONETARY AREA who wish to sell their Shares**

Name of authorised dealer	
Address	
Account number	
Stamp and address of agent lodging this form (if any)	

**Notes:**

1. This form is to be used by Specific Holders who have not Dematerialised their Shares and who wish to sell their Shares in terms of the specific repurchase and who are registered as such as at the close of business on Friday, 16 March 2018.
2. Specific Holders who have elected to sell their Shares will have payments for the proceeds of the sale of their Shares processed in the manner set out in paragraph 3.9.12 of the Circular, on or about Monday, 19 March 2018.
3. If this form of election and surrender is signed under a power of attorney, then such power of attorney, or a certified copy of the original, must be sent with this form of election and surrender for noting (unless it has already been noted by Quantum or Computershare).
4. Where the specific holder is a company or a close corporation, unless it has already been registered with Quantum or Computershare, a certified copy of the directors' or members' resolution authorising the signing of this form of election and surrender must be submitted if so requested by Quantum.
5. Note 4 above does not apply in the event of this form of election and surrender bearing the stamp of a broking member of the JSE.
6. Where there are joint holders of any Shares, only that holder whose name appears first in the register in respect of such Shares need sign this form of election and surrender.
7. No receipts will be issued for documents lodged, unless specifically requested. In compliance with the requirements of the JSE, lodging agents are required to prepare special transaction receipts.
8. The Directors of Quantum reserve the right to accept or reject any form of election and surrender where the Specific Holder has not completed all the required information or has not delivered all the required documents to Computershare.