

Mpact Limited
(Incorporated in the Republic of South Africa)
(Registration number 2004/025229/06)
JSE share code: MPT ISIN: ZAE000156501
("Mpact Limited" or "the Company")

APPOINTMENT OF MPACT LIMITED NON-EXECUTIVE DIRECTORS TO THE BOARD OF MPACT OPERATIONS PROPRIETARY LIMITED

As notified on SENS on Thursday, 2 June 2022, at the Annual General Meeting ("AGM") of the shareholders of Mpact Limited held on the same day, special resolution 3 ("**Special Resolution 3**") regarding non-executive directors' remuneration was supported by the majority of shareholders, but was not adopted as it did not receive the required 75% approval. The Company's largest shareholder, Caxton and CTP Publishers and Printers Limited ("**Caxton**"), opposed the resolution. Accordingly, with effect from 1 July 2022, Mpact Limited is prevented from remunerating its non-executive directors ("**NEDs**"). The NEDs agreed to continue serving on the Mpact Limited board of directors ("**Board**") without being remunerated in the short term, while a solution was found. Since the AGM, the Board has engaged with Caxton in an attempt to resolve the issue, but has been unable to find common ground.

The Company still requires that the Board continues to function to ensure effective management and good governance, as well as ongoing compliance with the JSE Listings Requirements. The NEDs have therefore agreed to remain as directors of Mpact Limited for the time being. The composition and working of the existing Board committees will not be affected. This is despite the fact that the NEDs will not be remunerated for their services to Mpact Limited until such remuneration is approved by a special resolution of Mpact Limited Shareholders.

The Company's main operating subsidiary is Mpact Operations Proprietary Limited (1998/004341/07) ("**Mpact Operations**"), which conducts the vast majority of the business and affairs of the broader Mpact group. The NEDs have therefore been appointed to the board of Mpact Operations with effect from 23 September 2022 in which capacity they will continue to attend to the governance of Mpact Operations and its subsidiaries. In their capacity as NEDs of Mpact Operations, they will be remunerated for services rendered to Mpact Operations.

The Board regards these steps as necessary to discharge its duties to maintain good governance within the broader Mpact group, and to protect the interests of the Company and all of its shareholders. The Board has engaged the JSE, along with its sponsor, and has taken legal advice regarding these steps taken.

Melrose Arch
26 September 2022

Sponsor
The Standard Bank of South Africa Limited