

**Brimstone Investment Corporation Limited**  
(Incorporated in the Republic of South Africa)  
Registration number 1995/010442/06  
ISIN Number: ZAE000015277 Share Code: BRT  
ISIN Number: ZAE000015285 Share Code: BRN  
("Brimstone" or the "Company")

## **DISPOSAL OF INVESTMENT IN MILPARK EDUCATION**

### **1. Introduction**

Brimstone shareholders are advised that the Company has entered into an agreement dated 29 December 2023 (the "**Agreement**") with STADIO Investment Holdings Proprietary Limited ("**STADIO**" or the "**Purchaser**") to dispose of its 51% shareholding in Newshelf 1409 (Proprietary) Limited ("**Newshelf 1409**") (the "**Sale Shares**"), which is held via its wholly-owned subsidiary, Newshelf 1404 (Proprietary) Limited (the "**Seller**"), for a cash consideration of R117.5 million (the "**Consideration**") (the "**Disposal**").

The Seller holds an indirect 12.8% shareholding in Milpark Education Proprietary Limited ("**Milpark Education**") and following the Disposal, Brimstone will no longer have an interest in Milpark Education.

### **2. Description of Milpark Education**

Milpark Education is one of South Africa's leading private higher education providers of business, commerce, accounting, finance, insurance and banking courses, offering online higher education in three formats – distance learning, distance learning online and online short courses.

### **3. Rationale and use of proceeds**

The board of directors of the Company (the "**Board**") has undertaken a strategic review of its investment portfolio having regard to its long-term strategy. The Board has identified assets that it believes can be disposed of at acceptable valuations without jeopardising this strategy. The proceeds from the Disposal will be applied to meet Brimstone's funding obligations in the near to medium term.

### **4. Terms and conditions of the Disposal**

#### **4.1 Purchaser**

The beneficial owner of STADIO is STADIO Holdings Limited ("**STADIO Holdings**"), a company listed on the JSE Limited ("**JSE**"). The Purchaser is not a 'related' party in terms of the JSE Listings Requirements.

#### **4.2 The Disposal**

Brimstone has agreed to sell, and the Purchaser has agreed to purchase the Sale Shares. The Agreement is unconditional, and the effective date of the Disposal is 31 December 2023 (the "**Effective Date**"), when all risks and rewards of ownership of the Sale Shares will be deemed to have passed to the Purchaser.

All shareholders of Milpark Education have agreed to the Disposal.

#### **4.3 Consideration**

The Consideration of R117.5 million will be paid by the Purchaser to Brimstone in January 2024, after giving the Seller at least 1 (one) Business Day's prior written notice, which date shall be on the earliest practicable date, as agreed between the parties, in January 2024, but no later than 31 January 2024.

#### **5. Terms and conditions of the Disposal**

There are no conditions precedent in respect of the Disposal.

#### **6. Representations and warranties**

The Agreement contains representations and warranties by the parties in favour of one another which are standard for transactions of this nature.

#### **7. Financial information**

7.1 The carrying value of Newshelf 1409 is R74.3 million as at 30 June 2023 and the profits attributable to Newshelf 1409 is R5.9 million.

7.2 The financial information has been extracted from Brimstone's unaudited interim results for the six months ended 30 June 2023, which were prepared in terms of International Financial Reporting Standards. The financial information is the responsibility of the directors of Brimstone and has not been reviewed or reported on by the Company's auditors.

#### **8. Categorisation**

The Disposal is classified as a Category 2 transaction in terms of the JSE Listings Requirements and is accordingly not subject to shareholder approval.

Cape Town  
29 December 2023

#### **Corporate Advisor and Sponsor**

Nedbank Corporate and Investment Banking, a division of Nedbank Limited