

THIS TRANSACTION CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

NOTHING IN THIS TRANSACTION CIRCULAR CONSTITUTES OR FORMS PART OF ANY OFFER TO SELL OR SOLICITATION OF ANY OFFER TO BUY OR SUBSCRIBE FOR ANY SECURITIES OF MURRAY & ROBERTS IN ANY JURISDICTION, NOR SHALL IT OR ANY PART OF IT FORM THE BASIS OF OR BE RELIED UPON IN CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER. THIS DOCUMENT DOES NOT CONSTITUTE A PROSPECTUS OR PROSPECTUS EQUIVALENT.

The definitions and interpretations commencing on page 10 of this Transaction Circular apply, *mutatis mutandis*, to this entire Transaction Circular, including its annexures, the Notice of General Meeting and Form of Proxy attached to it, unless specifically defined otherwise, or the context indicates a contrary intention.

If you are in any doubt as to the action you should take in respect of this Transaction Circular, please consult your CSDP, Broker, legal advisor, accountant, banker, other financial intermediary or other professional advisor immediately.

If you have disposed of all of your Shares then this Transaction Circular, together with the accompanying Notice of General Meeting, Form of Proxy and Electronic Participation Form, should be forwarded to the purchaser of such or to the CSDP, Broker, banker or other financial intermediary through whom such disposal was effected.

Murray & Roberts does not accept any responsibility, and will not be held liable, for any action of, or omission by, any CSDP, Broker, legal advisor, accountant, banker, other financial intermediary or other professional advisor including, without limitation, any failure on the part of any CSDP, Broker, legal advisor, accountant, banker, other financial intermediary or other professional advisor of any beneficial owner of Shares to notify such beneficial owner of the matters dealt with in this Transaction Circular or to take any action on behalf of such beneficial owner.



MURRAY & ROBERTS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number) 1948/029826/06

JSE Share Code: MUR

ISIN: ZAE000073441

(“Murray & Roberts” or the “Company”)

TRANSACTION CIRCULAR TO SHAREHOLDERS

RELATING TO:

- the disposal by MRL of its entire direct and indirect shareholding in BCC, consisting of
 - (i) 3 300 000 ordinary shares, constituting 33% of the entire issued ordinary share capital of BCC; and
 - (ii) 12 000 ordinary shares, constituting 100% of the entire issued share capital of M&R Finco, being the sole shareholder of M&R Holdco, which holds 1 700 000 ordinary shares, constituting 17% of the entire issued share capital of BCC, as one composite transaction constituting a Category 1 Transaction for Murray & Roberts pursuant to the JSE Listings Requirements,

and enclosing:

- a Notice of General Meeting; and
- a Form of Proxy in respect of the General Meeting (for use by Certificated Shareholders and “own-name” Dematerialised Shareholders only).

Lead Financial Advisor



Legal Advisor



Financial Advisor and Transaction Sponsor



The Standard Bank of
South Africa Limited

Independent Reporting Accountant and Auditor



PriceWaterhouseCoopers

Date of issue: Friday, 13 January 2023

This Transaction Circular is only available in English. Copies may be obtained from the registered office of Murray & Roberts and the Company’s sponsor, during office hours on Business Days from Friday, 13 January 2023, until Monday, 13 February 2023, at the addresses set out in “Part III – Corporate information and advisors” of this Transaction Circular. An electronic copy of this Transaction Circular will also be available on the Murray & Roberts website www.murrob.com and can be made available through a secure electronic manner at the election of the person requesting inspection.

PART I – IMPORTANT LEGAL NOTICES AND DISCLAIMERS

The definitions and interpretations commencing on page 10 of this Transaction Circular apply, *mutatis mutandis*, to this “Part I – Important legal notices and disclaimers” section (unless the context indicates otherwise).

DISCLAIMER

Shareholders are advised to read this Transaction Circular carefully and in its entirety.

This Transaction Circular is not an invitation to the public to subscribe for Shares or any other securities but is issued in compliance with the JSE Listings Requirements for the purpose of giving information to the public regarding Murray & Roberts and to convene a General Meeting of Shareholders to consider and, if deemed fit, approve the necessary Transaction Resolutions required to implement the Transaction.

The release, publication or distribution of this Transaction Circular in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into whose possession this Transaction Circular comes should inform themselves about and observe such restrictions. This Transaction Circular is made available to Shareholders solely on the basis that each Shareholder is a person into whose possession this Transaction Circular may be lawfully delivered subject to the laws and regulations of the jurisdiction in which each Shareholder is located in, or is a resident of, and no Shareholder may deliver, nor is any Shareholder authorised to deliver, this Transaction Circular, electronically or otherwise, to any person other than as contemplated in this Transaction Circular. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws or other legal requirements of any such jurisdiction. To the fullest extent permitted by applicable law and regulations, Murray & Roberts, the Directors, Management, Financial Advisors, Legal Advisors, Transaction Sponsor and Transfer Secretaries (“**Advisors**”) disclaim any and all responsibility or liability, whether arising in tort, delict or contract or which they might otherwise be found to have, in respect of this Transaction Circular for the failure by any person to become informed of or to observe or for any violation of such requirements.

This Transaction Circular neither constitutes a prospectus or prospectus equivalent nor does it constitute or involve an offer to sell or issue, or the solicitation of an offer to purchase or to subscribe for, Shares or any other securities, or a solicitation of any vote or approval in any jurisdiction in respect of the Transaction. The Transaction will not constitute an “offer to the public”, as envisaged in Chapter 4 of the Companies Act and, accordingly, (i) this Transaction Circular does not, nor does it intend to, constitute a “registered prospectus”, as contemplated in Chapter 4 of the Companies Act, and (ii) no prospectus has been, or will be, filed with the CIPC in respect of the Transaction. As a result, this Transaction Circular does not comply with the substance and form requirements for a prospectus set out in the Companies Act and the Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

To the extent that the distribution of this Transaction Circular in certain jurisdictions outside South Africa may be restricted or prohibited by the laws of such foreign jurisdiction, then this Transaction Circular is deemed to have been provided for information purposes only and none of Murray & Roberts, the Directors, Management or the Advisors accept any responsibility for any failure by Shareholders to inform themselves about, and to observe, any applicable legal requirements in any relevant foreign jurisdiction.

References in this Transaction Circular to information on websites (and/or social media sites) are included as an aid to their location and such information, unless specified, is not incorporated in, and does not form part of, this Transaction Circular.

The information contained in this Transaction Circular constitutes factual information as contemplated in section 1(3)(a) of the Financial Advisory and Intermediary Services Act, 37 of 2002, as amended (the “**FAIS Act**”) and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Shares or in relation to the business or future investments of, is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing contained in this Transaction Circular should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Murray & Roberts is not a financial services provider licensed as such under the FAIS Act.

Subject to any applicable law or regulations, Shareholders are advised that the Board reserves the right, in its discretion, to settle any difficulty that may arise in connection with the Transaction as it deems expedient in the circumstances. This discretion will include, but not be limited to, the right to amend the timetable for the Transaction.

Any Advisor of Murray & Roberts is acting exclusively for Murray & Roberts and no one else in connection with the Transaction. No Advisor, including the Financial Advisors, will regard any other person as its client in relation to the Transaction and will not be responsible to anyone other than Murray & Roberts for providing the protections afforded to its client nor for giving advice in relation to the Transaction or any other transaction or arrangement referred to in this Transaction Circular.

No representation or warranty, express or implied, is made or given, and no responsibility is accepted, by or on behalf of any Advisor (including the Financial Advisors) or any of their affiliates or any of their respective directors, officers or employees or any other person, as to the accuracy, completeness, fairness or verification of the information or opinions contained in this Transaction

Circular. Nothing contained in this Transaction Circular is, or shall be relied upon as, a promise or representation by any Advisor or any of their respective affiliates as to the past or future. Accordingly, any Advisor and its affiliates and respective directors, officers and employees disclaim, to the fullest extent permitted by applicable law, all and any liability, whether arising in tort, delict or contract or that they might otherwise be found to have in respect of this Transaction Circular and/or any such statement.

APPLICABLE LAWS AND FOREIGN SHAREHOLDERS

This Transaction Circular has been prepared for purposes of complying with the Companies Act and the JSE Listings Requirements, and the information disclosed may not be the same as that which would have been disclosed if this Transaction Circular had been prepared in accordance with the laws and regulations of any jurisdiction outside of South Africa.

Save as specifically set out herein, no actions have been taken, including, without limitation, obtaining any approvals, authorisations or exemptions, that would permit the transmission, publication or otherwise distribution of this Transaction Circular in any jurisdiction outside South Africa.

Neither this Transaction Circular nor any materials pertaining to this Transaction may be distributed or published or otherwise transmitted in any jurisdiction, electronically or otherwise, except under circumstances that will be in compliance with applicable laws and regulations. Foreign Shareholders should inform themselves about and observe any applicable legal requirements of the jurisdictions in which each Foreign Shareholder is located in or is a resident of. It is the responsibility of any Foreign Shareholder to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with this Transaction Circular, including the obtaining of any governmental, exchange control or other consents or the making of any filings which may be required, or the compliance with other necessary formalities in connection with receiving or accessing this Transaction Circular.

Any Shareholder who is in doubt as to their position should consult an appropriate independent professional advisor in their relevant jurisdiction without delay.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

This Transaction Circular is not an offer of securities for sale in the United States.

If you have received this Transaction Circular and you are a U.S. Shareholder or you should have been sent a copy of Murray & Roberts' voting materials and a form of notice. If you did not receive Murray & Roberts' voting materials or form of notice, you may contact the Broker or other financial intermediary through which you hold your Shares to request a copy of these documents. Shareholders with a registered address in the United States are advised that your CSDP or Broker should contact you to ascertain how you wish to cast your vote at the General Meeting. If you have not been contacted by your CSDP or Broker, it is advisable for you to contact your CSDP or Broker and furnish them with your voting instructions.

GENERAL

The statements contained in this Transaction Circular are made as at the Last Practicable Date, unless some other time is specified in relation to them, and issuance of this Transaction Circular shall not give rise to any implication that there has been no change in the facts set forth herein since such date. Accordingly, the delivery or publication of this Transaction Circular shall not, under any circumstances, create any implication that there has been no change in the facts set forth herein since the date of this Transaction Circular or that the information contained in this Transaction Circular is correct as at any time subsequent to the date of this Transaction Circular.

PART II – FORWARD-LOOKING STATEMENTS

The definitions and interpretations commencing on page 10 of this Transaction Circular apply, *mutatis mutandis*, to this “Part II – Forward-looking statements” section (unless the context indicates otherwise).

This Transaction Circular contains statements about Murray & Roberts that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; production; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditure, acquisition strategy, and expansion prospects for future capital expenditure levels and other economic factors, such as, *inter alia*, interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Many of these risks and uncertainties relate to factors that are beyond Murray & Roberts’ ability to control or estimate precisely, such as changes in taxation, future market conditions, currency fluctuations, the actions of governmental regulators and other risk factors. Murray & Roberts cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Murray & Roberts operates or may be exposed to may differ materially from those made in, or suggested by, the forward-looking statements contained in this Transaction Circular.

All forward-looking statements in respect of Murray & Roberts are based on estimates and assumptions made by Murray & Roberts which, although Murray & Roberts believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, assumptions or statements include other matters not yet known to Murray & Roberts or not currently considered material by Murray & Roberts.

Shareholders should keep in mind that any forward-looking statement made in this Transaction Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Murray & Roberts not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Murray & Roberts has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Transaction Circular after the date of issue of this Transaction Circular, except as may be required by law.

No statement in this Transaction Circular is intended as a profit forecast or a profit estimate and no statement in this Transaction Circular should be interpreted to mean that earnings per Share for the current or future financial years would necessarily match or exceed the historical published earnings per Share. Prices and values of, and income from, Shares may decrease as well as increase and a Shareholder may not get back the amount paid for the Shares. It should be noted that past performance is no guide to future performance. Persons needing advice should consult an independent financial advisor immediately.

The forward-looking statements in this Transaction Circular have neither been reviewed nor reported on by any external auditors.

PART III – CORPORATE INFORMATION AND ADVISORS

DATE AND PLACE OF INCORPORATION OF THE COMPANY

Registered in the Republic of South Africa on 2 June 1948

REGISTERED OFFICE OF THE COMPANY

(Registration Number 1948/029826/06)

The Interchange

22 Skeen Boulevard

Bedfordview

Johannesburg

2007

(PO Box 1000, Bedfordview, 2008)

LEGAL ADVISORS

Webber Wentzel

90 Rivonia Road

Sandton

Johannesburg

2196

(PO Box 61771, Marshalltown, Johannesburg, 2107)

LEAD FINANCIAL ADVISOR

Barclays Bank PLC (Incorporated in England and Wales)

5th Floor, Building 3

11 Alice Lane, Sandton

Johannesburg

2196

TRANSFER SECRETARIES

(Registration Number 2000/007239/07)

JSE Investor Services Proprietary Limited

19 Ameshoff Street

Braamfontein

Johannesburg

2001

(PO Box 10462, Johannesburg, 2000)

COMPANY SECRETARY

L Kok

The Interchange

22 Skeen Boulevard

Bedfordview

Johannesburg

2007

(PO Box 1000, Bedfordview, 2008)

INDEPENDENT REPORTING ACCOUNTANT AND AUDITOR

(Registration Number 1998/012055/21)

PricewaterhouseCoopers Inc.

4 Lisbon Lane

Waterfall City

Jukskei View

Johannesburg

2090

(PO Box X36, Sunninghill, 2157)

FINANCIAL ADVISOR AND TRANSACTION SPONSOR

The Standard Bank of South Africa Limited

3rd Floor, 30 Baker Street

Rosebank

Johannesburg

2196

(PO Box 61344, Marshalltown, 2107)

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PART V – ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 10 of this Transaction Circular apply, *mutatis mutandis*, to this “Part V – Action required by Shareholders” section (unless the context indicates otherwise).

This Transaction Circular is important and requires your immediate attention. Please take careful note of the following provisions regarding the actions required of Shareholders. If you are in any doubt as to the action you should take, please consult your CSDP, Broker, legal advisor, accountant, banker, other financial intermediary or other professional advisor immediately.

If you have disposed of all of your Shares, this Transaction Circular, together with the accompanying Notice of General Meeting and Form of Proxy, should be forwarded to the purchaser of such Shares or to the CSDP, Broker, banker or other financial intermediary through whom such disposal was effected.

1. GENERAL MEETING

A General Meeting will be convened in terms of the Notice of General Meeting and will be held on Monday, 13 February 2023 at 11:00 South African time, to consider and, if deemed fit, to pass, with or without modification, the requisite Resolutions required to give effect to the Transaction in the manner required by the Companies Act, as read with the JSE Listings Requirements and the requirements of other stock exchanges on which the Company’s ordinary shares are listed.

The Notice of General Meeting is attached hereto and forms part of this Transaction Circular and contains the Transaction Resolutions to be considered at the General Meeting.

2. RECORD DATES

In terms of section 59(1)(a) and (b) of the Companies Act, the Board set the following record dates for the purposes of determining which Shareholders are entitled to receive the Notice of General Meeting, and to participate in, and vote at the General Meeting:

- record date for Shareholders to be eligible to receive the Notice of General Meeting: Friday, 6 January 2023;
- last date to trade in Shares to be eligible to participate in and vote at the General Meeting: Tuesday, 31 January 2023;
- record date for Shareholders to be eligible to vote at the General Meeting: Friday, 3 February 2023; and
- last date for lodging Forms of Proxy with the Transfer Secretaries: Thursday, 9 February 2023.

3. VOTING AND ATTENDANCE AT THE GENERAL MEETING

3.1 Dematerialised Shareholders without “own-name” registration

Attendance and representation at the General Meeting

In accordance with the mandate between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to attend, speak and vote at the General Meeting. If so, your CSDP or Broker will issue the necessary letter of representation to you to attend the General Meeting.

3.2 Voting at the General Meeting

Your CSDP or Broker should contact you to ascertain how you wish to cast your vote at the General Meeting and shall thereafter cast your vote in accordance with your instructions, should you not wish to attend or are unable to attend the General Meeting yourself but you wish to vote thereat.

If you have not been contacted by your CSDP or Broker, it is advisable for you to contact your CSDP or Broker and to furnish them with your voting instructions.

If your CSDP or Broker does not obtain voting instructions from you, they will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your CSDP or Broker.

You must NOT complete the attached Form of Proxy.

3.3 Dematerialised Shareholders with “own-name” registration

Voting, attendance and representation at the General Meeting

Dematerialised Shareholders who have not elected own-name registration and who wish to attend the General Meeting must instruct their CSDP or broker timeously in order that such CSDP or broker issues them with the necessary letter of representation.

Dematerialised Shareholders who have not elected own-name registration and who do not wish to attend the General Meeting but wish to vote thereat, must provide their CSDP or broker with their instruction for voting at the General Meeting in the manner stipulated in the agreement governing the relationship between such shareholders and their

CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

Such Shareholders should not complete the Form of Proxy.

Murray & Roberts does not accept responsibility and will not be held liable for any failure on the part of the CSDP of a Dematerialised Shareholder to notify such Shareholder of the General Meeting or any business to be conducted thereat.

3.4 Certificated Shareholders

Voting, attendance and representation at the General Meeting

Certificated Shareholders and own-name Dematerialised Shareholders who are unable to attend the General Meeting but who wish to be represented thereat are requested to complete and return the attached Form of Proxy in accordance with the instructions contained therein. The duly completed Forms of Proxy are requested to be received by the Transfer Secretaries by no later than 09:00 Thursday, 9 February 2023. Any Form of Proxy not delivered by this time may be delivered to the Transfer Secretaries at the General Meeting or to the chairperson of the General Meeting prior to the commencement of the General Meeting or at any time prior to voting on any resolution proposed at the General Meeting. If you wish to Dematerialise your Shares, please contact your CSDP or Broker.

Under Strate directives, Dematerialised Shareholders are required to elect to receive direct communication in the future, which includes, but is not limited to, the receipt of Shareholder communication documentation. Such election will facilitate the direct communication by Murray & Roberts to its Shareholders. Shareholders who are currently Certificated Shareholders and will be Dematerialised are encouraged to make such election.

3.5 Electronic participation at the General Meeting

Shareholders or their proxies may participate in the meeting by way of electronic communication and, if they wish to do so:

- Must contact the Group Secretary (by email at the address bert.kok@murrob.com) by no later than 11:00 on Thursday, 9 February 2023 to obtain details of the electronic communication to be made available.
- Will be required to provide reasonably satisfactory identification; and
- Will be billed separately by their own telephone service providers for their telephone call to participate in the meeting.

Voting via the electronic facilities will not be possible and shareholders wishing to vote their shares will need to be represented at the meeting either in person, by proxy or by letter of representation, as provided for in the notice of annual general meeting.

4. FOREIGN SHAREHOLDERS

It is the responsibility of Foreign Shareholders to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Transaction, including the obtaining of any governmental, exchange control or other consents, the making of any filings which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. If you are in any doubt as to what action to take, please consult your CSDP, Broker, legal advisor, accountant, banker, other financial intermediary or other professional advisor immediately.

5. OTHER

The contents of this Transaction Circular do not purport to constitute legal advice or to comprehensively deal with the legal, regulatory and tax implications of the Transaction or any other matter for each Shareholder. Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory and tax positions regarding the Transaction or any other matter.

Any financial advisor of Murray & Roberts is acting exclusively for Murray & Roberts and no one else in connection with the Transaction. No financial advisor will regard any other person as its client in relation to the Transaction and will not be responsible to anyone other than Murray & Roberts for providing the protections afforded to its client nor for giving advice in relation to the Transaction or any other transaction or arrangement referred to in this Transaction Circular.

Murray & Roberts does not accept responsibility and will not be held liable for any act of or omission by any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker or any registered Shareholder to notify the holder of any beneficial interest in those Shares in respect of the Transaction or any other matter set out in this Transaction Circular.

PART VI – IMPORTANT DATES AND TIMES IN RELATION TO THE TRANSACTION

The definitions and interpretations commencing on page 10 of this Transaction Circular apply, *mutatis mutandis*, to this “Part VI – Important dates and times in relation to the Transaction” section (unless the context indicates otherwise).

Event	Date
Record date to determine which Shareholders are eligible to receive this Transaction Circular	Friday, 6 January 2023
Transaction Circular published to Shareholders and announcement regarding distribution of Notice of General Meeting and Form of Proxy published on SENS on	Friday, 13 January 2023
Last day to trade in Shares in order to be recorded in the Register to attend, participate in and vote at the General Meeting, being the “ Voting Last Day to Trade ” on	Tuesday, 31 January 2023
Record date for Shareholders to be recorded in the Murray & Roberts Register in order to be eligible to attend, participate in and vote at the General Meeting, being the “ Voting Record Date ”, by close of trade on	Friday, 3 February 2023
Last day and time to lodge Forms of Proxy with the Transfer Secretaries by 09:00 South African time on (<i>refer to note 2 below</i>)	Thursday, 9 February 2023
General Meeting to be held at The Interchange, Bedfordview, Johannesburg at 11:00 on	Monday, 13 February 2023
Results of the General Meeting released on SENS and on Murray & Roberts’ website on	Monday, 13 February 2023
Results of General Meeting published in the press on	Tuesday, 14 February 2023

Notes:

1. All of the above dates and times are subject to amendment, subject to the approval of the JSE, if required. Any such amendment will be released on SENS.
2. A Shareholder may submit a Form of Proxy at any time before the commencement of the General Meeting (or any adjournment or postponement of the General Meeting) or lodge it to the chairperson of the General Meeting before the appointed proxy exercises any of the relevant Shareholder’s rights at the General Meeting (or any adjournment or postponement of the General Meeting), provided that should a Shareholder lodge a Form of Proxy with the Transfer Secretaries less than 48 hours (excluding Saturdays, Sundays and gazetted national public holidays) before the General Meeting, such Shareholder will also be required to furnish a copy of such Form of Proxy to the chairperson of the General Meeting before the appointed proxy exercises any of such Shareholder’s rights at the General Meeting (or adjourned or postponed General Meeting).
3. 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.
4. Although the important dates and times are stated to be subject to change, such statement may not be regarded as consent or dispensation for any change to time periods which may be required in terms of the Companies Act and the JSE Listings Requirements, where applicable, and any such consents or dispensations must be specifically applied for and granted.
5. All dates and times indicated above are South African Standard Time, unless otherwise specified.

PART VII – DEFINITIONS AND INTERPRETATIONS

“Advisors”	collectively, the Financial Advisors, the Legal Advisor, the Transaction Sponsor and the Transfer Secretaries;
“Annual Financial Statements” or “AFS”	the annual presentation of the statement of financial position and the statement of financial performance of Murray & Roberts, as the context indicates;
“BCC”	Bombela Concession Company (RF) Proprietary Limited, registration number 2005/031316/07, a private company incorporated in accordance with the laws of South Africa, with 33% of its shareholding owned by MRL and 17% owned by M&R Holdco, 12.12122% owned by Sound Plans, 18.18181% owned by SPG Acquisition and 19.69697% owned by SPG. An organogram of the holding structure of Murray & Roberts in BCC is set out in Annexure 7;
“BCC Shareholders”	the shareholders in BCC, prior to implementation of the Transaction being MRL, Sound Plans, SPG and SPG Acquisition;
“BCC Shareholders Agreement”	the amended and restated shareholders agreement dated on or about 28 September 2017, subsisting between the BCC Shareholders at the Closing Date;
“Board” or “Directors”	the board of directors of Murray & Roberts as at the date of this Transaction Circular as set out in the section beginning on page 15 of this Transaction Circular;
“Broker”	any person registered as a broking member (equities) in terms of the rules of the JSE made in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or national public holiday in South Africa;
“CEO”	chief executive officer;
“Certificated Shareholders”	shareholders who hold certificated shares;
“Certificated shares”	shares in respect of which physical share certificates have been or will be issued;
“CIPC”	the Companies and Intellectual Property Commission;
“Civils Contract”	the “Turnkey Contract” and “Civil Contract”, each as defined in the Concession Agreement;
“Closing”	the completion of all of the deliverables contemplated in the Sale and Purchase Agreement;
“Closing Date”	the date on which the closing and completion of the Transaction is expected to occur, subject to and following the fulfilment, or waiver to the extent permissible, of the Conditions Precedent;
“Common Monetary Area” or “CMA”	the common monetary area, comprising South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini, in which the Rand is legal tender;
“Companies Act”	the Companies Act, 71 of 2008, as amended;
“Company” or “Murray & Roberts”	Murray & Roberts Holdings Limited, registration number: 1948/029826/06, a public company incorporated in accordance with the laws of South Africa and listed on the JSE;
“Competition Act”	the Competition Act, 89 of 1998, as amended;
“Competition Authorities”	the Competition Commission and the Competition Tribunal established in terms of the Competition Act;
“Concession Agreement”	the concession agreement entered into between BCC and the Gauteng Province on or about 28 September 2006, as amended from time to time;
“Conditions Precedent”	the conditions precedent to the Transaction as set out in paragraph 6.3 of this Transaction Circular;

“CSDP”	a person authorised by a licensed central securities depository to perform custody and administration services or settlement services or both in terms of the central securities depository rules published in terms of the Financial Markets Act, and includes an external participant, where appropriate, as contemplated in the Financial Markets Act;
“Dematerialised” or “Dematerialisation”	the process whereby physical share certificates are replaced with electronic records evidencing ownership of shares for the purpose of Strate, as contemplated in the Financial Markets Act;
“Dematerialised Shareholder”	a Shareholder who holds Dematerialised Shares;
“Dematerialised Shares”	Shares that have been Dematerialised in accordance with the rules of Strate, evidencing ownership of shareholding in electronic format, which Shares may be traded on the JSE;
“Electronic Notice”	written notice provided by Shareholders to Murray & Roberts, at the address set out in the “ <i>Corporate Information and Advisors</i> ” section of the Transaction Circular (marked for the attention of the Group Secretary), by no later than 11:00 on Thursday, 9 February 2022, stating that they wish to participate in the General Meeting via electronic communication;
“Executive Director”	an executive director of the Board, as the case may be;
“FAIS Act”	the Financial Advisory and Intermediary Services Act, 37 of 2002, as amended;
“Financial Advisors”	Murray & Roberts’ appointed financial advisors, who as at the date of this Transaction Circular are as set out in the section entitled “ <i>Corporate Information and Advisors</i> ” beginning on page 5 of this Transaction Circular;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“Financing Agreement”	the funding agreements entered into, or to be entered into, by the Purchaser, through M&R HoldCo, pursuant to the Transaction;
“Foreign Shareholder”	a Shareholder who is a national or citizen of, or who has a registered address in, a jurisdiction outside of South Africa;
“Form of Proxy”	the form of proxy (<i>yellow</i>) attached to the Transaction Circular;
“FY”	financial year;
“Gauteng Province”	the Gauteng Provincial Government, acting through the Gautrain Management Agency (“ GMA ”);
“Gautrain”	an 80 kilometre high-speed commuter rail system operating in the province of Gauteng in South Africa;
“General Meeting”	the general meeting to be convened by the Board for the Shareholders to consider, and if deemed appropriate, approve the Transaction Resolutions required for the implementation of the Transaction, and the matters related thereto;
“Governmental Entity”	means (i) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, ministry, bureau or agency, domestic or foreign; (ii) any stock exchange, including the JSE; (iii) any subdivision, agent, commission, board or authority of any of the foregoing; or (iv) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organisation, exercising any regulatory, antitrust/competition, foreign investment, expropriation or taxing authority under or for the account of any of the foregoing;
“Group Secretary”	the Murray & Roberts company secretary from time to time, who as at the date of this document is as set out in the section entitled “ <i>Corporate Information and Advisors</i> ” beginning on page 5 of this Transaction Circular;
“Historical Financial Information of Murray & Roberts Net Interest in BCC”	the report of the combined carve-out historical information of Murray & Roberts Net Interest in BCC for the three financial years ended 30 June 2020, 30 June 2021 and 30 June 2022;
“IASB”	International Accounting Standards Board;

“IFRS”	International Financial Reporting Standards, as issued by the IASB;
“Independent Reporting Accountant” or “PwC”	PricewaterhouseCoopers Inc., registration number 1998/012055/21, a personal liability company duly incorporated in accordance with the laws of South Africa;
“JSE”	JSE Limited, registration number 2005/022939/06, a public company incorporated in accordance with the laws of South Africa, or the securities exchange, licensed as an exchange under the Financial Markets Act;
“JSE Listings Requirements”	the Listings Requirements of the JSE published by the JSE as required by the Financial Markets Act;
“Last Practicable Date”	Friday, 30 December 2022, being the last practicable date prior to the finalisation of this Transaction Circular;
“Legal Advisor”	Murray & Roberts’ appointed legal advisor, who as at the date of this Transaction Circular is as set out in the section entitled “ <i>Corporate Information and Advisors</i> ” beginning on page 5 of this Transaction Circular;
“Management”	the Murray & Roberts executive committee from time to time;
“Material Adverse Change”	has the meaning ascribed to such term in sub-paragraph 6.3.1.8 of this Transaction Circular;
“MOI”	Murray & Roberts’ memorandum of incorporation, as amended from time to time;
“MRL”	Murray & Roberts Limited, registration number 1979/003324/06, a public company incorporated in accordance with the laws of South Africa, a wholly-owned subsidiary of Murray & Roberts;
“MRL Sale Shares”	3 300 000 ordinary shares, constituting 33% of the entire issued ordinary share capital of BCC, as at the Closing Date, held by MRL;
“Murray & Roberts Group”	Murray & Roberts and its subsidiaries, as the context requires;
“Murray & Roberts Net Interest in BCC”	Murray & Roberts’ entire indirect 50% interest in BCC comprising the Sale Shares and including i) MRL’s direct shareholding of 33% in BCC, and ii) Murray & Roberts’ 100% shareholding in M&R Finco, which owns a further 17% in BCC, through its wholly owned subsidiary M&R Holdco;
“M&R Finco”	Murray & Roberts BCC Financing Company (RF) Proprietary Limited, registration number 2018/286793/07, a private company incorporated in accordance with the laws of South Africa, being the sole shareholder of M&R Holdco (which is the only asset of M&R Finco) and a wholly-owned subsidiary of Murray & Roberts. An organogram of the holding structure of Murray & Roberts in BCC is set out in Annexure 7;
“M&R Finco Sale Shares”	12 000 ordinary shares plus the shares to be issued to MRL on or prior to Closing in terms of the Sale and Purchase Agreement, constituting in aggregate 100% of the entire issued ordinary share capital of M&R Finco;
“M&R Holdco”	Murray & Roberts BCC Holdco Company (RF) Proprietary Limited, registration number 2018/276557/07, a private company incorporated in accordance with the laws of South Africa, which holds 1 700 000 ordinary shares constituting 17% of the entire issued ordinary share capital of BCC (which is the only asset of M&R Holdco), an indirect wholly-owned subsidiary of Murray & Roberts and the only asset of M&R Finco, which is also the sole shareholder of M&R Holdco. An organogram of the holding structure of Murray & Roberts in BCC is set out in Annexure 7;
“Non-Executive Directors” or “NED”	the non-executive directors of the Board, as the case may be;
“Operating Contracts”	the “Operating Contract” as defined in the Concession Agreement;

“Purchaser”	Intertoll BCC Holdco 1 Proprietary Limited, registration number 2022/829155/07, a private company incorporated in accordance with the laws of South Africa, the shareholding of which is indirectly 100% owned by Intertoll International Holdings B.V. The Purchaser is not a related party (as defined in section 10 of the JSE Listings Requirements) of Murray & Roberts, MRL, M&R Finco or M&R Holdco;
“Purchase Consideration”	the aggregate purchase consideration payable for the Sale Shares by the Purchaser (as more fully set out in paragraph 6.2 of this Transaction Circular);
“Rand” or “R”	the lawful currency or legal tender in South Africa;
“Register”	the register of Murray & Roberts Certificated Shareholders maintained by the Transfer Secretaries on behalf of Murray & Roberts, and includes the sub-register of Dematerialised Shareholders maintained by CSDPs;
“Sale and Purchase Agreement”	the sale and purchase agreement entered into between MRL and the Purchaser in terms of which, among other things, MRL will sell, and the Purchaser will purchase from MRL, the Sale Shares;
“Sale Shares”	collectively and individually, as the context may require, the MRL Sale Shares and the M&R Finco Sale Shares;
“SENS”	the Stock Exchange News Service operated by the JSE;
“Share” or “Shares”	the ordinary shares of no par value in the issued share capital of Murray & Roberts, which Shares are listed on the exchange operated by the JSE;
“Shareholders”	the holders of Shares from time to time;
“Settlement Agreements”	the settlement agreement between the Gauteng Province and BCC entered into on or about 21 November 2016 and the internal settlement agreement entered into between the BCC, Bombela TKC Proprietary Limited and Bombela Civils Joint Venture Proprietary Limited on or about 12 December 2016;
“Signature Date”	the date of signature of the Sale and Purchase Agreement by each party to such agreement, being Wednesday, 30 November 2022;
“Sound Plans”	Sound Plans Trading (RF) Proprietary Limited, registration number 2017/196484/07, a private company incorporated in accordance with the laws of South Africa, the shareholding of which is owned by Calshel Investments 179 Proprietary Limited, an entity forming part of the J&J Group;
“South Africa”	the Republic of South Africa;
“SPG”	SPG Concessions Proprietary Limited, registration number 2006/007019/07, a private company incorporated in accordance with the laws of South Africa, the shareholding of which is owned by Strategic Partners Group Proprietary Limited;
“SPG Acquisition”	SPG Acquisition Company Proprietary Limited, registration number 2017/140890/07, a private company incorporated in accordance with the laws of South Africa, the shareholding of which is owned by Strategic Partners Group Proprietary Limited;
“Strate”	Strate Proprietary Limited, registration number 1998/022242/07, a private company incorporated and registered in accordance with the laws of South Africa, a registered central securities depository responsible for the electronic settlement system used by the JSE;
“Transaction”	the proposed disposal of the Murray & Roberts Net Interest in BCC to the Purchaser, in consideration for the Purchase Consideration, as more fully detailed in this Transaction Circular;
“Transaction Announcement”	the transaction announcement published by Murray & Roberts on SENS on 1 December 2022, in respect of the Transaction;
“Transaction Circular”	this circular dated Friday, 13 January 2023, including all annexures;

“Transaction Resolutions” or “Resolutions”	the ordinary resolutions set out in the Notice of General Meeting attached to and forming part of this Transaction Circular;
“Transfer Secretary”	JSE Investor Services Proprietary Limited, registration number 2000/007239/07, a private company incorporated in accordance with the laws of South Africa and the transfer secretaries to the Company, further details of which are set out in the “ <i>Corporate Information and Advisors</i> ” section;
“United States” or “U.S.”	the United States of America, its territories and possessions and any state of the United States and the District of Columbia;
“VAT”	Value-Added Tax, as levied in terms of the VAT Act;
“VAT Act”	Value-Added Tax Act, 89 of 1991, as amended;
“Voting Last Day to Trade”	the last day to trade in Shares in order to be recorded on the Register on the Voting Record Date, being Tuesday, 31 January 2023; and
“Voting Record Date”	the date on which Shareholders must be recorded in the Register in order to be eligible to attend and vote at the General Meeting, being Friday, 3 February 2023.



MURRAY & ROBERTS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number) 1948/029826/06

JSE Share Code: MUR

ISIN: ZAE000073441

("Murray & Roberts" or the "Company")

Directors

Independent Non-Executive Directors

SP Kana (Chairman)

JA Boggenpoel

R Havenstein

AK Maditsi

A Muller

CD Raphiri

Executive Directors

HJ Laas (Group chief executive)

DF Grobler (Group financial director)

PART VIII – TRANSACTION CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THIS TRANSACTION CIRCULAR

- 1.1 Shareholders are referred to the Transaction Announcement released by the Company on 1 December 2022, wherein Shareholders were advised that MRL entered into the Sale and Purchase Agreement to dispose of the Sale Shares to the Purchaser for a purchase consideration of up to R1 386 000 000 which purchase consideration has been determined and agreed with reference to the fair value of the Sale Shares as at 30 September 2022 and adjusted in accordance with a formula as more fully set out in the Sale and Purchase Agreement.
- 1.2 The Transaction constitutes a Category 1 transaction in terms of section 9 of the JSE Listings Requirements, requiring the approval of Shareholders by way of an ordinary resolution.
- 1.3 The purpose of this Transaction Circular is to:
 - 1.3.1 provide Shareholders with the relevant information relating to the Transaction, to enable Shareholders to make an informed decision in respect of the Transaction Resolutions set out in the Notice of General Meeting enclosed with this Transaction Circular; and
 - 1.3.2 convene the General Meeting of Shareholders to consider and, if deemed fit, adopt the Transaction Resolutions authorising the Transaction.

To obtain a full understanding of the terms and conditions of the Transaction, this Transaction Circular should be read in its entirety.

2. INFORMATION ON MURRAY & ROBERTS

Headquartered in Johannesburg, the Murray & Roberts Group has a long and proud heritage spanning more than a century and is today recognised as a multinational specialist engineering and contracting group. The Murray & Roberts Group delivers project development and construction services into the resources, industrial, energy, water and specialised infrastructure market sectors.

For more information about Murray & Roberts, please visit www.murrob.com.

Murray & Roberts has a primary listing on the JSE and its market capitalisation is R1.36 billion as of Monday, 9 January 2023.

3. INFORMATION ON THE PURCHASER

The Purchaser is a subsidiary of Intertoll. Intertoll is headquartered in Amsterdam, Netherlands. Intertoll has been active in Europe since 1995, where it has grown steadily over the last 25 years. Today, Intertoll is a leading European investor in motorway concessions and an independent toll and motorway infrastructure designer and developer, concessionaire, equipment supplier, asset manager and provider of specialist consultancy services catering to the transportation and infrastructure sectors in Europe.

Intertoll is owned by Intertoll Global B.V. (incorporated in the Netherlands), holding a 95% interest and Highways Infra Management KFT (incorporated in Hungary) holding the remaining 5% interest in Intertoll. In turn, the shareholders of Intertoll Global B.V. are Lancaster Group (incorporated in South Africa), holding a 50% interest, and NuOrion Partners LLC (incorporated in the United States of America) holding a 50% interest.

For further information about Intertoll, please visit www.intertoll.eu.

4. OVERVIEW OF BCC

BCC was appointed by Gauteng Province to design, build, operate, maintain and partially finance the Gautrain project. The Gautrain project is a public-private-partnership that includes a 15-year contract for the maintenance and operation of the Gautrain rapid rail system.

BCC implements its obligations through diverse contractual relationships with the primary contract being the Concession Agreement between Gauteng Province and BCC. In addition to the Concession Agreement, the relationship between the shareholders of BCC, being Murray & Roberts, Sound Plans, SPG and SPG Acquisitions is governed by the BCC Shareholders Agreement and the BCC MOI, which documents impose various obligations on the parties in relation to confidentiality and public disclosure as well as affording the BCC shareholders pre-emptive rights in the event of a sale by any of the BCC shareholders of their shares in BCC.

For further information about BCC, please visit www.bombela.com.

5. RATIONALE FOR THE TRANSACTION

5.1 Rationale for the Transaction

The Shareholders are referred to the Group's stakeholder report for the year ended 30 June 2022, in which the Group explained that delivery of its order book was increasingly being disrupted and that increased levels of working capital were required to address the dislocation in project cash flows.

The proceeds from the Proposed Transaction will be utilised to reduce debt in South Africa and to redeem the preference shares issued to a lender (as set out in Annexure 6) and will assist the Group in addressing its working capital needs. The Group's investment in BCC is not strategic and the concession is also set to terminate in 2026.

5.2 Prospects of Murray & Roberts following implementation of the Transaction

Murray & Roberts used to be structured into three Business Platforms, which included the Energy, Resources and Infrastructure Platform which traded through Clough Limited. Shareholders are referred to the SENS announcement dated 5 December 2022, where it was announced that the Board of Directors of Clough Limited had placed the Company into Voluntary Administration. As a result, the Energy, Resources and Infrastructure Platform has been discontinued.

Following the successful implementation of the Transaction, Murray & Roberts will, for operational purposes, be structured into two business platforms: the multinational Mining platform and the Sub-Saharan Africa-focused Power, Industrial & Water platform. Further, the Group's commercial exposure to higher-risk, lump sum fixed-price engineering and construction projects, will also be significantly reduced.

The Mining platform is a contractor of choice to mining clients and is recognised as a responsible, fully diversified engineering and contracting mining services provider. The platform is expected to benefit from investment driven by robust commodity prices and in the longer-term, by increasing demand for "future-facing" metals and minerals.

The Power, Industrial & Water platform provides complete project lifecycle services in the power generation, transmission & distribution, water, oil & gas, petrochemical and resources & industrial markets. The platform expects that its near-term opportunities, specifically in the renewable energy and transmission & distribution sectors, will contribute to the Group's profitability in the short to medium term. Based on the order book, near orders and reduced risk profile, with a targeted operating margin range of between 3% to 5%, the Group expects it will again be able to deliver earnings growth as from FY2024, albeit from a low base.

6. OVERVIEW OF THE TRANSACTION

6.1 Details of the Transaction

Subject to the fulfilment or waiver, as the case may be, of the Conditions Precedent detailed in paragraph 6.3 below, on Closing, MRL will dispose of the Sale Shares to the Purchaser as one indivisible transaction for the Purchase Consideration (as more fully described below).

6.2 Transaction Consideration

The purchase consideration payable for the Sale Shares has been determined and agreed with reference to the fair value of the Sale Shares as at 30 September 2022, following receipt of a dividend of R130 000 000 and fair value adjustment in the three-month period to 30 September 2022, which will be adjusted in accordance with a formula as more fully set out in the Sale and Purchase Agreement ("**Purchase Consideration**"), provided that the Purchase Consideration shall be rounded to and capped at R1 386 000 000 should the Closing Date occur on or after 31 December 2022.

In the event that any distribution is paid by BCC during the period commencing on the Signature Date and ending at 23h59 on the day immediately prior to Closing of the Sale and Purchase Agreement ("**Interim Period**") (regardless of whether such distribution was declared during or prior to the Interim Period), the Purchase Consideration will be reduced by a Rand amount per share equal to that distribution per share. However, should any distribution be declared but not paid by BCC during the Interim Period, the Sale Shares will be sold *cum* such distribution and the Purchaser shall be entitled to such distribution.

The Purchase Consideration will be settled wholly in cash on the date of closing of the Sale and Purchase Agreement and ownership of the Sale Shares shall pass to the Purchaser on such date.

6.3 Conditions Precedent

6.3.1 The implementation of the Transaction remains subject to the fulfilment and/or waiver of the following suspensive conditions:

- 6.3.1.1 by no later than 12 January 2023, the Purchaser's funding and security agreements (other than the M&R Holdco Security Agreements (as defined in 6.3.1.7 below)) required to enable the Purchaser to discharge its payment obligations under the Sale and Purchase Agreement have been executed by the parties thereto and, such funding agreements are unconditional in accordance with their terms, save for (i) any provisions thereof requiring the Sale and Purchase Agreement to become unconditional; and (ii) conditions to disbursement which have been provided to the Seller;
- 6.3.1.2 by no later than 28 February 2023, the approval by the Shareholders of the ordinary resolution as required in terms of section 9 of the JSE Listings Requirements to approve the Transaction is obtained;
- 6.3.1.3 MRL having provided the Purchaser with written confirmation that (i) each of Sound Plans, SPG and SPG Acquisition has waived its pre-emptive rights (or similar rights) to which each of them may be or become entitled to in respect of the Sale Shares in terms of the BCC Shareholders Agreement, or otherwise; or (ii) the time period/s applicable to the pre-emptive rights of the remaining Shareholders have expired in accordance with the relevant provisions under the Shareholders Agreement and none of the remaining Shareholders have accepted the pre-emptive offer within the applicable time period/s;
- 6.3.1.4 on or before 28 April 2023, all and any approvals for the Transaction that may be required in terms of the Competition Act are granted by the Competition Authorities;
- 6.3.1.5 on or before 28 February 2023, by prior agreement between MRL and the Purchaser, MRL having notified the Gauteng Province of the transactions contemplated in the Sale and Purchase Agreement, or alternatively obtained the written consent of the Gauteng Province to implement the transactions contemplated in the Sale and Purchase Agreement (including, without limitation, all requisite consents for any amendment, variation, replacement, modification or supplement to any funding arrangements and the Shareholders Agreement);
- 6.3.1.6 on or before 28 February 2023, MRL having obtained the consent of FirstRand Bank Limited (acting through its Rand Merchant Bank Division), being the lender to M&R Finco;
- 6.3.1.7 on or before 28 February 2023, M&R Holdco having executed security agreements (the "**M&R Holdco Security Agreements**") in respect of the obligations of the Purchaser under the Financing Agreements to enable the Purchaser to discharge its payment obligations under the Sale and

Purchase Agreement (and which are intended to provide security for the Purchaser's obligations under the Financing Agreements and will become effective following implementation of the Transaction (i.e. whilst M&R Holdco will provide security for the Financing Agreements entered into or to be entered into by the Purchaser, Murray & Roberts is not providing any security as M&R Holdco will cease to be part of the Murray & Roberts Group following implementation of the Transaction)) and which M&R Holdco Security Agreements are unconditional in accordance with their terms, save for any provision thereof requiring the Sale and Purchase Agreement to become unconditional or be implemented; and

6.3.1.8 no Material Adverse Change having occurred in relation to BCC or MRL on or before the third Business Day prior to the Closing Date. For the purposes of the Sale and Purchase Agreement, a **"Material Adverse Change"** shall mean:

- any actual or reasonably anticipated adverse fact, development, circumstance or effect, including without limitation:
 - o a material breach of the Concession Agreement, the Civils Contracts, the Settlement Agreements, the Operating Contracts or the Financing Agreements;
 - o the breach of a warranty,

which would (alone or together with any other such fact, development or circumstance) be materially adverse to the continued existence, business, condition, assets and/or liabilities of BCC, for which purpose, in order to be material, the relevant event must have or be reasonably likely to lead to an impact of R150 000 000 on the BCC's revenue, excluding the foregoing arising out of, resulting from, or attributable to:

- o changes in interest rates, exchange rates or other general economic conditions;
- o changes in conditions generally affecting the industry in which BCC operates;
- o changes in applicable laws, regulations or accounting standards or practices;
- o any matter disclosed to the Purchaser under the Sale and Purchase Agreement or in the virtual data room prior to the date of signature of the Sale and Purchase Agreement;
- the occurrence of a material adverse change or economic failure under the Purchaser's funding agreements;
- MRL, BCC, M&R Finco or M&R Holdco being liquidated or placed under judicial management or becoming subject to any other statutory business rescue process; and/or
- any interdict and/or judgment of any court prohibiting or rendering illegal the implementation of the transactions contemplated in the Sale and Purchase Agreement coming into effect.

MRL will be required to notify the Purchaser in writing: (i) immediately upon becoming aware of a Material Adverse Change; or (ii) that no Material Adverse Change has occurred, by no later than the third Business Day prior to the Closing Date. If MRL does not deliver a written notice under sub-clause (ii), the Condition Precedent will be deemed not to have been fulfilled.

6.4 Closing Date of the Transaction

Subject to the fulfilment or waiver of the Conditions Precedent, the Closing Date of the Transaction is expected to occur in the first quarter of 2023.

6.5 Transaction categorisation and Shareholder approval

The total consideration measured against the market capitalisation of Murray & Roberts results in a percentage ratio of more than 30%. Accordingly, the Transaction is classified as a Category 1 Transaction in terms of paragraph 9.5 of the JSE Listings Requirements and requires an ordinary resolution approval by Shareholders at the General Meeting in terms of paragraph 9.20 of the JSE Listings Requirements.

The Purchaser is not a related party (as defined in section 10 of the JSE Listings Requirements) of Murray & Roberts, MRL, M&R Finco or M&R Holdco. Accordingly, there are no related party transaction implications in terms of the JSE Listings Requirements in respect of the Transaction.

Murray & Roberts would still qualify for listing after implementation of the Transaction as it is expected to continue to meet the listing criteria set out in paragraph 4.28 of the JSE Listings Requirements.

7. FINANCIAL INFORMATION REGARDING THE TRANSACTION

In terms of the JSE Listings Requirements, a Category 1 Transaction requires the disclosure of the three-year Historical Financial Information of the subject of the Transaction and the *pro forma* financial information showing the effects of the Transaction on Murray & Roberts' consolidated statement of financial position and consolidated statement of financial performance.

7.1 Historical Financial Information of Murray & Roberts Net Interest in BCC

The Historical Financial Information of Murray & Roberts Net Interest in BCC is contained in Annexure 1 of this Transaction Circular.

In terms of the JSE Listings Requirements, the Historical Financial Information of Murray & Roberts Net Interest in BCC is required to be presented in terms of IFRS. The Murray & Roberts Net Interest in BCC did not historically exist as a separate business component of Murray & Roberts within the meaning of IFRS and consequently is presented as combined carve-out financial information as described in the basis of preparation of the Historical Financial Information of the Murray & Roberts Net Interest in BCC described in Annexure 1 of this Transaction Circular.

Further, the BCC annual financial statements constitute confidential information for purposes of the BCC Shareholders' Agreement, the BCC MOI and the Concession Agreement between BCC and Gauteng Province. Disclosure of the BCC annual financial statements requires consent from the other BCC Shareholders, in terms of the BCC MOI and BCC Shareholders' Agreement. In addition, disclosure of the BCC financial information requires consent from Gauteng Province and the lenders to BCC under the Concession Agreement. As no Murray & Roberts Group entity is a party to the Concession Agreement, consent for disclosure under the Concession Agreement must be obtained by BCC from Gauteng Province and the lenders.

Accordingly, consent for the disclosure of the BCC annual financial statements must first be obtained from the other shareholders of BCC and if the other shareholders of BCC consent it follows that BCC would seek the necessary consent from Gauteng Province and the lenders.

In November 2022, pursuant to the requirements of the BCC Shareholders' Agreement and the BCC MOI, Murray & Roberts requested Sound Plans, SPG and SPG Acquisitions to consent to the disclosure of the BCC annual financial statements in the Transaction Circular which consent was declined by each of Sound Plans, SPG and SPG Acquisitions. As a result, BCC could not approach Gauteng Province or the lenders for consent to disclose the BCC annual financial statements under the Concession Agreement.

Consequently, following engagement with the JSE, the Historical Financial Information of the Murray & Roberts Net Interest in BCC is presented on a combined carve-out basis by carving out the attributable assets, liabilities, income and expenses related to Murray & Roberts Net Interest in BCC held by M&R Finco and combining these with the attributable assets and income related to Murray & Roberts 33% shareholding in BCC held via MRL on a historical cost basis, with the exception of the service concession investments which are measured at fair value through profit or loss in line with the Murray & Roberts accounting policies.

The Independent Reporting Accountant's audit report on the Historical Financial Information of Murray & Roberts Net Interest in BCC for the year ended 30 June 2022 and the review report on the Historical Financial Information of Murray & Roberts Net Interest in BCC for the years ended 30 June 2020 and 30 June 2021 is contained in Annexure 2 and Annexure 3 to the Transaction Circular, respectively.

7.2 *Pro forma* financial effects of the Transaction

The *pro forma* financial information, including the *pro forma* financial effects, as set out below, of the Transaction on the financial information of Murray & Roberts as at and for the year ended 30 June 2022, is set out in Annexure 4 of this Transaction Circular and is presented in accordance with the provisions of the JSE Listings Requirements and the Guide on *Pro Forma* Financial Information issued by the South African Institute of Chartered Accountants. The *pro forma* financial information, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the Directors.

The accounting policies used in the preparation of the *pro forma* financial effects are compliant with IFRS and are consistent with those applied in the Annual Financial Statements of Murray & Roberts for the financial year ended 30 June 2022.

The *pro forma* financial information has been prepared for illustrative purposes only, to provide information on how the Transaction may have affected the financial position of Murray & Roberts. Due to its nature, the *pro forma* financial information may not fairly represent Murray & Roberts' financial position, comprehensive income, changes in equity or cash flows after implementation of the Transaction.

The table below is a summary of the detailed *pro forma* financial information as set out in Annexure 4.

Cents per share	<i>Pro forma</i> results after the Transaction		
	Before	Transaction	% Change
	Note 1	Note 2	Note 3
Basic earnings per share from continuing operations	62	29	(53%)
Diluted earnings per share from continuing operations	61	29	(53%)
Basic earnings per share from discontinuing operations	(28)	(28)	0%
Diluted earnings per share from discontinuing operations	(28)	(28)	0%
Basic earnings per share from continuing operations and discontinued operations	34	1	(97%)
Diluted earnings per share from continuing operations and discontinued operations	33	1	(97%)
Basic headline earnings per share from continuing operations	60	26	(56%)
Basic headline earnings per share from discontinuing operations	(29)	(29)	0%
Basic headline earnings per share from continuing operations and discontinued operations	31	(2)	106%
Diluted headline earnings per share from continuing operations	58	26	(56%)
Diluted headline earnings per share from discontinuing operations	(27)	(27)	0%
Diluted headline earnings per share from continuing operations and discontinued operations	31	(2)	106%
Net asset value per share	1 409	1 416	0%
Net tangible asset value per share	766	772	1%
Weighted average number of shares in issue used in the determination of basic per share figures ('000s)	398 143	398 143	
Weighted average number of shares in issue used in the determination of diluted per share figures ('000s)	405 559	405 559	
Number of shares in issue ('000)	401 840	401 840	

Notes and assumptions:

1. The "Before" column is based on Murray & Roberts consolidated financial statements for the year ended 30 June 2022, which can be accessed on Murray & Roberts' website at: <https://www.murrob.com/inv-annual-reports.asp>.
2. The "Pro forma results after the Transaction" column reflects the impact of the *pro forma* adjustments on Murray & Roberts after the Transaction.
3. Represents the % movement as a result of the Transaction, being the % movement from Note 1 to Note 2.
4. The effects on net asset value and net tangible asset value per Share are calculated on the assumption that the Transaction was effective on 30 June 2022.
5. The effects on earnings, diluted earnings, headline earnings and diluted headline earnings per Share from continuing and discontinuing operations are calculated on the bases that the Transaction was effective on 1 July 2021.

Detailed notes and assumptions regarding the *pro forma* financial information are set out in Annexure 4.

The above *pro forma* financial effects should be read in conjunction with the *pro forma* consolidated financial information of Murray & Roberts (being the *pro forma* consolidated statement of financial position and the *pro forma* consolidated statement of financial performance as at and for the year ended 30 June 2022) and the accompanying reasonable assurance report prepared by the Independent Reporting Accountant in relation to such *pro forma* financial information, as contained in Annexure 4 and Annexure 5, respectively, to this Transaction Circular.

8. ADDITIONAL INFORMATION ON MURRAY & ROBERTS

8.1 Share capital of Murray & Roberts

The authorised and issued share capital of Murray & Roberts has been incorporated by reference in this Transaction Circular. Please refer to paragraph 15 below.

8.2 Major Shareholders and controlling Shareholders

The following Shareholders were, directly or indirectly, beneficially interested in 5% or more of the Shares as at the Last Practicable Date and their beneficial interest in Shares are as per the below:

Major Shareholders	Number of Shares	% Holding of issued Share capital
ATON	194 855 660	44%
Government Employees Pension Fund	41 417 750	9%
Ninety One Value Fund	27 406 829	6%

8.3 Directors' remuneration and service contracts

Executive Directors

Executive Directors do not have fixed term contracts, but are subject to notice periods of three months. There is no material liability to the Group with respect to the termination of contract of any executive Director or senior executive. The applicable contracts of employment do not include provisions entitling the individual to a specified payment on termination of employment or on a change of control of the Company. Further, no agreements have been entered into with the executive Directors or senior executives regarding restraints of trade. The only provision in the contract of employment relating to a payment on termination of employment is to provide that, where termination occurs during the first year of employment, any payment to which the individual is entitled by law will be limited to a maximum of 25% of annual total fixed cost of employment to the Company.

Normal retirement of executive Directors and senior executives is at age 63.

Murray & Roberts Non-executive Directors remuneration

Non-executive Directors are appointed for a period of three years and, following this period, may be available for re-election for a further three-year period. Non-executive Directors receive a fee for their contribution to the Board and its committees of which they are members. The fee paid to the chairman includes his Director's fee as well as his committee fees. The fee is calculated based on four Board meetings per annum. In addition to a fee, non-executive Directors are entitled to claim travelling and other expenses incurred in carrying out the business of the Company and attending Board and committee meetings. To the extent that a non-executive Director does not attend a scheduled Board meeting, an amount will be deducted from his or her fee. Where a Director is required to attend a special Board or committee meeting, he or she will receive an additional fee in respect of his or her attendance. Non-executive Directors do not participate in the annual bonus plan, the Forfeitable Share Plan, and they do not receive any benefits other than those disclosed.

No change in remuneration

The Directors' remuneration will not be altered or varied as a result of the implementation of the Transaction.

8.4 Directors' and prescribed officers interests in Shares

The direct and indirect beneficial interests of the Directors (and their associates) and prescribed officers in Shares, including the Directors and prescribed officers who have resigned over the last 18 months, has been incorporated by reference in this Transaction Circular. Please refer to paragraph 15 below.

8.5 Directors' interest in the Transaction

The Directors do not have any beneficial interest, whether direct or indirect, in the Transaction nor did they have any material interest in a transaction that was effected by Murray & Roberts during: (i) the current or immediately preceding the financial year; or (ii) an earlier financial year and remaining any respect outstanding or unperformed.

8.6 Material contracts

There are no material agreements concluded outside the ordinary course of business of BCC and M&R Finco in the past two years since the Last Practicable Date and there are no restrictive funding arrangements in place in respect of these entities.

8.7 Restraint of trade

In terms of clause 13 of the Sale and Purchase Agreement, MRL undertook in favour of the Purchaser that it will not (and will procure that each of its current and future associates (as such term is defined in clause 2.1.3 of the Sale and Purchase Agreement, and for the avoidance of doubt, includes all members of the Murray & Roberts Group):

- 8.7.1 be interested or engaged, directly or indirectly and whether as proprietor, partner, shareholder, member, director, employee, agent, consultant, adviser, financier, or member of, or holding any other capacity whatsoever in relation to any person and whether for its direct or indirect benefit or otherwise, and whether for reward or otherwise and whether formally or otherwise in any firm, business or undertaking which carries on either solely or in connection with any other party, directly or indirectly (in any capacity including as direct or

indirect shareholder or joint venture partner), act or tender to act as the concession company (or perform equivalent activities) in respect of the Gautrain and related projects, including any extension or expansion thereof; and/or

- 8.7.2 submit or support a tender to act as a concession company (or perform equivalent activities) in respect of the Gautrain system and related systems,

for the remainder of the concession period under the Concession Agreement (expiring in 2026) and for a period of three years thereafter.

8.8 Material loans

The Transaction will not directly result in any change in respect of any material loans made to or by Murray & Roberts or any of its subsidiaries. Furthermore, the preference shares outstanding to the lenders (details of which are set out in Annexure 6) will be redeemed pursuant to the Transaction and Murray & Roberts will not have any further debt relating to BCC and/or the Concession Agreement. In order for the Purchaser to obtain its funding for the settlement of the Purchase Consideration, M&R Holdco will be required to enter into the M&R Holdco Security Agreements which agreements will only come into force upon implementation of the Transaction (and are therefore obligations of the Purchaser). Whilst M&R Holdco will enter into the M&R Holdco Security Agreements prior to implementation of the Transaction, Murray & Roberts and no member of the Murray & Roberts Group will provide any security under the Transaction or have any further exposure to BCC following implementation of the Transaction as M&R Holdco will cease to be a member of the Murray & Roberts Group following implementation of the Transaction and the security provided by M&R Holdco will therefore be security in favour of the Purchaser and by M&R Holdco as part of the Purchaser's group.

Details of all material loans made to Murray & Roberts and/or to its subsidiaries that remain outstanding as at the Last Practicable Date, and that will remain outstanding following implementation of the Transaction, are set out in Annexure 6.

8.9 Material change in respect of BCC, M&R Finco and M&R Holdco

There have been no material changes in the financial or trading position of BCC, M&R Finco or M&R Holdco subsequent to the latest audited annual financial statements of BCC, M&R Finco or M&R Holdco, respectively, for the financial year of each entity ended 30 June 2022, other than the changes noted in this Transaction Circular and in any SENS announcements made by Murray & Roberts on or before the Last Practicable Date.

8.10 Working Capital Statement

Having made a due and careful enquiry as to the working capital requirements of the Group for the 12 months following the date of issue of the Transaction Circular and, specifically having regard to the Transaction, the Board declares that in their opinion:

- 8.10.1 the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of 12 months after the date of the approval of the Transaction Circular. For this purpose, the assets and liabilities have been recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Companies Act;
- 8.10.2 the share capital and reserves of the Company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of the Transaction Circular;
- 8.10.3 subject to the continued support of its funders, the Group will, in the ordinary course of business, be able to pay their debts for a period of 12 months after the date of approval of the Transaction Circular;
- 8.10.4 the net proceeds of the Transaction will be utilised to reduce debt of the Murray & Roberts Group in South Africa and to assist the Murray & Roberts Group in addressing its working capital needs. The working capital available to the Group post the implementation of the Transaction, is sufficient for the Group's present requirements, that is, for at least the next 12 months following the date on which the Transaction Circular is to be issued; and
- 8.10.5 the Company and its subsidiaries have passed the solvency test, and subject to the continued support of its funders, the liquidity test. Since the test was performed, there have been no material changes to the financial position of any Group Company.

8.11 Litigation Statements

None of BCC, M&R Finco or M&R Holdco is currently involved in any litigation that will have a material effect on the financial position and/or financial performance of either of them.

9. EXPENSES RELATING TO THE TRANSACTION

It is estimated that the total expenses relating to the Transaction for Murray & Roberts will amount to approximately R41 739 000 (costs are exclusive of VAT) and include the following:

Description	Service Provider	Estimated Amount ZAR'000
Independent Reporting Accountant	PricewaterhouseCoopers Inc.	2 775
Legal Advisor	Webber Wentzel	3 500
Lead Financial Advisor	Barclays Bank PLC	21 989 ⁽¹⁾
Financial Advisor	The Standard Bank of South Africa Limited	12 850
JSE Sponsor	The Standard Bank of South Africa Limited	400
Transfer Secretaries	JSE Investor Services Proprietary Limited	5
Regulatory costs	JSE	80
Printing and Postage	Bastion	140
Total		41 739

Note:

⁽¹⁾ The Rand equivalent of the fee of USD1.25 million at the USD : Rand spot rate of 12 December 2022.

10. DIRECTORS' RESPONSIBILITY STATEMENT AND RECOMMENDATION

The Directors, whose names are listed on page 15 of this Transaction Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in this Transaction Circular relating to Murray & Roberts and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Transaction Circular contains all information required by the JSE Listings Requirements.

Having regard to the terms and conditions of the Transaction, the Board is of the opinion that the terms of the Transaction are in the interest of Shareholders and, accordingly, recommends that Shareholders vote in favour of the Transaction Resolutions necessary to effect the implementation of the Transaction.

11. CONSENTS

Each of the advisors to Murray & Roberts listed in the section entitled "*Part III – Corporate information and advisors*" of this Transaction Circular have consented in writing to act in the capacities stated and to the inclusion of their names in the form and context in which they appear in this Transaction Circular and have not withdrawn their consents prior to the Last Practicable Date. The Independent Reporting Accountant has consented to references to its reports in the form and context in which they appear and has not withdrawn its consents prior to the Last Practicable Date.

12. GENERAL MEETING AND VOTING RIGHTS

A General Meeting of Shareholders will be held at The Interchange, Bedfordview, Johannesburg on Monday, 13 February 2023, in order for Shareholders to consider, and if deemed fit, pass, with or without modification, the Transaction Resolutions set out in the Notice of General Meeting attached to and forming part of this Transaction Circular.

Shareholders are referred to the Notice of General Meeting attached to this Transaction Circular for details on the Transaction Resolutions to be proposed at the General Meeting and to the "*Part V – Action required by Shareholders*" section of this Transaction Circular for information on the procedure to be followed by Shareholders and in order to participate and to exercise their votes at the General Meeting.

Every Shareholder present or represented by proxy at the General Meeting shall have all votes determined in accordance with the voting rights associated with the Shares held by that Shareholder.

A quorum shall consist of at least three Shareholders that are personally present or represented by proxy and entitled to vote at the General Meeting on matters to be decided by the Shareholders. The General Meeting may not begin until sufficient persons are present (in person or represented by proxy) at the General Meeting to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the General Meeting. In addition, a matter to be decided at the General Meeting may not begin to be considered unless sufficient persons are present at the meeting (in person or represented by proxy) to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda.

On a poll, any person who is present at the General Meeting, whether as a Shareholder or as proxy for a Shareholder, has the number of votes determined in accordance with the voting rights associated with the Shares held by that Shareholder.

A General Meeting of Shareholders will be held at The Interchange, Bedfordview, Johannesburg on Monday, 13 February 2023 at 11:00 for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions required to be approved by shareholders in order to authorise and implement the Transaction. The notice of General Meeting is attached to and forms part of this Transaction Circular.

The Notice of General Meeting is attached hereto and forms part of this Transaction Circular and contains the Transaction Resolutions to be considered at the General Meeting.

13. GOVERNING LAW

This Transaction Circular is governed by, and construed in accordance with, the laws of South Africa, and will be subject to the exclusive jurisdiction of the South African courts.

14. CONFLICTS

In its capacity as Transaction Sponsor, Standard Bank has confirmed to the JSE and the Company that there is no matter that would impact on its ability to exercise reasonable care and judgement to achieve and maintain independence and objectivity in professional dealings in relation to Murray & Roberts, and that would impact on their ability to act within the Code of Conduct as set out in the Listings Requirements.

Standard Bank has various stringent internal procedures in place to ensure that its ability to act independently as transaction sponsor is not compromised. Furthermore, Standard Bank identifies and manages any conflicts of interest in relation to its role as transaction sponsor and its approved executives, which could be expected to impair its independence and objectivity in relation to an applicant issuer for a transaction or corporate action.

Pursuant to these internal procedures, Standard Bank has a Compliance Control Room function that identifies and manages conflict risks and ensures that strict information barriers are maintained to ensure that as transaction sponsor, they are able to act independently from other divisions within the bank. Standard Bank also enforces and implements physical and logical access restrictions to information, which is limited to deal teams for whom the information is relevant, for the purpose of fulfilling the client mandate.

15. INFORMATION INCORPORATED BY REFERENCE AND SUPPORTING DOCUMENTS

The following information has been incorporated by reference and is available for viewing on the Company's website at www.murrob.com

Item number	Document	Document reference
(1)	Directors' and prescribed officers interests in Shares, page 124	https://www.murrob-online.co.za/murrob-ar2022/pdf/full-air-2022.pdf
(2)	Murray & Roberts Non-executive Directors remuneration, page 111 – 112	https://www.murrob-online.co.za/murrob-ar2022/pdf/full-air-2022.pdf
(3)	Share capital of Murray & Roberts, page 123	https://www.murrob-online.co.za/murrob-ar2022/pdf/full-air-2022.pdf
(4)	Material Risk factors	https://www.murrob-online.co.za/murrob-ar2022/risk-management-report.php

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered offices of Murray & Roberts, whose registered office details can be found in the "Part III – Corporate information and advisors" section of this Transaction Circular, during normal business hours and on Business Days or can be made available through a secure electronic manner at the election of the person requesting inspection by emailing the Group Secretary at bert.kok@murrob.com, from the date of issue of this Transaction Circular up to and including the date of the General Meeting:

- 16.1 a signed copy of this Transaction Circular;
- 16.2 the Company MOI;
- 16.3 the memorandum of incorporation of each of the Company's major subsidiaries;
- 16.4 the Sale and Purchase Agreement;
- 16.5 summaries of the service agreements with directors, managers or secretary/ies entered into during the three years preceding the last practicable date;
- 16.6 the signed reports by the Independent Reporting Accountant as set out in the Annexures;
- 16.7 the written consents as per paragraph 11.

Signed on behalf of the Board

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Tuesday, 10 January 2023

COMBINED CARVE-OUT HISTORICAL FINANCIAL INFORMATION OF MURRAY & ROBERTS NET INTEREST IN BCC FOR THE YEARS ENDED 30 JUNE 2020, 30 JUNE 2021 AND 30 JUNE 2022

The definitions commencing on page 10 of this Transaction Circular have been used throughout this Transaction Circular.

Introduction to the Historical Financial Information of Murray & Roberts' Net Interest in BCC

The Historical Financial Information consists of the combined carve-out statement of financial position and the related statements of financial performance, comprehensive income, changes in equity and cash flow for the three financial years ended 30 June 2022, and the notes comprising a summary of the significant accounting policies and other explanatory information of Murray & Roberts Net Interest in BCC (collectively referred to as the "Historical Financial Information of Murray & Roberts Net Interest in BCC").

The Historical Financial Information consists of the combined carve-out Historical Financial Information, which has been extracted from the consolidated financial statements of Murray & Roberts for the three years ended 30 June 2022. The Historical Financial Information of Murray & Roberts Net Interest in BCC has been prepared on the basis of preparation as set out in note 1 below.

The Historical Financial Information must be read in conjunction with this Transaction Circular to the Shareholders prepared in accordance with the Transaction. In terms of the JSE Listings Requirements, the Historical Financial Information of Murray & Roberts Net Interest in BCC is required to be presented in terms of IFRS. Whilst no dispensation was granted by the JSE in this regard, the Murray & Roberts Net Interest in BCC did not historically exist as a separate business component of Murray & Roberts within the meaning of IFRS and consequently is presented as combined carve-out financial information as described in the basis of preparation as set out in note 1 below. Further, the BCC annual financial statements constitute confidential information for purposes of the BCC Shareholders' Agreement, the BCC MOI and the Concession Agreement between BCC and Gauteng Province and consent to the disclosure of the BCC annual financial statements was declined by third party shareholders. Consequently, the Historical Financial Information of the Murray & Roberts Net Interest in BCC is presented on a combined carve-out basis by carving out the attributable assets, liabilities, income and expenses related to Murray & Roberts Net Interest in BCC held by M&R Finco and combining these with the attributable assets and income related to Murray & Roberts 33% shareholding in BCC held via MRL on a historical cost basis, with the exception of the service concession investments which are measured at fair value through profit or loss in line with the Murray & Roberts accounting policies.

The Directors of Murray & Roberts are responsible for the preparation and fair presentation of the Historical Financial Information of Murray & Roberts Net Interest in BCC in accordance with the basis of preparation and for such internal controls as the directors of Murray & Roberts determine are necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

The Independent Reporting Accountant's reports on the Historical Financial Information of Murray & Roberts Net Interest in BCC are included in Annexure 2 and Annexure 3 to this Transaction Circular.

The directors of Murray & Roberts are responsible for the preparation, contents and presentation of the Transaction Circular and are responsible for ensuring that Murray & Roberts complies with the JSE Listings Requirements.

Commentary on the Historical Financial Information of Murray & Roberts Net Interest in BCC

Financial year 2022

A fair value profit adjustment of R193 million was recorded for the year (FY2021: R208 million) and dividends received of R185 million (FY2021: Rnil). In August 2022, Gautrain ridership was circa 26 000 passengers per day, compared to circa 20 000 passengers per day as reported in March 2022. The work-from-home model adopted during the pandemic still retained by various employers and a constrained international travel sector, continue to impact ridership numbers. The increase in ridership, decrease in costs incurred by BCC together with unwinding of the concession agreement resulted in the fair value gain on the investment, partially offset by increased discount rate to 13.41% (FY2021: 11.78%). Long term loans of R48 million were settled in the current period before dividends were paid.

Financial year 2021

The initial estimated impact of the pandemic on the Group's 50% investment in BCC was accounted for in FY2020. COVID-19 impact continued into FY2021 which resulted in the Gautrain system running with capacity restrictions and at all-time low ridership levels. Passenger demand is expected to remain subdued until the spread of the pandemic is curtailed. Current ridership is circa 10 500 passengers per day, compared to circa 55 000 passengers per day prior to COVID-19. BCC was successful with its business interruption insurance claim, capped at R285 million and the funds upon receipt were used to reduce BCC's debt. The potential prolonged impact of the pandemic on this investment is assessed on an ongoing basis. The impact of decreased ridership levels was offset by decreased discount rate to 11.78% (FY2020: 16.25%), which resulted in a fair value adjustment profit of R208 million that was reported for the period (FY2020: R119 million). No dividends were received in the current year (FY2020: R328 million).

Financial year 2020

BCC was severely impacted by COVID-19 and the restrictions and measures government enacted to limit the spread of the pandemic. The Gautrain was shut down for a period of 38 days in accordance with the South African lockdown regulations and has since commenced operations, although with capacity restrictions. Ridership remains very low and the duration of the impact is uncertain. Following a COVID-19 related R194 million impact of Murray & Roberts' investment in the concession together with increase in discount rate to 16.25% resulted in a fair value adjustment profit of R119 million that was reported for the year together with dividends of R328 million. Long term loans of R84 million were settled in the current period before dividends were paid.

HISTORICAL FINANCIAL INFORMATION OF MURRAY & ROBERTS NET INTEREST IN BCC COMBINED CARVE-OUT HISTORICAL FINANCIAL INFORMATION

Background information

INTRODUCTION

Shareholders are referred to the announcement released on SENS on 1 December 2022 detailing the proposed disposal of Murray & Roberts Net Investment in BCC.

The Historical Financial Information consists of Combined Carve-out Historical Financial Information that has been extracted from the consolidated financial statements of Murray & Roberts for the years ended 30 June 2022, 2021 and 2020. The Historical Financial Information has been prepared as described in the basis of preparation set out below.

The Historical Financial Information must be read in conjunction with this Transaction Circular to the Shareholders prepared in accordance with the Transaction.

The Historical Financial Information is the responsibility of the Directors of Murray & Roberts and was approved by the Directors of Murray & Roberts on 9 January 2023 and was prepared under the supervision of DF Grobler CA(SA), being the Group Financial Director.

The Independent Reporting Accountant's audit report on the Combined Carve-out Historical Financial Information for the years ended 30 June 2022 and the Independent Reporting Accountant's review report on the Combined Carve-out Historical Financial Information for the years ended 30 June 2021 and 2020 are included in Annexures 2 and 3 of the Transaction Circular.

COMMENTARY

For commentary on the Combined Carve-out Historical Financial Information refer to the Transaction Circular.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE

All amounts are expressed in thousands rands	Notes	2022 Audited	2021 Reviewed	2020 Reviewed
ASSETS				
Non-current assets				
Other investments	2	1 442 149	1 433 658	1 225 257
Total non-current assets		1 442 149	1 433 658	1 225 257
Total assets		1 442 149	1 433 658	1 225 257
EQUITY AND LIABILITIES				
Shareholders interest		1 227 758	1 169 864	967 074
Total equity		1 227 758	1 169 864	967 074
Non-current liabilities				
Long term loans	3	191 901	240 301	240 301
Total non-current liabilities		191 901	240 301	240 301
Current liabilities				
Short term loans	3	22 490	23 493	16 681
Trade and other payables	4	–	–	1 201
Total current liabilities		22 490	23 493	17 882
Total liabilities		214 391	263 794	258 183
Total equity and liabilities		1 442 149	1 433 658	1 225 257

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE

All amounts are expressed in thousands rands	Notes	2022 Audited	2021 Reviewed	2020 Reviewed
Revenue		–	–	–
Administration costs		(261)	(276)	(280)
Fair value gain on investment at fair value through profit or loss		193 491	208 401	119 401
Other operating income		–	1 200	–
Profit before interest and taxation	5	193 230	209 325	119 121
Interest expense	6	(18 818)	(21 089)	(31 651)
Profit before taxation		174 412	188 236	87 470
Taxation expense		–	–	–
Profit for the year		174 412	188 236	87 470

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE

All amounts are expressed in thousands rands	2022 Audited	2021 Reviewed	2020 Reviewed
Profit for the year	174 412	188 236	87 470
Total comprehensive income for the year	174 412	188 236	87 470

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE

All amounts are expressed in thousands rands	Shareholder interest	Total equity
Balance at 01 July 2019	1 095 907	1 095 907
Total comprehensive income for the year	87 470	87 470
Reduction in shareholders interest	(216 303)	(216 303)
Balance at 01 July 2020 (Reviewed)	967 074	967 074
Total comprehensive income for the year	188 236	188 236
Increase in shareholders interest	14 554	14 554
Balance at 01 July 2021 (Reviewed)	1 169 864	1 169 864
Total comprehensive income for the year	174 412	174 412
Reduction in shareholders interest	(116 518)	(116 518)
Balance at 30 June 2022 (Audited)	1 227 758	1 227 758

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE

All amounts are expressed in thousands rands	Notes	2022 Audited	2021 Reviewed	2020 Reviewed
Cash flows from operating activities				
Cash utilised by operations	8	(261)	(277)	(280)
Net cash outflow from operating activities		(261)	(277)	(280)
Cash flows from investing activities				
Realisation of investment	2	185 000	–	328 000
Net cash inflow from investing activities		185 000	–	328 000
Cash flows from financing activities				
Interest paid		(19 821)	(14 277)	(27 217)
(Reduction)/ increase in shareholders interest		(116 518)	14 554	(216 303)
Net movement in borrowings	8	(48 400)	–	(84 200)
– Loans raised		–	–	–
– Loans repaid		(48 400)	–	(84 200)
Net cash (outflow)/inflow from financing activities		(184 739)	277	(327 720)
Total (decrease)/increase in net cash and cash equivalents				
Net cash and cash equivalents at beginning of year		–	–	–
Net cash and cash equivalents at end of year		–	–	–

NOTES TO THE COMBINED CARVE-OUT HISTORICAL FINANCIAL INFORMATION

1. ACCOUNTING POLICIES

1.1. BASIS OF PREPARATION

The Combined Carve-out Historical Financial Information is presented below. As International Financial Reporting Standards (“IFRS”) do not provide guidance for the preparation of Combined Carve-out Historical Financial Information, certain accounting conventions commonly used in the preparation of Historical Financial Information for inclusion in this Transaction Circular have been applied. In preparing the Combined Carve-out Historical Financial Information, the recognition and measurement principles of IFRS and interpretations of those standards as issued by the International Standards Board have been applied, except for the deviations from these principles as has been noted below. The Combined Carve-out Historical Financial Information is also prepared, to the extent possible, in accordance with the South African Institute of Chartered Accountants (“SAICA”) Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council.

Murray & Roberts Net Investment in BCC relates to Murray & Roberts’ entire indirect 50% interest in BCC comprising the Sale Shares representing:

1. MRL’s direct shareholding of 33% in BCC, and
2. Murray & Roberts’ 100% shareholding in M&R Finco, which owns a further 17% in BCC, through its wholly owned subsidiary M&R Holdco.

Murray & Roberts Net Investment in BCC, did not historically exist as a separate business component of Murray & Roberts within the meaning of IFRS and no separate financial information has therefore been presented historically. Since Murray & Roberts does not control its investment in BCC such investment has not been consolidated and was recognised as a service concession investment measured at fair value through profit or loss. Refer to accounting policy 1.3 Financial Instruments and note 2.1 Financial assets at fair value through profit or loss for further disclosure on accounting treatment and the requirements of IFRS 13.

The combined carve-out accounts have hence been prepared in respect of Murray & Roberts Net Investment in BCC by applying the same accounting policies applied by Murray & Roberts in its consolidated financial statements related to the investment rather than presenting the underlying results and financial position of BCC as a separate business. These accounting policies have been consistently applied in respect of each period.

The Combined Carve-out Historical Financial Information is prepared by carving out the attributable assets, liabilities, income and expenses related to Murray & Roberts Net Investment in BCC held by M&R Finco and combining these with the attributable assets and, income related to Murray & Roberts’ 33% shareholding in BCC held via MRL as presented

in the consolidated financial statements of Murray & Roberts for the years ended 30 June 2022, 30 June 2021 and 30 June 2020.

The Combined Carve-out Historical Financial Information is prepared by applying the recognition and measurement principles applied by Murray & Roberts in its consolidated financial statements which are on a historical cost basis, with the exception of service concession investments which are measured at fair value through profit or loss.

The Combined Carve-out Historical Financial Information consists of a statement of financial position in respect of Murray & Roberts Net Investment in BCC as at 30 June 2022, 30 June 2021 and 30 June 2020 and a statement of financial performance, statement of comprehensive income, cash flows, movement in equity and notes in respect of Murray & Roberts Net Investment in BCC for the years ended 30 June 2022, 30 June 2021 and 30 June 2020, together with the related accounting policies and notes.

The Combined Carve-out Historical Financial Information has been prepared for purposes of presenting, as far as practically possible, the assets, liabilities, income and expenses attributable to Murray & Roberts Net Investment in BCC, on a standalone basis.

LIMITATIONS

As the Combined Carve-out Historical Financial Information has been prepared on a combined carve-out basis, they may not be indicative of the future performance attributable to the Net Investment in BCC and do not necessarily reflect what results of operations, financial position and cash flows would have been, had the Net Investment in BCC been accounted for on a stand alone basis during the periods presented.

1.2. SERVICE CONCESSION INVESTMENTS

Financial assets, other than those held for trade, are classified in this category if the financial assets are managed, and their performance evaluated, on a fair value basis in accordance with a documented investment strategy, and where information about these financial instruments are reported to management on a fair value basis. Under this basis of the concession equity investment is the main class of financial instruments so designated. The fair value designation once made is irrevocable.

Measurement is initially at fair value, with transaction costs and subsequent fair value adjustments recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on financial assets. Fair value is determined in a manner as described in note 3.

Service concession investments are classified and measured at fair value through profit or loss.

DERECOGNITION OF SERVICE CONCESSION INVESTMENTS

Financial assets are only derecognised when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If all the risks and rewards of ownership neither transfers nor retains substantially and continues to control the transferred asset, the retained interest is recognised in the asset and an associated liability for amounts it may have to pay. If all the risks and rewards of ownership is retained substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.3. FINANCIAL INSTRUMENTS

EQUITY INSTRUMENTS AND FINANCIAL LIABILITIES

Financial liabilities and equity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets after deducting all of its liabilities.

FINANCIAL LIABILITIES AT AMORTISED COST

Non-trading financial liabilities are recognised at amortised cost. Amortised cost represents the original debt less principal payments made, the impact of discounting to net present value and amortisation of related costs.

Trade and other payables are liabilities to pay for goods and services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade and other payables are initially recognised at fair value and are subsequently classified and measured at amortised cost using the effective interest rate method.

1.4. RELATED PARTIES

Parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the party in making financial and operating decisions. The requirements of IAS 24: *Related Party Disclosures* are applied in identifying related parties and related party transactions.

Related party transactions are those where a transfer of resources or obligations between related parties occur, regardless of whether or not a price is charged.

1.5. EQUITY

As the Combined Carve-out Historical Financial Information has been prepared on a combined carve-out basis, it is not possible to show share capital or provide a meaningful analysis of reserves. Therefore, the amount which reflects the carrying value of Murray & Roberts' Net Investment in BCC is disclosed as 'shareholders interest' from the earliest comparative period presented.

2. OTHER INVESTMENTS

2.1. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

All amounts are expressed in thousands rands	2022	2021	2020
<i>Investment in infrastructure service concession</i>			
At beginning of year	1 433 658	1 225 257	1 433 856
Realisation of investment	(185 000)	–	(328 000)
Fair value adjustment recognised in the statement of financial performance	193 491	208 401	119 401
	1 442 149	1 433 658	1 225 257

Directors' valuation: R1.4 billion (FY2021: R1.4 billion, FY2020: R1.2 billion).

The financial assets at fair value through profit or loss comprise of the following infrastructure service concession:

	Remaining concession period	2022	2021	2020
Bombela Concession Company Proprietary Limited ("BCC")*	3.75 years (FY2021: 4.75 years, FY2020: 5.75 years)	1 442 149	1 433 658	1 225 257

*The fair value of the investment in BCC has been determined using level 3 inputs per IFRS 13: *Fair Value Measurement*. The investment is reflected at fair value through profit or loss as the investment meets the requirements of IAS 28.18 with regards to venture capital organisations or similar entities. The fair value of the BCC is calculated using discounted cash flow models and an effective market discount rate of 13.41% (FY2021: 11.78%, FY2020: 16.25%). The discounted cash flow models are based on forecast patronage, operating costs, inflation and other economic fundamentals, taking into consideration the operating conditions experienced in the current financial year. The future profits from the concession are governed by a contractual agreement and are principally based on inflationary increases in the patronage revenue and operating costs of the current financial year. The higher discount rate in the current financial year and FY2020 is believed appropriate following the increase in the R186 bond rate. The lower discount rate in FY2021 is believed appropriate following the decrease in the R186 bond rate. A decrease of 1% in the discount rate would result in an increase in the value of the concession investment of approximately R29 million (FY2021: R38 million, FY2020: R42 million).

Operating cost includes an operating fee that is payable to the Bombela Operating Company (Pty) Ltd ("BOC"), the company responsible for the operation and maintenance of Gautrain. The fee payable to BOC, although predictable, is subject to annual inflationary increases and is subject to review every 5th year where increases of more than inflation are considered. The final review was completed in June 2022. An annual increase of 1% in the operating fee, above inflation, would result in a decrease in the value of the concession investment of approximately R16 million (FY2021: R11 million, FY2020: R10 million).

Operating cost includes a Railway Usage Fee ("RUF") which constitutes a fee for the use of the system owned by Gauteng Province. The fee is 50% of the concessionaire's excess free cash flow above an 18% real rate of return. The fee reduces to 35% should the concessionaire comply with certain Socio Economic Development ("SED") obligations. Historically the SED obligations have been achieved and the valuation is based on the SED obligations being achieved. If these obligations are not achieved, the result would be a decrease in the value of the concession investment of R210 million (FY2021: R196 million).

Revenue based on patronage is underpinned by the Gauteng Province. The Patronage Guarantee is the difference between the Minimum Required Total Revenue ("MRTR") and the Concessionaire Demand Forecast ("CDF") in each month. Revenue below the CDF is a BCC risk. A 1% shortfall in patronage revenue below the CDF reduces the value of the concession investment by approximately R14.5 million (FY2021: R14 million). The impact of COVID-19 for financial periods ending after 30 June 2022 is included in the cash flows in the discounted cash flow model. In this instance, the COVID-19 impact was based on assessments and analyses of the patronage over the full remaining period of the concession and the time it would take patronage to return to pre-COVID levels bearing in mind the Patronage Guarantee. In this regard, annual revenue, prior to COVID-19, was predictable in nature and was in excess of CDF. Furthermore, to date, the Gauteng Province has honoured its Patronage Guarantee.

2.1.1. SUMMARISED FINANCIAL INFORMATION IN RESPECT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

All amounts are expressed in thousands rands	2022	2021	2020
Non-current assets	2 931 479	3 410 724	3 877 913
Current assets	2 011 938	1 522 914	1 545 115
Total assets	4 943 417	4 933 638	5 423 028
Non-current liabilities	(19 651)	(393 335)	(1 144 380)
Current liabilities	(915 059)	(865 316)	(1 336 459)
Total liabilities	(934 710)	(1 258 651)	(2 480 839)
Net assets	4 008 707	3 674 987	2 942 189
Revenue	2 770 728	2 323 218	2 337 471

The above summarised financial information reflects BCC's financial information at 100%.

3. LONG TERM LOANS

3.1. INTEREST BEARING SECURED LOANS

All amounts are expressed in thousands rands	2022	2021	2020
Payable			
Within 1 year	-	-	-
Within the 2nd year	-	-	-
Within 3 to 5 years	191 901	240 301	240 301
Payable after the 5th year	-	-	-
	191 901	240 301	240 301
Less: Current portion	-	-	-
Interest accrual	22 490	23 493	16 681
Total loans ^{@§}	214 391	263 794	256 982

[@] The loans consist of cumulative preference shares that are redeemable 31 March 2026, with the option of early settlement. The preference shares are held by RMB Investments & Advisory Proprietary Limited. The preference shares incur interest at a rate of prime plus special fixed A dividends of R26 million.

[§] The preference shares are secured by 17% shareholding in the interest in BCC (refer to note 2) with a carrying value of R489,9 million (FY2021: R487,4 million, FY2020: R416,6 million).

The preference shares have debt covenants for life cover (fair value of investment to preference shares should be >1.65) and service cover ratios (dividends received compared to accumulated preference dividends should be >1). Covenants were met as required.

4. TRADE AND OTHER PAYABLES

All amounts are expressed in thousands rands	2022	2021	2020
Other payables	-	-	1 201
	-	-	1 201

The carrying value of trade and other payables approximates their fair value due to the short term nature of these instruments.

5. PROFIT BEFORE INTEREST AND TAXATION

All amounts are expressed in thousands rands	2022	2021	2020
Profit before interest and taxation is arrived at after taking into account:			
Items by nature			
<i>Investment income other than interest:</i>			
Fair value gain on investment at fair value through profit or loss	193 491	208 401	119 401
Salaries and wages	-	-	(150)
Bank charges	-	-	(61)
<i>Fees paid for:</i>			
Technical services	(256)	(276)	-

6. INTEREST EXPENSE

All amounts are expressed in thousands rands	2022	2021	2020
Loans and other liabilities	(18 818)	(21 089)	(31 651)
	(18 818)	(21 089)	(31 651)

7. CASH GENERATED FROM OPERATIONS

All amounts are expressed in thousands rands	Notes	2022	2021	2020
Profit before taxation		174 412	188 236	87 470
<i>Adjustments for non-cash items:</i>				
Fair value gain on investments at fair value through profit or loss	3	(193 491)	(208 401)	(119 401)
Interest expense		18 818	21 089	31 651
Changes in working capital:		-	(1 201)	-
Other payables		-	(1 201)	-
		(261)	(277)	(280)

	Borrowings	Total
DEBT RECONCILIATION		
Debt at 1 July 2019	(324 501)	(324 501)
Total increase in cash and cash equivalents	-	-
Loans raised	-	-
Loans repaid	84 200	84 200
Debt at 30 June 2020	(240 301)	(240 301)
Total increase in cash and cash equivalents	-	-
Loans raised	-	-
Loans repaid	-	-
Debt at 30 June 2021	(240 301)	(240 301)
Total increase in cash and cash equivalents	-	-
Loans raised	-	-
Loans repaid	48 400	48 400
Debt at 30 June 2022	(191 901)	(191 901)

8. FINANCIAL RISK MANAGEMENT

8.1 FINANCIAL INSTRUMENTS

Murray & Roberts Net Investment in BCC consist of the investment through fair value through profit or loss and interest bearing borrowings.

Categories of financial instruments	Note	2022	2021	2020
Financial assets				
Financial assets at fair value through profit or loss (level 3)	3	1 442 149	1 433 658	1 225 257
Financial liabilities				
Financial liabilities measured at amortised cost		191 901	240 301	241 502

The fair value hierarchy introduces levels of inputs based on the lowest level of input significant to the overall fair values:

Level 3 – inputs not based on observable market data, refer to note 2 for inputs used.

8.2. INTEREST RATE RISK MANAGEMENT

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates charged on preference shares due to changes to interest rates in local markets. The table below illustrates the sensitivity on profits had the interest rates been 100 basis points higher and all other variables were held constant. A positive number indicates an increase in profit and other equity (in Rands) as a consequence of change in interest rates which are based on the prime interest rates of the countries listed below.

	2022	2021	2020
South Africa			
Basis points increase	100.0	100.0	100.0
Effect on profit and loss	(1 919)	(2 402)	(2 402)

8.3. MATURITY PROFILE OF FINANCIAL INSTRUMENTS

The maturity profile of the recognised financial instruments are summarised as follows. These profiles represent the undiscounted cash flows that are expected to occur in the future.

	Notes	Within 1 year	Within the 2 nd year	Within 3 to 5 years	Payable after the 5 th year	Total
2022						
Financial liabilities						
Interest bearing liabilities	3	17 090	16 059	250 029	–	283 178
Other payables		–	–	–	–	–
2021						
Financial liabilities						
Interest bearing liabilities	3	17 068	17 068	313 091	–	347 227
Other payables		–	–	–	–	–
2020						
Financial liabilities						
Interest bearing liabilities	3	19 198	17 068	51 251	277 547	365 064
Other payables	4	1 201	–	–	–	1 201

The liabilities will be settled through the realisation of the investment in infrastructure service concession (refer to note 2).

9. NEW STANDARDS AND INTERPRETATIONS

9.1. New, amended and revised standards adopted during FY2022, FY2021 and FY2020

No new, amended and revised standards adopted during FY2022, FY2021 or FY2020 had a material impact on Combined Carve-out Historical Financial Information.

9.2. Standards and interpretations not yet effective

Set out below are the significant new and revised accounting standards/interpretations that apply in the future. Management is currently assessing the impact of these amendments and new interpretations.

	Standards/Interpretation	Type	Effective date
9.2.1	Standards and interpretations not yet effective FY2022		
	IAS 1: Presentation of Financial Statements (classification of liabilities)	Amendment	Financial years commencing on or after 1 January 2024
	IAS 1: Presentation of Financial Statements (disclosure of Accounting Policies)	Amendment	Financial years commencing on or after 1 January 2023
	IAS 12: Income Taxes (deferred tax related to assets and liabilities arising from a single transaction)	Amendment	Financial years commencing on or after 1 January 2023
	IFRS 17: Insurance Contracts (liabilities to be measured at current fulfilment value)	Amendment	Financial years commencing on or after 1 January 2023
9.2.2	Standards and interpretations not yet effective FY2021		
	IFRS 3: Business Combinations	Amendment	Financial years commencing on or after 1 January 2022
	IFRS 9: Financial Instruments	Amendment	Financial years commencing on or after 1 January 2022
	IFRS 16: Leases	Amendment	Financial years commencing on or after 1 April 2021
	IAS 1: Presentation of Financial Statements	Amendment	Financial years commencing on or after 1 January 2023
	IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors	Amendment	Financial years commencing on or after 1 January 2023
	IAS 12: Income Taxes	Amendment	Financial years commencing on or after 1 January 2023
	IAS 16: Property, Plant and Equipment	Amendment	Financial years commencing on or after 1 January 2022
	IAS 37: Provisions, Contingent Liabilities and Contingent Assets	Amendment	Financial years commencing on or after 1 January 2022
9.2.3	Standards and interpretations not yet effective FY2020		
	IFRS 3: Business Combinations	Amendment	Financial years commencing on or after 1 January 2020
	IFRS 3: Business Combinations	Amendment	Financial years commencing on or after 1 January 2022
	IFRS 7: Financial Instruments: Disclosures	Amendment	Financial years commencing on or after 1 January 2020
	IFRS 9: Financial Instruments	Amendment	Financial years commencing on or after 1 January 2020
	IFRS 9: Financial Instruments	Amendment	Financial years commencing on or after 1 January 2022
	IFRS 16: Leases	Amendment	Financial years commencing on or after 1 June 2020
	IAS 1: Presentation of Financial Statements	Amendment	Financial years commencing on or after 1 January 2020
	IAS 1: Presentation of Financial Statements	Amendment	Financial years commencing on or after 1 January 2022
	IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors	Amendment	Financial years commencing on or after 1 January 2020
	IAS 16: Property, Plant and Equipment	Amendment	Financial years commencing on or after 1 January 2022

Standards/Interpretation	Type	Effective date
IAS 37: Provisions, Contingent Liabilities and Contingent Assets	Amendment	Financial years commencing on or after 1 January 2022
IAS 39: Financial Instruments: Recognition and Measurement	Amendment	Financial years commencing on or after 1 January 2020

10. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

As the Combined Carve-out Historical Financial Information has been prepared on a combined carve-out basis, they may not be indicative of the future performance attributable to the Net Investment in BCC and do not necessarily reflect what results of operations, financial position and cash flows would have been, had the Net Investment in BCC been accounted for on a stand alone basis during the periods presented.

OTHER INVESTMENTS

Service concession investments are classified and measured at fair value through profit or loss as opposed to an investment in associate.

In determining the fair value of the Net Investment in BCC a discounted cash flow models and an effective market discount rate is used. The discounted cash flow models are based on forecast patronage, operating costs, inflation and other economic fundamentals, taking into consideration the operating conditions experienced in the current financial year. The future profits from the concession are governed by a contractual agreement and are principally based on inflationary increases in the patronage revenue and operating costs of the current financial year.

Operating cost includes an operating fee that is payable to BOC, although predictable, is subject to annual inflationary increases and is subject to review every 5th year where increases of more than inflation are considered. The final review was completed in June 2022.

Operating cost includes a Railway Usage Fee ("RUF") which constitutes a fee for the use of the system owned by Gauteng Province. The fee is 50% of the concessionaire's excess free cash flow above an 18% real rate of return. The fee reduces to 35% should the concessionaire comply with certain Socio Economic Development ("SED") obligations.

Revenue based on patronage is underpinned by the Gauteng Province. The Patronage Guarantee is the difference between the Minimum Required Total Revenue ("MRTR") and the Concessionaire Demand Forecast ("CDF") in each month. Revenue below the CDF is a BCC risk.

11. SUBSEQUENT EVENTS

The Directors are not aware of any other matter or circumstance, other than noted above, arising since the end of the financial year not otherwise dealt with in the Group and Company annual financial statements which significantly affects the financial position at 30 June 2022 or the results of its operations or cash flows for the year then ended. Other events that occurred after the reporting period were indicative of conditions that arose after the reporting period in the normal course of business and did not have a material impact on the current financial year results.

INDEPENDENT REPORTING ACCOUNTANT'S AUDIT REPORT ON THE COMBINED CARVE-OUT HISTORICAL FINANCIAL INFORMATION OF MURRAY & ROBERTS NET INTEREST IN BCC FOR THE YEAR ENDED 30 JUNE 2022

To the directors of Murray & Roberts Holdings Limited

The Interchange
22 Skeen Boulevard
Bedfordview
2007
South Africa

Our opinion

Murray & Roberts Holdings Limited ("Murray & Roberts", the "Company" or "you") is issuing a circular to its shareholders (the "Circular") regarding the proposed disposal of its entire indirect 50% interest in Bombela Concession Company (RF) Proprietary Limited ("BCC") by way of a private sale through Murray & Roberts Limited's ("MRL") direct shareholding of 33% in BCC and the sale of the Company's 100% shareholding in Murray & Roberts BCC Finco (RF) Proprietary Limited ("M&R Finco"), which owns a further 17% in BCC, through its wholly owned subsidiary Murray & Roberts BCC Holdco Company (RF) Proprietary Limited ("M&R Holdco") (collectively "Murray & Roberts Net Interest in BCC") (the "Proposed Transaction").

In our opinion, the Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC for the year ended 30 June 2022 as set out in Annexure 1 of the Circular (the "Combined Carve-out Historical Financial Information for the year ended 30 June 2022") presents fairly, in all material respects, the combined financial position of Murray & Roberts Net Interest in BCC as at 30 June 2022, its combined financial performance and its combined cash flows for the year then ended in accordance with the Basis of Preparation, set out in note 1 to the Combined Carve-out Historical Financial Information and the JSE Limited ("JSE") Listings Requirements.

What we have audited

At your request and solely for the purpose of the Circular to be dated on or about 13 January 2023, we have audited the Murray & Roberts Net Interest in BCC's Combined Carve-out Historical Financial Information for the year ended 30 June 2022, which comprises:

- the statement of financial position as at 30 June 2022;
- the statement of financial performance for the year then ended;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the Combined Carve-out Historical Financial Information for the year ended 30 June 2022, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Reporting accountant's responsibilities for the audit of the Combined Carve-out Historical Financial Information for the year ended 30 June 2022* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Emphasis of Matter: Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC for the year ended 30 June 2022 and basis of preparation

Without modifying our opinion, we draw attention to the fact that, as described in the Combined Carve-out Historical Financial Information for the year ended 30 June 2022, Murray & Roberts Net Interest in BCC has not operated as a separate entity. The Combined Carve-out Historical Financial Information for the year ended 30 June 2022 is, therefore, not necessarily indicative of results that would have occurred if Murray & Roberts Net Interest in BCC had been a separate stand-alone entity during the year presented or of future results of Murray & Roberts Net Interest in BCC. We also draw attention to the Combined Carve-out Historical Financial Information for the year ended 30 June 2022 which describes the basis of preparation. The Combined Carve-out Historical Financial Information for the year ended 30 June 2022 is prepared by the directors of Murray & Roberts for the purpose of this Circular and may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

Purpose of this report

This report has been prepared for the purpose of the Circular and for no other purpose.

Other Matter

The Combined Carve-out Historical Financial Information as at 30 June 2021 and 30 June 2020, and for the years then ended were not audited but subject to review. A review engagement is substantially less in scope than an audit. The review report dated 10 January 2023 expressed an unmodified conclusion.

Responsibilities of the directors for the Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC for the year ended 30 June 2022

The directors of Murray & Roberts are responsible for the preparation, contents and presentation of the Circular and are responsible for ensuring that Murray & Roberts complies with the requirements of the JSE Listings Requirements.

The directors of Murray & Roberts are responsible for the preparation and fair presentation of the Combined Carve-out Historical Financial Information for the year ended 30 June 2022 in accordance with the Basis of Preparation, note 1 to the Combined Carve-out Historical Financial Information and the requirements of the JSE Listings Requirements, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

In preparing the Combined Carve-out Historical Financial Information for the year ended 30 June 2022, the directors of Murray & Roberts are responsible for assessing Murray & Roberts Net Interest in BCC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate Murray & Roberts Net Interest in BCC or to cease operations, or have no realistic alternative but to do so.¹

Reporting accountant's responsibilities for the audit of the Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC for the year ended 30 June 2022

Our objectives are to obtain reasonable assurance about whether the Combined Carve-out Historical Financial Information for the year ended 30 June 2022 as a whole is free from material misstatement, whether due to fraud or error, and to issue a reporting accountant's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Combined Carve-out Historical Financial Information for the year ended 30 June 2022.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Combined Carve-out Historical Financial Information for the year ended 30 June 2022, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of Murray & Roberts.
- Conclude on the appropriateness of the directors of Murray & Roberts's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Murray & Roberts Net Interest in BCC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our reporting accountant's report to the related disclosures in the Combined Carve-out Historical Financial Information for the year ended 30 June 2022 or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our reporting accountant's report. However, future events or conditions may cause Murray & Roberts Net Interest in BCC to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Combined Carve-out Historical Financial Information for the year ended 30 June 2022, including the disclosures, and whether the Combined Carve-out Historical Financial Information for the year ended 30 June 2022 represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Murray & Roberts Net Interest in BCC to express an opinion on the Combined Carve-out Historical Financial Information for the year ended 30 June 2022. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.
- We communicate with the directors of Murray & Roberts regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers Inc.

Director: JFM Kotzé

Registered Auditor

Johannesburg, South Africa

10 January 2023

¹ *The examination of controls over the maintenance and integrity of the Company's website is beyond the scope of the audit of the Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC for the year ended 30 June 2022. Accordingly, we accept no responsibility for any changes that may have occurred to the Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC for the year ended 30 June 2022 since they were initially presented on the website.*

INDEPENDENT REPORTING ACCOUNTANT'S REVIEW REPORT ON THE COMBINED CARVE-OUT HISTORICAL FINANCIAL INFORMATION OF MURRAY & ROBERTS NET INTEREST IN BCC FOR THE YEARS ENDED 30 JUNE 2020 AND 30 JUNE 2021

To the directors of Murray & Roberts Holdings Limited

The Interchange
22 Skeen Boulevard
Bedfordview
2007
South Africa

Introduction

Murray & Roberts Holdings Limited ("Murray & Roberts", the "Company", or "you") is issuing a Circular to its shareholders (the "Circular") regarding the proposed disposal of its entire indirect 50% interest in Bombela Concession Company (RF) Proprietary Limited ("BCC") by way of a private sale through Murray & Roberts Limited's ("MRL") direct shareholding of 33% in BCC and the sale of the Company's 100% shareholding in Murray & Roberts BCC Finco (RF) Proprietary Limited ("M&R Finco"), which owns a further 17% in BCC, through its wholly owned subsidiary Murray & Roberts BCC Holdco Company (RF) Proprietary Limited ("M&R Holdco") (collectively "Murray & Roberts Net Interest in BCC") (the "Proposed Transaction").

At your request and for the purpose of the Circular to be dated on or about 13 January 2023, we have reviewed the accompanying statement of financial position of Murray & Roberts Net Interest in BCC as at 30 June 2020 and 30 June 2021 and the related statements of financial performance, changes in equity and cash flows for the years then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information (the "Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021"), as presented in Annexure 1 to the Circular, in compliance with the requirements of the JSE Limited ("JSE") Listings Requirements.

Directors' responsibility

The directors of Murray & Roberts are responsible for the preparation, contents and presentation of the Circular and are responsible for ensuring that Murray & Roberts complies with the requirements of the JSE's Listings Requirements.

The directors of Murray & Roberts are responsible for the preparation and fair presentation of the Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021 in accordance with the Basis of Preparation, note 1 to the Combined Carve-out Historical Financial Information and the requirements of the JSE Listings Requirements, and for such internal control as the directors determine is necessary to enable the preparation of Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021 that are free from material misstatement, whether due to fraud or error.

In preparing the Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021, the directors of Murray & Roberts are responsible for assessing Murray & Roberts Net Interest in BCC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate Murray & Roberts Net Interest in BCC or to cease operations, or have no realistic alternative but to do so.¹

Reporting accountant's responsibility

Our responsibility is to express a conclusion on the Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021. We conducted our review in accordance with International Standard on *Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, which applies to a review of Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021 performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021, does not present fairly, in all material respects, the combined financial position of Murray & Roberts Net Interest in BCC as at 30 June 2020 and 30 June 2021, and its combined financial performance and its combined cash flows for the years then ended in accordance with the Basis of Preparation, set out in note 1 to the Combined Carve-out Historical Financial Information and the requirements of the JSE Listings Requirements.

Emphasis of Matter: Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC for the years ended 30 June 2020 and 30 June 2021 and basis of preparation

Without modifying our conclusion, we draw attention to the fact that, as described in the Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021, Murray & Roberts Net Interest in BCC has not operated as a separate entity. The Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021 is, therefore, not necessarily indicative of results that would have occurred if Murray & Roberts Net Interest in BCC had been a separate stand-alone entity during the year presented or of future results of Murray & Roberts Net Interest in BCC. We also draw attention to the Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021 which describes the basis of preparation. The Combined Carve-out Historical Financial Information for the years ended 30 June 2020 and 30 June 2021 is prepared by the directors of Murray & Roberts for the purpose of this Circular and may not be suitable for another purpose. Our conclusion is not modified in respect of these matters.

Purpose of the report

This report has been prepared for the purpose of the Circular and for no other purpose.

PricewaterhouseCoopers Inc.

Director: JFM Kotzé
Registered Auditor
Johannesburg, South Africa
10 January 2023

¹ *The examination of controls over the maintenance and integrity of the Company's website is beyond the scope of the review of the Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC for the years ended 30 June 2020 and 30 June 2021. Accordingly, we accept no responsibility for any changes that may have occurred to the Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC for the years ended 30 June 2020 and 30 June 2021 since they were initially presented on the website.*

PRO FORMA FINANCIAL INFORMATION OF MURRAY & ROBERTS

The definitions and interpretations commencing on page 10 of this Transaction Circular have been used throughout this Transaction Circular.

Set out below is the *pro forma* consolidated statement of financial position and *pro forma* consolidated statement of financial performance of Murray & Roberts, showing the *pro forma* financial effects of the Transaction (the “**pro forma financial information**”).

The *pro forma* financial information has been prepared to illustrate the impact of the Transaction on the published financial information of Murray & Roberts for the year ended 30 June 2022, based on the assumption that the Transaction took place on 1 July 2021 for purposes of the *pro forma* consolidated statement of financial performance and on 30 June 2022 for purposes of the *pro forma* consolidated statement of financial position. Because of its nature, the *pro forma* financial information may not fairly present Murray & Roberts’ financial position, changes in equity, results of operations or cash flows after the Transaction.

The *pro forma* financial information of Murray & Roberts has been prepared using the accounting policies of the Murray & Roberts Group as at 30 June 2022, which are in compliance with IFRS, in accordance with the applicable criteria of the JSE Listings Requirements and in terms of the Guide on *Pro Forma* Financial Information issued by SAICA. The *pro forma* financial information, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the Directors of Murray & Roberts. The *pro forma* financial information should be read in conjunction with the Independent Reporting Accountant’s reasonable assurance report thereon, which is presented in Annexure 5 of this Transaction Circular.

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022
ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

		Murray & Roberts Net Interest in BCC	Disposal and application of proceeds	Transaction costs	<i>Pro forma</i> after the Transaction
Notes	Before	2	3	4	
ASSETS					
Non-current assets					
Property, plant and equipment	4 397.4	–	–	–	4 397.4
Goodwill	1 371.7	–	–	–	1 371.7
Other intangible assets	650.1	–	–	–	650.1
Investments in joint ventures & associates	1.7	–	–	–	1.7
Other investments	1 443.8	(1 442.1)	–	–	1.7
Deferred taxation assets	562.6	–	–	–	562.6
Net investment in lease	1.3	–	–	–	1.3
Receivables	2.1	–	–	–	2.1
Total non-current assets	8 430.7	(1 442.1)	–	–	6 988.6
Current assets					
Inventories	494.8	–	–	–	494.8
Amounts due from contracts customers	6 292.4	–	–	–	6 292.4
Trade and other receivables	1 768.5	–	–	–	1 768.5
Net investment in lease	1.6	–	–	–	1.6
Taxation assets	47.0	–	–	–	47.0
Cash and cash equivalents	2 255.8	–	–	(48.0)	2 207.8
Total current assets	10 860.1	–	–	(48.0)	10 812.1
Assets classified as held for sale	1 011.9	–	–	–	1 011.9
Total assets	20 302.7	(1 442.1)	–	(48.0)	18 812.6

Notes	Murray & Roberts		Disposal and	Transaction	Pro forma
	Before	Net Interest in BCC	application of proceeds	costs	after the Transaction
	1	2	3	4	
EQUITY AND LIABILITIES					
Stated capital	2 684.8	–	–	–	2 684.8
Reserves	1 658.8	–	–	–	1 658.8
Retained earnings	1 318.9	(1 227.7)	1 301.6	(48.0)	1 344.8
Equity attributable to owners of Murray & Roberts					
Holdings Limited	5 662.5	(1 227.7)	1 301.6	(48.0)	5 688.4
Non-controlling interests	50.8	–	–	–	50.8
Total equity	5 713.3	(1 227.7)	1 301.6	(48.0)	5 739.2
Non-current liabilities					
Long term loans	1 192.6	(191.9)	–	–	1 000.7
Retirement benefit obligations	–	–	–	–	–
Long term provisions	24.7	–	–	–	24.7
Deferred taxation liabilities	89.4	–	–	–	89.4
Payables	82.9	–	–	–	82.9
Total non-current liabilities	1 389.6	(191.9)	–	–	1 197.7
Current liabilities					
Amounts due to contract customers	2 514.2	–	–	–	2 514.2
Trade and other payables	5 891.8	(22.5)	–	–	5 869.3
Short term loans	623.1	–	–	–	623.1
Taxation liabilities	186.5	–	–	–	186.5
Provisions for obligations	214.3	–	–	–	214.3
Subcontractor liabilities	1 399.3	–	–	–	1 399.3
Bank overdrafts	1 525.8	–	(1 301.6)	–	224.2
Total current liabilities	12 355.0	(22.5)	(1 301.6)	–	11 030.9
Liabilities classified as held for sale	844.8	–	–	–	844.8
Total liabilities	14 589.4	(214.4)	(1 301.6)	–	13 073.4
Total equity and liabilities	20 302.7	(1 442.1)	–	(48.0)	18 812.6
Net asset value per share (Cents)	1 409				1 416
Net tangible asset value per share (Cents)	766				772
Number of shares in issue (in 000s)	401 840				401 840

Notes and assumptions

- Based on the published audited consolidated financial results of Murray & Roberts Holdings Limited for the year ended 30 June 2022, which can be accessed on the Murray & Roberts website at: <https://www.murrob.com/inv-annual-results.asp>.
- Extracted, without adjustment, from the audited Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC attached as Annexure 1 of this Transaction Circular.
- Adjustments relating to the disposal consideration and application of proceeds have been calculated assuming the financial position as at 30 June 2022, and consist of the following:

	Rand in millions
Fair value as at 30 June 2022	1 442.1
Post balance sheet dividends received	(130.0)
Assumed post balance sheet fair value adjustment	73.9
Purchase consideration as per sale and purchase agreement	1 386.0
Less: debt within Murray & Roberts Net Interest in BCC to be settled from the purchase consideration	(214.4)
Net proceeds received	1 171.6
Plus: post balance sheet dividends received	130.0
	1 301.6

The assumed post balance sheet fair value adjustment represents the agreed uplift in fair value to the closing date in terms of the Sale and Purchase Agreement. The net proceeds received of R1 171.6m plus the post balance sheet dividend received of R130m will be applied towards settling the South African overdraft facilities held with various financial institutions.

- Once-off transaction costs of R48.0m (including non-deductible VAT) are expected to be incurred as a direct result of the Transaction. The transaction costs are assumed to be settled in cash shortly after the closing date.

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022
ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

Notes	Before	Murray & Roberts Net Interest in BCC	Disposal and application of proceeds	Transaction costs	<i>Pro forma</i> after the Transaction
1	2	3	4		
<i>Continuing operations</i>					
Revenue	29 868.6	–	–	–	29 868.6
Profit before interest, tax, depreciation and amortisation	1 806.2	(193.2)	–	(48.0)	1 565.0
Depreciation	(1 004.4)	–	–	–	(1 004.4)
Amortisation of intangible assets	(96.9)	–	–	–	(96.9)
Profit/(loss) before interest and taxation	704.9	(193.2)	–	(48.0)	463.7
Interest expense	(223.7)	18.8	91.1	–	(113.8)
Interest income	22.7	–	–	–	22.7
Profit/(loss) before taxation	503.9	(174.4)	91.1	(48.0)	372.6
Taxation expense	(257.7)	–	–	–	(257.7)
Profit/(loss) after taxation	246.2	(174.4)	91.1	(48.0)	114.9
Loss from equity accounted investments	(0.3)	–	–	–	(0.3)
Profit/(loss) for the year from continuing operations	245.9	(174.4)	91.1	(48.0)	114.6
Loss from discontinued operations	(112.8)	–	–	–	(112.8)
Profit/(loss) for the year	133.1	(174.4)	91.1	(48.0)	1.8
<i>Attributable to:</i>					
Owners of Murray & Roberts Holdings Limited	134.8	(174.4)	91.1	(48.0)	3.5
Non-controlling interests	(1.7)	–	–	–	(1.7)
	133.1	(174.4)	91.1	(48.0)	1.8
EARNINGS/(LOSS) PER SHARE					
Reconciliation of earnings/(loss)					
Earnings/(loss) attributable to owners of Murray & Roberts Holdings Limited	134.8	(174.4)	91.1	(48.0)	3.5
Adjustments for discontinued operations					
Loss from discontinued operations	112.8	–	–	–	112.8
Non-controlling interests	–	–	–	–	–
Earnings for the purposes of basic and diluted earnings per share from continuing operations	247.6	(174.4)	91.1	(48.0)	116.3
Earnings/(loss) per share from continuing and discontinued operations (cents)					
– Diluted	33				1
– Basic	34				1
Earnings per share from continuing operations (cents)					
– Diluted	61				29
– Basic	62				29
Loss per share from discontinued operations (cents)					
– Diluted	(28)				(28)
– Basic	(28)				(28)

		Murray & Roberts Net Interest in BCC	Disposal and application of proceeds	Transaction costs	<i>Pro forma</i> after the Transaction
	Before				
Notes	1	2	3	4	
HEADLINE EARNINGS/(LOSS)					
Reconciliation of headline earnings/(loss)					
Profit/(loss) attributable to owners of Murray & Roberts Holdings Limited	134.8	(174.4)	91.1	(48.0)	3.5
Profit on disposal of property, plant and equipment	(10.9)	–	–	–	(10.9)
Loss on disposal of property, plant and equipment	0.5	–	–	–	0.5
Impairment reversal of property, plant and equipment	(0.7)	–	–	–	(0.7)
Headline earnings/(loss)	123.7	(174.4)	91.1	(48.0)	(7.6)
Adjustments for discontinued operations:					
Loss from discontinued operations	112.8	–	–	–	112.8
Headline earnings from continuing operations	236.5	(174.4)	91.1	(48.0)	105.2
Headline earnings/(loss) per share from continuing and discontinued operations (cents)					
– Diluted	31				(2)
– Basic	31				(2)
Headline earnings per share from continuing operations (cents)					
– Diluted	58				26
– Basic	60				26
Headline loss per share from discontinued operations (cents)					
– Diluted	(27)				(27)
– Basic	(29)				(29)
Number of shares in issue (in 000s)	401 840				401 840
Weighted average number of shares in issue (in 000s)	398 143				398 143
Weighted average number of diluted shares in issue (in 000s)	405 559				405 559

Notes and assumptions:

- Based on the published audited consolidated financial results of Murray & Roberts for the year ended 30 June 2022, which can be accessed on the Murray & Roberts website at <https://www.murrob.com/inv-annual-results.asp>.
- Extracted, without adjustment, from the audited Combined Carve-out Historical Financial Information of Murray & Roberts Net Interest in BCC attached as Annexure 1 of this Transaction Circular.
- Adjustments relating to the disposal consideration and application of proceeds have been calculated assuming the financial position as at 30 June 2022, and consist of the following:
 - A savings in interest expense of R91.1 million, which is expected to have an ongoing effect, has been determined based on the assumption that the settlement of the South African overdraft facilities held with various financial institutions was effective 1 July 2021, at a weighted average rate of 7.44%. There will be no tax implications on the interest saving due to the Company being in an assessed loss position and no deferred tax asset has been recognised.
 - No adjustment is reflected in the *pro forma* statement of financial performance relating to the assumed post-balance sheet fair value adjustment of R73.9 million relating to the investment in BCC as this fair value uplift would be realised prior to the effective date, which is assumed to be 1 July 2021.
- Once-off transaction costs of R48.0 million (including non-deductible VAT) are expected to be incurred as a direct result of the Transaction. The Transaction costs are assumed to be settled in cash shortly after the closing date.
- With the exception of the transaction costs, all adjustments are expected to have a continuing effect.

INDEPENDENT REPORTING ACCOUNTANT'S REASONABLE ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION

Report on the Assurance Engagement on the Compilation of Pro Forma Financial Information included in a Circular

To the Directors of Murray & Roberts Holdings Limited

The Interchange
22 Skeen Boulevard
Bedfordview
2007
South Africa

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of Murray & Roberts Holdings Limited ("Murray & Roberts", the "Company", or "you") by the directors. The *pro forma* financial information, as set out paragraph 7.2 and Annexure 4 of the Circular, consist of the *pro forma* consolidated statement of financial position as at 30 June 2022, the *pro forma* consolidated statement of financial performance for the year ended 30 June 2022 and related notes. The applicable criteria on the basis of which the directors have compiled the *pro forma* financial information are specified in the JSE Limited (JSE) Listings Requirements and described in paragraph 7.2 and Annexure 4 of the Circular.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of the proposed disposal of its entire indirect 50% interest in Bombela Concession Company (RF) Proprietary Limited ("BCC") by way of a private sale through Murray & Roberts Limited's ("MRL") direct shareholding of 33% in BCC and the sale of the Company's 100% shareholding in Murray & Roberts BCC Finco (RF) Proprietary Limited ("M&R Finco"), which owns a further 17% in BCC, through its wholly owned subsidiary Murray & Roberts BCC Holdco Company (RF) Proprietary Limited ("M&R Holdco") (collectively "Murray & Roberts Net Interest in BCC") (the "Proposed Transaction"). As part of this process, information about the Company's financial position and financial performance has been extracted by the directors from the Company's financial statements for the year ended 30 June 2022, on which an audit report has been published.

Directors' responsibility

The directors of the Company are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 7.2 and Annexure 4 of the Circular.¹

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors*, issued by the Independent Regulatory Board for Auditors' (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies International Standard on Quality Control 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountant's responsibility

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 7.2 and Annexure 4 of the Circular based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

The purpose of *pro forma* financial information is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the company as if the event had occurred or the transaction had been undertaken at an earlier date selected

for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the *pro forma* financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Company, the event or transaction in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in paragraph 7.2 and Annexure 4 of the Circular.

PricewaterhouseCoopers Inc.

Director: JFM Kotzé
Registered Auditor
Johannesburg, South Africa
10 January 2023

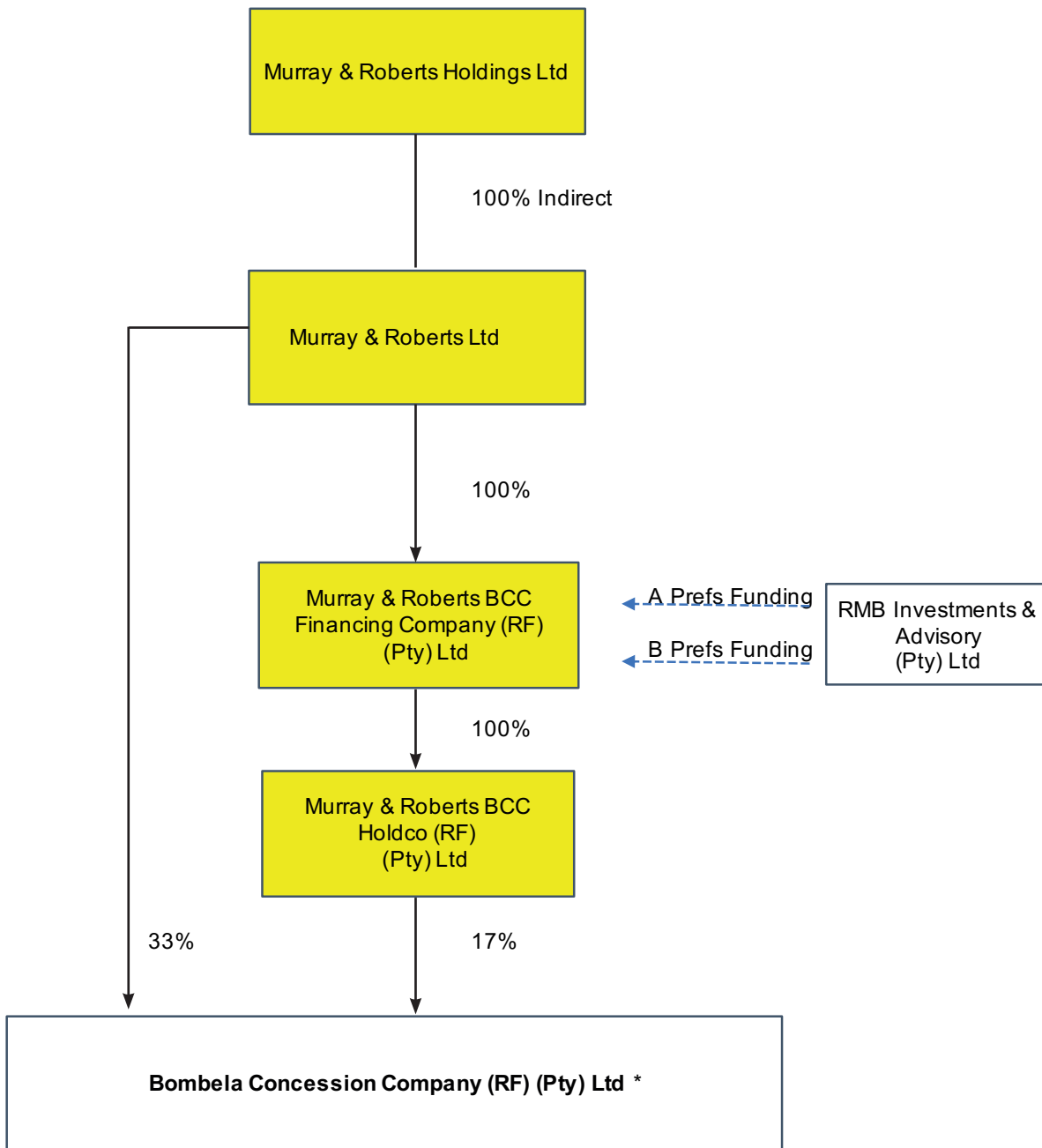
¹ *The examination of controls over the maintenance and integrity of the Company's website is beyond the scope of the assurance engagement to report on the compilation of the pro forma financial information. Accordingly, we accept no responsibility for any changes that may have occurred to the pro forma financial information since they were initially presented on the website.*

MATERIAL LOANS

Below is a summary of the material loans for Murray & Roberts. BCC does not have outstanding loans.

Description	Reason for the loan & Lender	Effective date and Amount outstanding	Secured/ unsecured & Security provided	Amount, repayment/ renewal terms and conditions	Interest rate	Borrowing Period
Senior Secured Term Loan Facility	Terminating out of overdraft Facilities <ul style="list-style-type: none"> Standard Bank Nedbank ABSA RMB 	10 November 2022 R1 350 000 000	Secured The following secured through a security SPV: <ul style="list-style-type: none"> Cession & pledge of shares in the operating South African subsidiaries, UK Company and Australian holding company Accounts Receivable Bank accounts and cash Cash equivalent investments, insurance policies & proceeds, licences, intellectual property & trademarks Mortgage bond other immovable property GNB over movable assets 	R100m repayment on 15th March 2023, R100m repayment 15th September, bullet repayment 15th May 2024	3 month Jibar + 4.58%	18 months
Overdraft Facilities	For general corporate purposes and funding of working capital	10 November 2022 facility R650 000 000 – outstanding on effective date R424 471 747	As for Senior Secured Term Loan Facility	On demand	Various ranging from: ranging from rate quoted on day, prime and prime + 1.35%	Demand
Cumulative Preference Shares	For funding of acquisition of 17% of BCC RMB	20 December 2018 R324 500 974 on effective date – amount outstanding currently R156 600 974	Cession & pledge of shares in the 17% of Bombela Concession Company	Preference share dividend payment on 31 March and 30 September of each year with mandatory repayment date on 31 March 2024	Prime plus special fixed A dividends	December 2018 – March 2024 5 years 3 months. These cumulative preference shares will be redeemed pursuant to the implementation of the Transaction.

ORGANOGRAM



*** External Shareholders**

SPG Concessions (Pty) Ltd 19.69697%

SPG Acquisition Company (Pty) Ltd 18.18181%

Sound Plans Trading (RF) (Pty) Ltd 12.12122%



MURRAY & ROBERTS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number) 1948/029826/06

JSE Share Code: MUR

ISIN: ZAE000073441

("Murray & Roberts" or the "Company")

NOTICE OF GENERAL MEETING ("NOTICE")

Notice is hereby given that a General Meeting of the Company will be held at The Interchange , Bedfordview, Johannesburg or alternatively by electronic communication (as permitted by the Companies Act, No. 71 of 2008, as amended ("**Companies Act**") and by the Company's memorandum of incorporation) on Monday, 13 February 2023 at 11:00 and, if deemed fit, to pass, with or without modification, the ordinary resolutions set out below in the manner required by the Companies Act and the JSE Listings Requirements ("**JSE Listings Requirements**"), where applicable. Shareholders are referred to the "*Part V – Action required by Shareholders*" section of the Transaction Circular for information on the procedure to be followed by Shareholders in order to participate and to exercise their votes at the General Meeting.

A copy of the Notice is available on the Company's website (www.murrob.com).

All terms defined in the Transaction Circular to which this notice of General Meeting is attached shall bear the same meanings herein.

The purpose of the General Meeting is to:

- deal with such business as may lawfully be dealt with at the General Meeting; and
- consider and, if deemed fit, pass, with or without modification, the Transaction Resolutions set out hereunder in the manner required by the Companies Act as read with the JSE Listings Requirements and the requirements of other stock exchanges on which the Shares are listed.

RECORD DATES, PROXIES AND VOTING

In terms of section 59(1)(a) and (b) of the Companies Act and the JSE Listings Requirements, the Board has set the following record dates for determining which Shareholders are entitled to receive notice, participate in, and vote at the General Meeting:

Event	Date
Record date to determine which shareholders are entitled to receive the notice of General Meeting (" Notice Record Date ")	Friday, 6 January 2023
Last day to trade to be eligible to attend and vote at the General Meeting is	Friday, 3 February 2023
Record date to determine which shareholders are entitled to attend and vote at the General meeting is	Friday, 3 February 2023 (" Voting Record Date ")
Forms of proxy for the General Meeting requested to be lodged by	Thursday, 9 February 2023
Date of General Meeting	Monday, 13 February 2023
Results of the General Meeting published on SENS on or about	Tuesday, 14 February 2023

Notes

This Notice of General Meeting is only available in English. Electronic copies of this document may be obtained from the Murray & Roberts website on www.murrob.com/.

If you have disposed of your Shares, this Notice should be handed to the purchaser of such shares or to the CSDP, broker, banker or other agent through whom the disposal was effected.

Shareholders are reminded that:

Shareholders are entitled to attend and vote at the General Meeting are entitled to appoint a proxy to attend, participate and vote at the General Meeting in the place of the Shareholder and the Shareholder is referred to the attached Form of Proxy. A proxy appointed by a Shareholder need not be shareholder.

In-person attendance

In terms of section 63(1) of the Companies Act, Shareholders (including proxies) are required to provide appropriate identification if they wish to participate in, and/or vote at, the General Meeting (as more fully detailed in this Notice). Acceptable forms of identification for this General Meeting include certified copies of valid identity documents, driver's licences and passports. This is described in more detail below under the heading verification process.

This document is important and requires your immediate attention.

If you are in any doubt as to what action you should take, please consult your CSDP, Broker, legal advisor, banker, financial advisor, accountant or other professional advisor immediately. If you have disposed of all your shares in Murray & Roberts, please forward this document, together with the enclosed proxy form, to the purchaser of such shares or the broker, banker or other agent through whom you disposed of such shares.

ORDINARY RESOLUTION NUMBER 1

“Resolved in terms of paragraph 9.20 of the JSE Listings Requirements that the disposal by Murray & Roberts Limited (a wholly-owned subsidiary of the Company) of 33% of the issued share capital of Bombela Concession Company (RF) Proprietary Limited and 100% of the issued share capital of Murray & Roberts BCC Financing Company (RF) Proprietary Limited, being the sole shareholder of Murray & Roberts BCC Holdco Company (RF) Proprietary Limited, which in turn holds 1 700 000 ordinary shares constituting 17% of the entire issued ordinary share capital of Bombela Concession Company (RF) Proprietary Limited, which together constitute Murray & Roberts Limited’s entire direct and indirect interest in Bombela Concession Company (RF) Proprietary Limited pursuant to the implementation of the Sale and Purchase Agreement dated 30 November 2022, as amended from time to time, be and is hereby authorised.”

In order for ordinary resolution 1 to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the General Meeting, is required. Only shareholders holding ordinary shares in Murray & Roberts and reflected on the register as such on the voting record date (excluding treasury shares) are entitled to vote on ordinary resolution 1.

ORDINARY RESOLUTION 2: AUTHORITY TO GIVE EFFECT TO RESOLUTION

“Resolved that any director of the Company or the Group Secretary be and is hereby authorised to do all such things and sign all such documents required to give effect to the resolution passed at the General Meeting.”

In order for ordinary resolution 2 to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders holding ordinary shares in Murray & Roberts and reflected on the register as such on the voting record date (excluding treasury shares) are entitled to vote on ordinary resolution 2.

VOTING AND PROXIES

Shareholders are entitled to attend, speak and vote at the General Meeting. Shareholders may appoint a proxy to attend, speak and vote in their stead. A proxy need not be a shareholder of the Company.

If you are a Certificated Shareholder or a Dematerialised Shareholder with own-name registration and are unable to attend the General Meeting but wish to be represented thereat, you are requested to complete and return the Form of Proxy attached hereto, in accordance with the instructions therein, and lodge it with, or post it, so as to reach the Transfer Secretaries by no later than Thursday, 9 February 2023. If you are unable to attend the General Meeting but wish to be represented thereat, and you do not complete and return the Form of Proxy prior Thursday, 9 February 2023, you will nevertheless, at any time prior to the commencement of voting on the resolutions at the General Meeting, be entitled to lodge the Form of Proxy with the chairman of the General Meeting.

Unless otherwise stated, ordinary resolutions proposed to be adopted require the support of more than 50% of the voting rights exercised thereon in order to be adopted.

In terms of the JSE Listings Requirements, any shares held by the Group’s subsidiaries as treasury shares will not have their votes considered in determining the results of voting on all JSE resolutions.

No voting rights attaching to shares held by the Group subsidiaries may be exercised in terms of section 48(2) of the Companies Act in respect of the resolutions contained herein.

Shareholders holding Dematerialised Shares, but not in their own name, must furnish their CSDP or broker with their instructions for voting at the General Meeting. If your CSDP or broker, as the case may be, does not obtain instructions from you, it will be obliged to act in terms of your mandate furnished to it, or if the mandate is silent in this regard, complete the relevant Form of Proxy attached.

Unless you advise your CSDP or broker, in terms of the agreement between you and your CSDP or broker by the cut off time stipulated in the agreement, that you wish to attend the General Meeting or send a proxy to represent you at the General Meeting, your CSDP or broker will assume that you do not wish to attend the General Meeting or send a proxy.

If you wish to attend the General Meeting or send a proxy, you must request your CSDP or broker to issue the necessary letter of representation to you. Shareholders holding Dematerialised Shares in their own name, or holding shares that are not Dematerialised, and who are unable to attend the General Meeting and wish to be represented at the meeting, must complete the relevant Form of Proxy attached in accordance with the instructions and lodge it with or mail it to the Transfer Secretaries.

The completion of a form of proxy does not preclude any shareholder registered by the Voting Record Date from attending the General Meeting.

Shareholders and proxies attending the General Meeting on behalf of shareholders are reminded that satisfactory identification must be presented in order for such shareholder or proxy to be allowed to attend or participate in the General Meeting.

Shareholders or their proxies may participate in the meeting by way of electronic communication and, if they wish to do so:

- Must contact the Group Secretary (by email at the address bert.kok@murrob.com) by no later than Thursday, 9 February 2023, in order to obtain details of the electronic communication to be made available;
- Will be required to provide reasonably satisfactory identification; and
- Will be billed separately by their own telephone service providers for their telephone call to participate in the meeting.

Voting via the electronic facilities will not be possible and shareholders wishing to vote their shares will need to be represented at the meeting either in person, by proxy or by letter of representation, as provided for in the Notice of General Meeting.

By order of the Board

Bert Kok
Group Secretary

Friday, 13 January 2023

SHAREHOLDERS' RIGHT TO BE REPRESENTED BY PROXY

A shareholder may at any time appoint any individual, including a non-shareholder of the Company, as a proxy to participate in, speak and vote at a shareholders' meeting on his or her behalf, or to give or withhold consent on behalf of the shareholder to a decision.

1. A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 5.3 or expires earlier in terms of paragraph 9.4 below.
2. 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.
3. A proxy may delegate his or her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("proxy instrument").
4. A copy of the proxy instrument must be delivered to the Company, or to any other person acting on behalf of the Company, before the proxy exercises any rights of the shareholder at a shareholders' meeting of the Company before the meeting commences.
5. Irrespective of the form of instrument used to appoint a proxy:
 - 5.1 the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - 5.2 the appointment is revocable unless the proxy appointment expressly states otherwise; and
 - 5.3 if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company.
6. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 5.3 above;
7. If the proxy instrument has been delivered to a Company, as long as that appointment remains in effect, any notice to be delivered by the Company to the shareholder must be delivered by the Company to the shareholder, or the proxy or proxies, if the shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so.
8. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction.
9. If a Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of proxy instrument:
 - 9.1 the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised;
 - 9.2 the invitation or form of proxy instrument supplied by the Company must:
 - 9.2.1 bear a reasonably prominent summary of the rights established in section 58 of the Companies Act;
 - 9.2.2 contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder; and
 - 9.2.3 provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting;
 - 9.3 the Company must not require that the proxy appointment be made irrevocable; and
 - 9.4 the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to paragraph 7 above.

Murray & Roberts

MURRAY & ROBERTS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number) 1948/029826/06

JSE Share Code: MUR

ISIN: ZAE000073441

("Murray & Roberts" or the "Company")

FORM OF PROXY ("FORM")

If you are a Dematerialised Shareholder, other than with own name registration, do not use this form. Dematerialised Shareholders, other than with own name registration, should provide instructions to their appointed Central Securities Depository Participant ("CSDP") or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (please print full names)

of (please state address)

email address

being the holder(s) of ordinary shares in the issued share capital of the Company, do hereby appoint (see note 3 and 5)

1.

2.

3. the chairman of the General Meeting

as my/our proxy to attend and speak and vote for me/us on my/our behalf at the General Meeting of the Company which will be held on Monday, 13 February 2023 at 11:00 and at any adjournment or postponement of the meeting, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the meeting, and to vote on the resolutions in respect of the ordinary shares registered in my/our name(s) in accordance with the following instructions (see note 6):

		Insert an 'X' or number of ordinary shares		
		For	Against	Abstain
1.	Ordinary resolution 1 (Disposal of Sale Shares)			
2.	Ordinary resolution 2 (Authority to sign documentation)			

Signed at _____ on _____ 2023

Signature _____

Assisted by me (where applicable) _____

Each ordinary shareholder is entitled to appoint one or more proxies (none of whom needs to be an ordinary shareholder of the Company) to attend, speak and, on a poll, vote in place of that ordinary shareholder at the General Meeting.

NOTES TO THE FORM OF PROXY

Instructions on signing and lodging the General Meeting proxy form

1. The following categories of ordinary shareholders are entitled to complete a form of proxy:
 - (a) certificated ordinary shareholders whose names appear on the Company's register;
 - (b) own name electronic ordinary shareholders whose names appear on the sub-register of a Central Securities Depository Participant ("**CSDP**");
 - (c) CSDPs with nominee accounts; and
 - (d) brokers with nominee accounts.
2. Certificated ordinary shareholders wishing to attend the General Meeting have to ensure beforehand with the Transfer Secretaries of the Company that their shares are registered in their name.
3. Beneficial ordinary shareholders whose shares are not registered in their own name, but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by the registered ordinary shareholder and they should contact the registered ordinary shareholder for assistance in issuing instruction on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the General Meeting.
4. All beneficial owners who have Dematerialised their shares through a CSDP or broker, other than those in their own name, must provide the CSDP or broker with their voting instructions. Alternatively, should such an ordinary shareholder wish to attend the meeting in person, in terms of the agreement with the CSDP or broker, such ordinary shareholder may request the CSDP or broker to provide the ordinary shareholder with a letter of representation.
5. An ordinary shareholder may insert the name of a proxy or the names of two alternative proxies of the ordinary shareholder's choice in the space/s provided, with or without deleting "the chairman of the General Meeting", but the ordinary 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.
6. Please insert an 'X' or the number of votes in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of ordinary shares than you own in the Company, insert the number of ordinary shares in respect of which you desire to vote. Failure to comply with the above will be deemed to authorise the proxy to vote, or to abstain from voting at the General Meeting as he/ she deems fit in respect of all ordinary shareholder's votes exercisable. Where the proxy is the chairman, failure to comply will be deemed to authorise the chairman to vote in favour of the resolution. An ordinary shareholder or the proxy is not obliged to use all the votes exercisable by the ordinary shareholder or by the proxy, but the total of votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the ordinary shareholder or by the proxy.
7. Shareholders are requested to lodge completed Forms of Proxy to reach the Transfer Secretaries by no later than Thursday, 9 February 2023. Nevertheless, completed Forms of Proxy may be lodged with the chairperson of the General Meeting prior to the General Meeting so as to reach the chairperson by no later than immediately prior to the commencement of voting on the resolutions to be tabled at the General Meeting. Forms of proxy must be received by the Company's Transfer Secretaries, JSE Investor Services Proprietary Limited, at any of the following addresses:

Telephone: 0861 546572
Telefax: +27 (86) 674 245027
E-mail: meetfax@jseinvestorservices.co.za
Physical address: 19 Ameshoff Street, Braamfontein, 2001;
Postal address: PO Box 4844, Johannesburg, 2000
8. The completion and lodging of this Form of Proxy will not preclude the relevant ordinary shareholder from attending the General Meeting and speaking and voting in person at the meeting to the exclusion of any proxy appointed.
9. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity must be attached to this Form of Proxy.
10. Any alteration or correction made to this Form of Proxy must be initialled by the signatory/ies.
11. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by JSE Investor Services Proprietary Limited.
12. The chairman of the General Meeting may reject or accept a Form of Proxy which is completed and/or received other than in accordance with these notes, if he/she is satisfied as to the manner in which the ordinary shareholder wishes to vote.

