



DEALMAKERS LEAGUE TABLE CRITERIA

1 - INCLUSION CRITERIA

- 1.1 A merger or acquisition results in new parties acquiring exposure to new revenue/earnings streams or an exposure to new growth opportunities that they did not have prior to the conclusion of the transaction in question. The economic substance of the entity shareholders are exposed to must change. General Corporate Finance covers transactions where this is not the case, regardless of the mechanism used to implement the transaction. If there is no agreement concluded with a third party that achieves new economic exposure for the entity in question then the transaction falls under General Corporate Finance.
- 1.2 For a deal to qualify for ranking:
- at least one entity involved (buyer, seller or target) must be listed on one of SA's stock exchanges (JSE, ZARX, A2X or 4AX); or
 - the entity is a subsidiary (50% + 1 share) held by a South African Exchange listed firm; or
 - if the entity is an associate (less than 50% + 1 share) and triggers an announcement on Sens by the listed company, then the transaction will be considered for inclusion in the ranking tables under the listed entities name.
- 1.3 For deals to be included in the database and used for ranking purposes, the following information must be provided for each submission:
- the name of the target and at least one party to the transaction.
 - deal description.
 - advisory role and client name.
 - date of announcement.
 - deal value. If this is not publicly disclosed, the value may be submitted confidentially and used for ranking purposes only; otherwise the deal will count only towards deal flow.
- 1.4 (i) Deals and transactions which are classified as affected transactions where the Takeover Regulations apply will be captured only when
- a firm intention has been issued accompanied by
 - a price, and
 - a timetable or financial effects
- (ii) Deals and transactions submitted by advisory firms which are not classified as an affected transaction or where the Takeover Regulations do not apply will be captured only when submitted with proof of
- the transaction i.e. front page of the contract
 - role undertaken, and
 - price
- 1.5 The acquisition and disposal of properties by SA Exchange listed property companies will be included for ranking purposes if:
- a category 2 announcement is issued and one side has an external financial adviser. Where large listed property companies use their own internal counsel, deals will be assessed on a case by case basis; or
 - if below R200m, the deal will only be included if there is an external financial adviser to one party.
 - If several transactions are announced simultaneously, these will be recorded separately (it is necessary to set this out because of complaints regarding the occasional multiplicity of property deals announced simultaneously but involving different principals). However, in the case of the acquisition of a property portfolio from a single vendor, the transaction will be recorded as a single deal unless adequate proof is provided demonstrating that the major shareholders of portions of the portfolio differ significantly one from the other.
- 1.6 Private equity deals will be considered as an M&A transaction if:
- the private equity entity is listed; or

- the target or stake acquired is a South African Exchange listed company; or
- the private equity entity is a subsidiary of a South African Exchange listed company and the deal is transacted 'on balance sheet' (proof of this must be provided). In addition, there must be external advisers to both parties. Where an in-house adviser is used, this adviser must provide a confirmatory letter from the other party.

- 1.7 Deals that are subsequently cancelled, withdrawn or which are deemed to have failed will not be included for ranking purposes. They will be recorded, nevertheless, for record purposes.
- An exception to this rule is where deals fail as a result of successfully conducted hostile defences. A hostile takeover is defined as one launched against the wishes of management and directors. Credit will be applied only to those acting on behalf of a successful defence.
- 1.8 Foreign deals defined by DealMakers as deals between principals domiciled outside South Africa, but at least one has a dual listing in South Africa, will only qualify for ranking purposes if:
- SA subsidiaries of the contracting parties played a critical role in the deal process; or
 - SA service providers can demonstrate the extent to which they played a role in the deal process.
 - For any deal to be included for ranking purposes, the deal must have been initiated, managed and/or implemented by the SA service provider/providers. Where the deal is between internationally domiciled and/or listed companies, the deal will only qualify if the SA service provider, or the SA branch/arm of an international service provider, was the prime mover, manager or implementer of the transaction. Proof of the SA service provider's role (or the role of the SA branch of an internationally-based service provider) will depend significantly on the allocation of fees earned in respect of such an international deal and DealMakers may request appropriate verification before agreeing to the deal's inclusion for ranking purposes.
- 1.9 Deals transacted in Africa by SA Exchange listed companies will also be captured in the DealMakers Africa and Catalyst magazine tables.

2 - EXCLUSION CRITERIA

- 2.1 Options will not be included until such time as these are exercised. No exceptions to this rule will be permitted.
- 2.2 Deals and transactions executed in the normal course of business (other than investment holding companies, permanent capital vehicles whose primary objective is to acquire businesses, SPACs and the like):
- Subject to the inclusion criteria, activity undertaken by companies in the normal course of their business will not be recognised by DealMakers for inclusion in the ranking tables. If a dispute as to the interpretation of "normal course of business," this will be dealt with in terms of adjudication.
- 2.3 Announcements made in respect of section 122(3)(b) of the Companies Act are deemed by DealMakers as normal course of business and not included.
- 2.4 The sale by banks and financial institutions of stakes in property which have been developed and on sold will not be classified as an M&A transaction.
- 2.4 Foreign deals defined by DealMakers as deals between principals domiciled outside South Africa will not qualify for rankings unless certain criteria are met (see inclusion criteria). In the case of property deals, the minimum value of R200m applies.
- 2.5 Deals announced in a listing document prior to a company's listing will be included only in the unlisted tables.

3 - TREATMENT OF DEAL/TRANSACTION VALUE

- 3.1 All deals and transactions (transactions is the word applied by DealMakers to General Corporate Finance activity) are dated for record purposes on the first announcement date (except for listings, for which the record date is the date of the actual listing). Refer to inclusion criteria 1.4 and 3.4 below.
- 3.2 Only equity value will be used and not the enterprise value. DealMakers does not include debt.
- 3.3 Where discrepancies occur in the deal values claimed, DealMakers reserves the right to challenge these, if necessary, by requesting clarity from the clients where this is appropriate.
- 3.4 Changes in the value at which deals are transacted will be adjusted when the annual rankings are computed.
- 3.5 Schemes of arrangement, rights issues and share repurchases are valued for record purposes at the maximum number of shares and value that can be purchased or issued until such time as the results are announced.
- 3.6 Only the value of the SA exchange listed partner's stake in a joint venture will be captured and credited to advisory parties.
- 3.7 The value of unbundlings will be treated as follows:
- if the asset being unbundled is listed then the market value will be used.
 - if the asset(s) is unlisted then the value will only be applied when listed or when details are made available by way of a public announcement.
 - if not to be listed then value must be provided by the client.
- 3.8 Earn-outs or future additional payments based on the ability of the asset acquired to achieve certain financial targets are not included. Should targets be met, the value will be added to the original transaction on date first captured.
- 3.9 No value will be credited to the listing of companies on a secondary SA exchange if already listed on the JSE and vice versa.

4 - ADVISER CREDITS

- 4.1 Credit for ranking purposes is recorded for roles performed in respect of:
- Investment advisers
 - Sponsors
 - Legal advisers
 - Transactional Support Services (includes due diligence, independent expert and other financial and bespoke legal advice as well as reporting accountant work)
 - PR
- 4.2 So as to achieve fairness, rankings are recorded in two fields:
- Deal Value
 - Deal Flow (activity, or the number of deals)
- 4.3 Advisers that seek credit for involvement in such deals must be able to demonstrate unequivocally their involvement:
- by the appearance of the adviser name and/or logo on the announcement.
 - advisers that claim involvement in a deal or transaction, on which their name and/or company logo does not appear on the published announcement recording their specific role, will be asked to provide confirmation from the principals regarding their role/roles. This may be in the form of a copy of the mandate, an email or letter.
 - the same will apply to PR firms but credit will not be awarded on the basis of annual retainers but rather on the specific mandate.
- 4.4 The role of sponsor will be awarded only to specifically announced deals and transactions. Those deals announced in company results will not automatically be credited. The onus will be on the sponsor firm to provide proof of work carried out on the deal claimed. In addition, where a transactional sponsor is named in addition to the company sponsor, only the transactional sponsor will be given credit unless involvement of both parties can be demonstrated.
- 4.5 Where internationally-based service providers are acknowledged as having worked on a particular deal, it is a requirement that they produce acceptable evidence that a significant portion of the work involved was conducted by their

South African office. Failure to provide this in the form, for example, of a letter or email from a client will result in DealMakers not crediting that particular deal to that service provider.

- 4.6 Where advisers make use of other advisers (secondary advisers), and provided the work undertaken can be verified, secondary advisers will only be credited for ranking purposes to Legal Advisers working on capital markets transactions.
- 4.7 Advisers on the provision of debt are not included.
- 4.8 The full value of each deal is credited to each advisory firm providing a service in respect of that deal. However, if a deal involves more than one listed SA Exchange company, the transaction will be split so as to reflect each listed company's stake. Advisers will be credited accordingly.
- 4.9 Where an advisory firm is advising a member of a consortium, the full value of the deal will be credited – the value will not be pro-rated to the size of the stake of the party advised.
- 4.10 Where advisers act on both sides of any deal, the deal will be brought to account only once.
- 4.11 When there is a merger between two service providers, the merged entity may elect to include, as part of the annual rankings, one or the other party's transactions prior to the merger (but not both).

5 - GUIDELINES

- 5.1 Submissions for the quarter are due by the end of the first week in the following quarter.
- 5.2 For deals to be included in the database and used for ranking purposes, the following information must be provided for each submission:
- the name of the target and at least one party to the transaction; and
 - deal description; and
 - advisory role and client name; and
 - date of announcement; and
 - deal value. If this is not publicly disclosed, the value may be submitted confidentially and will be used for ranking purposes only.
- 5.3 All deals and transactions are checked by DealMakers; any discrepancies that arise will be queried.
- 5.4 Complaints, queries, objections and adjudication:
- These must be lodged with DealMakers not later than the end of the next following quarter, so in respect of Q2 by the end of Q3.
 - In respect of Q4, these must be lodged by the close of business on January 21 or the closest business day. No exceptions will be permitted. This is to ensure that all advisers are aware of transactions to be used in the final ranking process.
- 5.5 The submission of additional deals for quarters prior must follow the same deadlines as in 5.4. In respect of Q4, these must be lodged by January 16 or the closest business day.
- 5.6 So as to avoid tendentious argument, DealMakers has appointed an independent adjudicator before whom matters in dispute may be laid. The adjudicator's ruling will be final in each case and no further submissions will be accepted after a ruling has been made.
- DealMakers is conscious that challenges may contain sensitive information. All challenges will be treated, therefore, as highly confidential. Challengers' identities will be protected at all times.
 - Challenges may be made only through DealMakers. Advisory firms on both sides may submit documentation supporting their arguments to DealMakers who will pass on all information to the independent adjudicator.
 - DealMakers reserves to itself the right to challenge claims similarly.
- 5.7 All entities involved in deal-making and/or corporate finance transactions are asked to sign off a summary document prepared by DealMakers to ensure that no clerical errors have occurred. No response will indicate acceptance.
- 5.8 Unlisted SA and Africa deal tables have their own set of criteria.
- 5.9 DealMakers does not accept responsibility for any errors or omissions.