

Shareholders agreement

3 May 2022

Memorandum of Agreement

entered into between:

Adrian Landman, ID no. 540315 5046 08 8
("the First Shareholder")

and

Werner Landman, ID no. 830807 5061 08 4
("the Second Shareholder")

and

Landman Robotics (Pty) Ltd, registration number 2021/152703/07
("the Company")

1. Interpretation and preliminary

The headings of the clauses in this agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this agreement nor any clause of this agreement. In this agreement, unless a contrary intention clearly appears:

1.1. The following words will have the following meanings/definitions assigned to them:

1.1.1. Any one gender includes both genders.

1.1.2. The singular includes the plural and the plural the singular.

1.1.3. Natural persons include created entities (corporate, non-incorporate and trusts).

1.2. The following terms shall have the meanings assigned to them below and similar expressions shall have corresponding meanings:

1.2.1. "**Companies Act**" means the South African Companies Act, Act No. 71 of 2008.

1.2.2. "**The Controlling Shareholder**" also known as a Controlling Interest, means a shareholder of a company who owns the largest number of shares issued by the company.

1.2.3. An "**Immediate Relation**" of a Shareholder means a person who is:

1.2.3.1. that Shareholder's spouse; or

- 1.2.3.2. that Shareholder's child (including a natural child and an adopted child).
- 1.2.4. **"Shareholders"** means the First Shareholder, the Second Shareholder and any shareholder of the Company who becomes a party to this agreement after its conclusion.
- 1.3. Any reference to an enactment is to that enactment as at the date of signature of this agreement and as amended or re-enacted from time to time.
- 1.4. When any number of days is prescribed in this agreement, they shall be calculated exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday.

2. Share capital and shareholding in the Company

The Company has at inception:

- 2.1. An authorised share capital of 75 000 (seventy five thousand) ordinary shares.
- 2.2. The share capital of the Company, is allocated in the following proportions:

| Description | Number of ordinary shares | Percentage of issued share capital (%) |
|--------------------|---------------------------|--|
| First Shareholder | 38 625 | 51.50 |
| Second Shareholder | 17 625 | 23.50 |
| Available | 15 000 | 20.00 |
| Reserve | 3 750 | 5.00 |
| Combined | 75 000 | 100.00 |

3. Banking, auditing and year end

Unless otherwise agreed by the Shareholders in writing:

- 3.1. The auditors of the Company shall be as decided from time to time.
- 3.2. The year-end of the Company shall be the last day of February each year.
- 3.3. The Company's secretarial work will be carried out by Werner Landman.
- 3.4. The primary bankers of the Company shall be Standard Bank.

4. Funding and loan accounts

- 4.1. The amount of funding required from time to time by the Company shall be determined by the board of directors of the Company.
- 4.2. The board of directors will communicate the amount of funding required to the Shareholders who will take suitable steps to satisfy the requirement.
- 4.3. Such funding may be secured either from the Shareholders, by way of Shareholders' loan account *pro rata* to shareholding or by any other method subject to the shareholders' approval.
- 4.4. All funding provided by a Shareholder to the Company, from the date of registration of the Company, forms part of the Shareholder' loan account until it is repaid by the Company to the Shareholder.
- 4.5. Save as may be otherwise determined by all the Shareholders of the Company in writing, Shareholders' loan accounts against the Company shall be:
 - 4.5.1. Unsecured.
 - 4.5.2. Interest bearing at the prime rate.
 - 4.5.3. Repayable.
- 4.6. The Shareholder's loan accounts shall be repayable:
 - 4.6.1. Only out of the profits of the Company otherwise available for distribution and as the cash flow of the Company may allow.
 - 4.6.2. On the granting of any order (whether provisional or final) placing the Company in liquidation or under the business rescue proceedings contemplated in Chapter 6 of the Act.
 - 4.6.3. If the Company submits an offer of compromise or similar offer to its creditors generally or otherwise becomes a party to a compromise arrangement with its creditors generally.
- 4.7. Should a Shareholder's percentage share of the total Shareholder loan accounts against the Company at any time exceed such Shareholder's percentage share of the Company, such excess plus interest thereon shall be paid by the Company in full together with all interest (if any) accrued thereon before and in preference to the loan accounts of the other Shareholders.
- 4.8. The loan accounts of the Shareholders shall immediately become due and payable if:
 - 4.8.1. The Company ceases to carry on business.
 - 4.8.2. The Company is placed under a provisional or final liquidation order or under business rescue proceedings or similar disability.

- 4.8.3. A resolution is passed by the Company for its provisional or final voluntary liquidation.
 - 4.8.4. The Company enters or offers to enter into a compromise agreement with its creditors.
 - 4.8.5. The Shareholders pass a unanimous resolution to the effect that such claims should be repaid in full.
- 4.9. A Shareholder may offer a percentage of his shares as collateral against his loan account. Such transaction shall be subject to majority Shareholders approval and shall be in the form of a single written agreement defining number of shares to be burdened, share value, interest payable, type of interest and date of pay-out.

5. Business of the Company

The Company carries on the business of developing robotics, sensors, and other innovative technologies.

6. Directors

- 6.1. The management and control of the Company shall at all time vest in the board of directors.
- 6.2. The minimum number of directors of the Company shall be 1 (one).
- 6.3. The initial directors of the Company shall be:
 - 6.3.1. Adrian Landman; and
 - 6.3.2. Werner Landman.
- 6.4. Shareholders shall nominate and appoint directors. A 51 (fifty-one) % majority vote by the Shareholders in proportion to shares held by the Shareholders shall be required to appoint a director.
- 6.5. A 51 (fifty-one) % majority vote by the Shareholders in proportion to shares held by the Shareholders shall be required to remove a director.

7. Voting rights

- 7.1. During any Shareholders meeting, each ordinary share shall entitle the holder thereof to exercise 1 (one) vote with respect to such share.
- 7.2. During a Directors meeting, each director of the Company shall have 1 (one) vote.

8. Directors' and Shareholders' meetings

- 8.1. A quorum at any Shareholders' meeting of the Company shall be 2 (two) Shareholders.
- 8.2. A quorum at any directors' meeting of the Company shall be 2 (two) directors.
- 8.3. Voting at any Shareholders' meetings shall be in accordance with allotment of votes as in clause 7.1.
- 8.4. Voting at any directors' meetings shall be in accordance with allotment of votes as in clause 7.2.
- 8.5. Directors' and Shareholders' meetings may be held by means of such telephonic, electronic or other communication facilities which permit all persons participating in the meeting, to communicate with each other effectively and concurrently without an intermediary.
- 8.6. The Shareholders may elect a chairman to preside as the chairman of any Shareholders meeting and determine the period for which he is to hold office. If no such chairman is elected or if at any meeting the chairman is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, the Shareholders present may elect one of their number to be chairman of the meeting.
- 8.7. The directors may elect a chairman to preside as the chairman of any directors meeting and determine the period for which he is to hold office. If no such chairman is elected or if at any meeting the chairman is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, the directors present may elect one of their number to be chairman of the meeting.

9. Deadlock

- 9.1. If the required majority for the passing of a directors' resolution cannot be obtained, such particular resolution shall then not be decided by the directors. Instead, the resolution shall be referred to the Shareholders.
- 9.2. If there is a deadlock between the Shareholders, a dispute shall be deemed to exist between the Shareholders. Any of the Shareholders involved can declare a dispute in which case it shall be dealt with as contemplated in clause 9.3. In such a case the arbitrator's decision shall be deemed to be a resolution of the Shareholders and shall be final and binding. Such a deadlock shall not constitute a ground for winding up of the Company.
- 9.3. Any dispute between the Shareholders shall be submitted to arbitration on the following basis:
 - 9.3.1. The parties shall use their best endeavours to ensure that the arbitration is held and concluded, and a decision handed down within 5 (five) days after the arbitration has been demanded.
 - 9.3.2. The arbitrator shall be a person nominated by the parties. If an arbitrator has not been nominated by the parties within 5 (five) days after the arbitration has been demanded,

the arbitrator shall be a person appointed by the Arbitration Foundation of Southern Africa.

- 9.3.3. The arbitration shall be conducted in accordance with rules agreed upon between the parties within 5 (five) days after the arbitration has been demanded. If such rules cannot be agreed upon by the parties, the rules of the Arbitration Foundation of Southern Africa for Commercial Arbitrations shall apply.
- 9.3.4. The arbitration (and any subsequent appeal) shall be conducted in English in the boardroom of the Company, or elsewhere as may be designated by the arbitrator.
- 9.3.5. The costs of the arbitrator will be paid by the party unsuccessful in the arbitration proceedings, unless the arbitrator in his discretion orders otherwise.

10. Accounting, policies, and books of account

- 10.1. The Shareholders shall ensure that the Company adopts a consistent and as far as possible, uniform policy in the preparation of its statutory annual accounts based on sound and generally accepted accounting principles as practiced in the Republic of South Africa.
- 10.2. The books of account of the Company shall at all times be available to the Shareholders at reasonable times during office hours. Shareholders shall be entitled to make copies of the books of account of the Company. Such records shall include but not be limited to:
 - 10.2.1. The constitutional documents of the Company.
 - 10.2.2. The records of the directors of the Company.
 - 10.2.3. Copies of all reports presented at any given Annual General Meeting (AGM) of the Company as well as the annual financial statements of the Company.
 - 10.2.4. Notices and minutes of all Shareholders meetings which would include all resolutions adopted by the Shareholders as well as any document that was made available by the Company to the Shareholders in relation to any such resolution.
 - 10.2.5. Copies of any written communications sent generally by the Company to its Shareholders.
 - 10.2.6. The shares register of the Company.
- 10.3. Where practicable, all books, papers, records, documents, and correspondence, whether recorded electronically or otherwise, relating to, or containing a reference to the business of the Company and its subsidiaries (if any) shall immediately be returned to the Company by a Shareholder when any of the following occurs:
 - 10.3.1. When such Shareholder is requested to do so by the Company.
 - 10.3.2. At the termination of such Shareholder's shareholding in the Company.

- 10.4. The books of account of the Company shall be made available to a former Shareholder in relation to a dispute which may subsist or arise between the former Shareholder and the Company. Disclosure of such information shall be subject to the provisions of any applicable legislation including the Companies Act.

11. Pre-emption and transfer of shares held by First Shareholder

Notwithstanding anything to the contrary in this agreement and unless otherwise agreed to in writing by all the Shareholders, the following shall apply:

- 11.1. On the death of the First Shareholder, the shares held by him in the Company shall be dealt with as follows:
- 11.1.1. The Executor of the estate of the First Shareholder shall transfer such an amount of the First Shareholder's shares to the Second Shareholder to ensure that the Second Shareholder will hold 51 (fifty-one) % of the issued shares.
 - 11.1.2. Upon the death of the First Shareholder his shares shall be deemed to have been offered at par value to the Second Shareholder on the day before his death.
 - 11.1.3. The remaining shares, if any, of the First Shareholder shall be dealt with in terms of the First Shareholder's testament/will, subject to clause 14.5 and 14.6.
- 11.2. Should the First Shareholder wish to sell, transfer, or otherwise dispose of some or all of the shares held by him in the Company, he can do so on the following terms:
- 11.2.1. The First Shareholder shall first offer to the Second Shareholder such an amount of shares as to ensure that the Second Shareholder will hold 51 (fifty-one) % of the issued shares. Should the amount of shares involved be less than the amount of shares the Second Shareholder requires to hold 51 (fifty-one) % of the issued shares, the First Shareholder shall offer all the shares involved to the Second Shareholder.
 - 11.2.2. The First Shareholder shall then offer the remaining shares, if any, to the remaining Shareholder(s), including the Second Shareholder.
 - 11.2.3. If the offer described in 11.2.2 is not accepted by the remaining Shareholder(s) in writing, the First Shareholder may, within a further 10 (ten) days, dispose of the shares to a third party subject to conditions set out in clause 14.

12. Pre-emption and transfer of shares held by Second Shareholder

Notwithstanding anything to the contrary in this agreement and unless otherwise agreed to in writing by all the Shareholders, the following shall apply:

12.1. On the death of the Second Shareholder, the shares held by him in the Company shall be dealt with as follows:

12.1.1. The Executor of the estate of the Second Shareholder shall transfer such an amount of the Second Shareholder's shares to the First Shareholder to ensure that the First Shareholder will hold 51 (fifty-one) % of the issued shares.

12.1.2. Upon the death of the Second Shareholder his shares shall be deemed to have been offered at par value to the First Shareholder on the day before his death.

12.1.3. The remaining shares, if any, of the Second Shareholder shall be dealt with in terms of the Second Shareholder's testament/will, subject to clause 14.5 and 14.6.

12.2. Should the Second Shareholder wish to sell, transfer, or otherwise dispose of some or all of the shares held by him in the Company, he can do so on the following terms:

12.2.1. The Second Shareholder shall first offer to the First Shareholder such an amount of shares as to ensure that the First Shareholder will hold 51 (fifty-one) % of the issued shares. Should the amount of shares involved be less than the amount of shares the First Shareholder requires to hold 51 (fifty-one) % of the issued shares, the Second Shareholder shall offer all the shares involved to the First Shareholder.

12.2.2. The Second Shareholder shall then offer the remaining shares, if any, to the remaining Shareholder(s), including the First Shareholder.

12.2.3. If the offer described in 12.2.2 is not accepted by the remaining Shareholder(s) in writing, the Second Shareholder may, within a further 10 (ten) days, dispose of the shares to a third party subject to conditions set out in clause 14.

13. Pre-emption and transfer of shares held by Third Shareholder

The Third Shareholder may sell, transfer or otherwise dispose of or pledge the shares held by him in the Company. The Third Shareholder can do so on the following terms:

13.1. Unless a written agreement between the Shareholders states otherwise.

13.2. Only in terms of clauses 14 and 15.

13.3. As payment for Company loan account as described in clause 4.

13.4. Subject to clauses 14.5 and 14.6, a share may be transferred from:

13.4.1. A Shareholder or that Shareholder's executor, if he is deceased, to a trust established for the benefit of one or more of the Shareholders' Immediate Relations and/or their descendants.

- 13.4.2. A Shareholder or that Shareholder's executor, if he is deceased, to any private company and/or close corporation. His shares, together with all interests thereto, will be transferable from his estate to a company and/or closed corporation in accordance with his will.
- 13.4.3. The executor of a deceased Shareholder to that Shareholder's Immediate Relations.
- 13.4.4. A Shareholder which is a company to the Shareholders' holding company or to the Shareholders' subsidiary. Should the holding company or subsidiary cease to exist, the shares will transfer back to the Shareholder within a period of 30 (thirty) days of the date upon which the transferee ceases to be the holding company or a subsidiary of the Shareholder.

14. Disposal

- 14.1. When a Shareholder intends to dispose of his shares, he shall first offer the shares in writing to the other Shareholders, stating the price in South African Rand and the terms of payment required by him. No other terms shall be stipulated except those contemplated in clause 14.7. This transaction shall be subject to the following:
 - 14.1.1. The Shareholder's offer shall lapse after 20 (twenty) days after the date on which the offer to sell was offered in writing.
 - 14.1.2. The offer is irrevocable during the entire period stated in 14.1.1.
 - 14.1.3. Should more than one existing Shareholder express a desire to take up the shares offered, such shares shall be divided in accordance with their respective shareholdings or as mutually agreed in writing.
- 14.2. If the offer as described in 14.1 is not accepted by the remaining Shareholder(s) in writing, the disposing Shareholder may, within a further 10 (ten) days, dispose of the shares to a third party subject to the following conditions:
 - 14.2.1. The disposing Shareholder shall dispose of the shares offered to a third party, at a price not lower or more favourable as was initially offered to the remaining Shareholders.
 - 14.2.2. The disposing Shareholder shall disclose the identity of the third party to the remaining Shareholder(s).
 - 14.2.3. The remaining Shareholder(s) must consent in writing to the disposal of the shares to the identified third party. Such consent shall not be unreasonably withheld by the other Shareholder(s).
 - 14.2.4. If the remaining Shareholder(s) fails or refuses unreasonably to consent in writing to the disposal of the shares to the identified third party, the disposing Shareholder shall not be entitled to require the Company to be wound up. The disposing Shareholder may declare a dispute in such a situation.

- 14.3. If while an offer in terms of clause 14.2 is pending, the provisions of clause 16 become operative in respect of those shares so offered, then at the election of the remaining Shareholder(s) the offer in terms of clause 14.2 shall be deemed to be withdrawn and substituted with the deemed offer in terms of clause 16.
- 14.4. A person/entity acquiring shares in terms of clause 14.2 does not necessarily have to be the person/entity paying for those shares. In such a case such shares shall be given to the person/entity acquiring them subject to clauses 14.5 and 14.6.
- 14.5. Any disposal of shares to any non-Shareholder of the Company shall be subject to the condition that the receiving Shareholder shall undertake in writing not to operate in competition with the business of the Company, whilst he/she/it is a Shareholder. In addition, the receiving Shareholder shall be required to enter into a non-disclosure agreement with the Company.
- 14.6. Notwithstanding anything to the contrary contained in this agreement, no share shall be transferred to a receiving Shareholder, including the heirs or beneficiaries of any Shareholder, unless the receiving Shareholder agrees to be bound by any written agreement in force between the Company and its Shareholders and/or between the Shareholders governing their relationship as Shareholders in the Company.
- 14.7. Any Shareholder who disposes of his shares as contemplated in this clause 14 shall stipulate as a condition of such disposal that:
- 14.7.1. The disposing Shareholder shall be released as a surety, guarantor or indemnitor on behalf of the Company proportional to the number of shares sold. The disposing shareholder shall ensure that the receiving Shareholder binds himself/herself/themself as surety, guarantor or indemnitor instead of the disposing Shareholder.
- 14.7.2. If the release contemplated in clause 14.7.1 cannot be achieved, or pending such release being implemented, the disposing Shareholder shall be indemnified by the receiving Shareholder of the shares proportional to the number of shares sold against any claims made against the disposing Shareholder by reason of such suretyship, guarantee or indemnity.
- 14.8. The disposing Shareholder's shares shall be delivered in transferable form to the receiving Shareholder in question against payment of the full purchase price of the shares.

15. Forced sales

15.1. Reference below to "trigger event" shall mean if any Shareholder:

- 15.1.1. Dies.
- 15.1.2. Is declared incapable of managing his own affairs, and/or is permanently or totally incapacitated.

- 15.1.3. Commits a crime prejudicial to the Company, or is found guilty of fraudulent or other conduct prejudicial to the Company.
- 15.1.4. Shareholder commits any fraud or dishonesty or carries out business or otherwise acts in any manner which brings or is likely to bring any of the other shareholders or the Company into disrepute.
- 15.1.5. Commits a material breach of any of its obligations as set out in this agreement and fails to rectify such breach within 10 (ten) business days of any of the other Shareholders or the Company giving such breaching Shareholder notice in writing to remedy that breach.
- 15.1.6. Receives a certificate from the Master of the High Court of South Africa as contemplated in Section 346(3) of the Companies Act No. 61 of 197 as amended or replaced from time to time, in respect of the application for the winding up the Shareholder.
- 15.1.7. Any Shareholder who is a company, ceases to be ultimately controlled, directly or indirectly, by all or any of the shareholders of such company on the date the Company first becomes a shareholder.
- 15.1.8. If a trust ceases to operate primarily for the benefit of those who are beneficiaries of that trust on the date the trust first becomes a shareholder; or is deregistered or resolves to be deregistered or resolves to distribute all or a major portion of the assets of the trust to its beneficiaries or resolves to sell the assets of the trust to any person and distribute the proceeds thereof to its beneficiaries for any reason whatsoever.

16. Forced sale procedure:

- 16.1. As soon as an event contemplated in clauses 15 occurs, then that Shareholder shall be deemed, on the day prior to that on which the trigger event takes place, to have forfeited and/or transferred all of his shares in and all his claims on loan account against the Company, to and in favour of the other Shareholder at a price in South African Rand. This price to be the fair value of the shares as agreed among all the Shareholders or failing agreement, as determined by the auditors of the Company, who shall act as experts and not as arbitrators.
- 16.2. The auditors' decision as in clause 16.1 shall be final and binding unless it is challenged within 5 (five) days after the determination. If any Shareholder challenges the auditors' decision, which it may only do by delivering a certificate by another auditor setting out the basis on which such decision is challenged, the matter shall be referred to an independent chartered accountant appointed by the president of the South African Institute of Chartered Accountants. Such independent chartered accountant shall act as an expert and not as an arbitrator and his decision shall be final and binding.
- 16.3. The costs incurred by the auditors referred to in clause 16.1 shall be paid by all the Shareholders.
- 16.4. The costs incurred by the independent chartered account referred to in clause 16.2 shall be paid by the challenging Shareholder.

- 16.5. In determining the value of shares no deduction shall be made for the fact that the shares in question may constitute a minority interest in the Company nor for the fact that new management may be managing the Company nor shall any premium be added for the fact that the shares in question may constitute a majority or controlling interest in the Company.
- 16.6. As soon as the price has been agreed or determined as described above and notified to the Shareholders in writing, the offering Shareholder shall be deemed to have offered the shares to the remaining Shareholders. In such a case the sale shall proceed as per the procedure defined in clause 14.
- 16.7. Each Shareholder who accepts the offer as referred to in clause 16.1 shall be allowed to pay his fraction of the shares over a period of 1 (one) year unless agreed otherwise in writing.

17. Tag-along

If a third party offers to purchase 20 (twenty) % or more of the shares in the Company, then the third party shall be obliged to purchase these shares in the same ratio from all Shareholders wishing to partake in the transaction. All Shareholders wishing to partake in this transaction shall indicate so in writing. This transaction shall be subject to clause 14.

18. Lodging of shares

All share certificates issued by the Company shall be held in trust by the auditors of the Company.

19. Dividends

- 19.1. The directors shall ensure that the Company declare and pay dividends in each of its financial years, provided that the requirements of Section 46 of the Companies Act are satisfied, including but not limited to the board of directors being satisfied that after considering all reasonably foreseeable financial circumstances of the Company at that time under the following conditions:
- 19.1.1. The assets of the Company, as fairly valued, exceed the liabilities of the Company.
- 19.1.2. It appears that the Company will be able to pay its debts as they become due in the ordinary course of business for the period of twelve months following the payment of the dividend as required by Section 4 of the Companies Act.

20. Whole agreement, no amendment

- 20.1. This agreement constitutes the whole agreement between the parties relating to its subject matter.

- 20.2. No amendment or consensual cancellation of this agreement or any provision or term of this agreement or of any agreement or other document issued or executed pursuant to or in terms of this agreement and no settlement of any disputes arising under this agreement and no extension of time, waiver or relaxation or suspension of any of the provisions or terms of this agreement or of any agreement, bill of exchange or other document issued pursuant to or in terms of this agreement shall be binding unless recorded in a written document signed by the parties. Any such extension, waiver or relaxation or suspension which is so given or made shall be strictly construed as relating strictly to the matter in respect of which it was made or given.
- 20.3. No extension of time or waiver or relaxation of any of the provisions or terms of this agreement or any agreement or other document issued or executed pursuant to or in terms of this agreement, shall operate as an estoppel against any party in respect of its rights under this agreement, nor shall it operate so as to preclude such party from exercising its rights strictly in accordance with this agreement.
- 20.4. No party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded in this agreement, whether it induced the contract and/or whether it was negligent or not.

21. Address where legal notices may be sent

The parties choose as their address where legal notices may be sent for all purposes under this agreement, their addresses as recorded on the Companies and Intellectual Property Commission's official records of the Company.

22. Costs


The costs of and incidental to the drawing and preparation of this agreement shall be borne and paid by the Company.

23. Signatures

For the First Shareholder

Signed at 43 Maldon on this 10 day of May 2022 in the presence of the undersigned witnesses:

Witnesses:

1. 


2. M. B. Landman
(Signature of witnesses)


(Signature of First Shareholder)

For the Second Shareholder

Signed at 43 Maldon on this 10 day of May **2022** in the presence of the undersigned witnesses:

Witnesses:

1. 


2. M. B. Landman
(Signature of witnesses)

Wardman.
(Signature of Second Shareholder)

For the Company

Signed at 43 Maldon on this 10 day of May **2022** in the presence of the undersigned witnesses:

Witnesses:

1. 

2. M. B. Landman
(Signature of witnesses)

Wardman.
(For and on behalf of the Company,
he/she being duly authorised
thereto)