



DEALMAKERS LEAGUE TABLE CRITERIA

1 - INCLUSION CRITERIA

1.1 For a deal to qualify for ranking:

- at least one entity involved (buyer, seller or target) must be listed on the JSE; or
- the entity is a subsidiary (more than 51%) held by a JSE listed firm; or
- if the entity is an associate (less than 51%) 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.

1.2 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.
- 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.

1.3 Deals and transactions will be captured only when

- a firm intention has been issued accompanied by
- a price, and
- a timetable or financial effects

1.4 Sale of properties by JSE listed property companies will be included for ranking purposes if:

- a category 2 announcement is issued and one side has both an external council and financial advisers; or
- if above R200m, the deal will only be included if there is an external financial adviser to one party.
- In the event that 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.

1.5 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 JSE listed company; or
- the private equity entity is a subsidiary of a JSE 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 the parties. Where an in-house adviser is used, this adviser must provide a confirmatory letter from the opposing party.

1.6 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.

1.7 Foreign deals defined by DealMakers as deals between principals domiciled outside 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.

1.8 Private equity and deals transacted in Africa by JSE 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:

- 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. In the event of 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 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).

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 1st announcement date (except for listings, for which the record date is the date of the actual listing).

- 3.2 Where discrepancies occur in the deal values claimed, **DealMakers** reserves the right to challenge these, if necessary by requesting clarity from the principals where this is appropriate.
- 3.3 Changes in the value at which deals are transacted will be adjusted when the annual rankings are computed.
- 3.4 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.
- 3.5 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.
- 3.6 Earn-outs or future additional payments based on the ability of the asset acquired to achieve certain financial targets are not included.

4 - ADVISER CREDITS

- 4.1 Credit for ranking purposes is recorded for roles performed in respect of:
- Investment advisers
 - Sponsors
 - Legal advisers
 - Reporting accountants
 - 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, and 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 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.
- 4.5 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.
- 4.6 Advisers on the provision of debt are not included.
- 4.7 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 JSE company the transaction will be split so as to reflect each listed company's stake. Advisers will be credited accordingly.
- 4.8 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.
- 4.9 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.
 - 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.
- 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.