

The Independent Board
 Adapt IT Holdings Ltd
 152 14th Road
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Dear Sirs and Mesdames

4 June 2021

REVISED INDEPENDENT EXPERT OPINION TO ADAPT IT HOLDINGS LTD (“Adapt IT” or the “Company”) REGARDING THE REVISED GENERAL OFFER (the “Huge Revised Offer”) MADE BY HUGE GROUP LIMITED (“Huge Group”) TO THE SHAREHOLDERS OF ADAPT IT TO ACQUIRE UP TO 100% OF THE ORDINARY SHARES IN THE COMPANY

Introduction

Holders of the ordinary shares with no par value in the issued share capital of Adapt IT (“**Adapt IT Shares**”) (“**Adapt IT Shareholders**”) are referred to the firm intention announcement (the “**Firm Intention Announcement**”) released by Adapt IT on the Stock Exchange News Service (“**SENS**”) of the JSE Limited (“**JSE**”) on Wednesday, 3 February 2021, relating to Huge Group’s firm intention to make an offer to Adapt IT Shareholders as contemplated in Chapter 5 of the Companies Act , No. 71 of 2008, as amended (the “**Companies Act**”) and Chapter 5 of the Companies Regulations, 2011 (the “**Companies Regulations**”).

Adapt IT’s response circular to Adapt IT Shareholders, dated 17 May 2021 (the “**Circular**”), provided Adapt IT Shareholders with both the recommendation of the Independent Board of Adapt IT (the “**Independent Board**”) and an independent expert’s opinion in respect of the Huge Group’s offer to Adapt IT Shareholders (the “**Huge Offer**”) which comprised the Huge Group offering Adapt IT Shareholders 0.9 Huge Group shares for every one Adapt IT Share acquired (the “**Offer Consideration**” or the “**Swap Ratio**”). The Swap Ratio was contained in Huge Group’s initial detailed cautionary announcement (the “**Huge Initial Announcement**”) released on SENS on Wednesday, 27 January 2021. The Offer Consideration was based on a reference price of R6.13 per Huge Group share and an implied a price of R5.52 per Adapt IT Share.

Subsequent to the distribution of the Circular by Adapt IT, on Friday 28 May 2021 Huge Group announced on SENS (the “**Revised Offer Announcement Date**”) an increase of the Offer Consideration (the “**Huge Revised Offer**”) from a swap ratio of 0.9 Huge Group shares to a revised a swap ratio of approximately 1.37 Huge Group shares for every one Adapt IT Share held (the “**Revised Offer Consideration**” or “**Revised Swap Ratio**”) (the “**Revised Offer Announcement**”). The Revised Offer Consideration referred to the maximum price of R6.65 per Huge Group share contained in our initial opinion (the “**Huge Group Maximum Reference Price**”) and implied a price of R9.09 per Adapt IT Share (the “**Maximum Implied Adapt IT Share Price**”). Other than the Revised Offer Consideration and the extension of the Closing Date of the Huge Offer, the Huge Offer remains unchanged

Huge Group has made the Huge Revised Offer by way of a general offer directly to Adapt IT Shareholders in terms of Parts B and C of Chapter 5 of the Companies Act . The Huge Revised Offer

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 Registration Number: 2014/226782/07

is classified as an affected transaction as defined in section 117 of the Companies Act and as such is regulated by the Companies Act and the Companies Regulations, 2011 (the “**Companies Regulations**”).

As at the date of this opinion, the share capital of the Company comprises the following:

- Authorised share capital of 300 000 000 no par value shares; and
- Issued share capital of 144 887 497 Adapt IT Shares.

The Company holds 7 625 658 ordinary shares as treasury shares.

The Company had no share options outstanding as at the date of this opinion.

The Huge Revised Offer will directly or indirectly affect all Adapt IT Shareholders. More information on the material effects that the Huge Revised Offer may have on the rights and interests of Adapt IT Shareholders is detailed in the draft SENS announcement to be released by Adapt IT on Friday, 4 June 2021 (the “**Adapt IT’s Response Announcement**”).

Full details of the Huge Revised Offer are contained in the Adapt IT Response Announcement, which will include a copy of this letter.

The material interests of the directors are set out in paragraph 7 of the Circular.

Scope

In terms of section 114(2) of the Companies Act, as read with Regulations 90 and 110 of the Companies Regulations, the Independent Board is required to retain an independent expert to provide an independent expert report (in the form of a fair and reasonable opinion) in terms of section 114(3) of the Companies Act and Regulations 90 and 110 of the Companies Regulations (the “**Opinion**” or the “**Fair and Reasonable Opinion**”).

Nodus Capital TS Proprietary Limited (“**Nodus**”) has been appointed by the Independent Board as the Independent Expert to advise on whether the terms and conditions of the Huge Revised Offer are fair and reasonable to the Shareholders of Adapt IT.

Responsibility

Compliance with the Companies Act and the Companies Regulations is the responsibility of the Independent Board. Our responsibility is to report on the terms and conditions of the Huge Revised Offer in compliance with the related provisions of the Companies Act and the Companies Regulations.

We confirm that our Fair and Reasonable Opinion has been provided to the Independent Board for the sole purpose of assisting them in forming and expressing an opinion for the benefit of Adapt IT Shareholders in relation to the Huge Revised Offer. This opinion is prepared solely for the Independent Board and therefore should not be regarded as suitable for use by any other party or give rise to third party rights.

Definition of the terms “fair” and “reasonable”

The “fairness” of a transaction is based on quantitative issues. A transaction may be said to be fair if the benefits received by the shareholders, as a result of the transaction, are equal to or greater than the value surrendered by the shareholders.

The Huge Revised Offer may be said to be fair if the Revised Offer Consideration is greater than or equal to the value of one Adapt IT Share or unfair if the Revised Offer Consideration is less than the value of one Adapt IT Share. Furthermore, in terms of Regulation 110(8) of the Companies Regulations, an offer with a consideration per offeree regulated company security within the fair-value range is generally considered to be fair.

In terms of the Companies Regulations, if the offer consideration received by shareholders in terms of the corporate action is higher than the market price of the company’s securities at the time that the corporate action was announced, or at some other more appropriate identifiable time, it is generally



considered to be reasonable. In addition, other qualitative considerations may be taken into account when considering the reasonableness of the corporate action. Even though the consideration may differ from the market value of the assets being acquired, a transaction may still be reasonable after considering other significant qualitative factors.

Our approach in considering the Huge Revised Offer

In considering the Huge Revised Offer, we have independently calculated the fair value of one Adapt IT Share and one Huge Group Share and compared our fair value of one Adapt IT Share to the Revised Offer Consideration.

Details and sources of information

The principal sources of information used in performing our work include:

- The Huge Initial Announcement;
- The Firm Intention Announcement;
- The Circular;
- The Independent Board’s recommendation in respect of the Huge Offer, as detailed in the Circular;
- The Revised Offer Announcement;
- The Independent Board’s recommendation iro the Huge Revised Offer, as detailed in the Adapt IT’s Response Announcement;
- Huge Group’ offer circular to Adapt IT Shareholders, dated 16 April 2021 (the “**Huge Circular**”);
- The terms and conditions of the Huge Offer and its rationale, as set out in the Huge Circular;
- The terms and conditions of the Huge Revised Offer and its rationale, as set out in the Revised Offer Announcement;
- Representations and assumptions made available by, and discussions held with, the management of Adapt IT and Huge Group;
- Representations and assumptions made available by, and discussions held with, the Independent Board and its advisors;
- Publicly available information relating to the industry in which both Adapt IT and Huge Group operates;
- Publicly available information relating to both Adapt IT and Huge Group that we deemed to be relevant, including company announcements, media articles, and analyst presentations, where applicable;
- Share price information of both Adapt IT and Huge Group over the last 12 months to assess the relative liquidity and volatility of the respective shares;
- Published market data on Adapt IT and Huge Group;
- Available analyst reports and their respective views on the value of an Adapt IT Share and a Huge Group share (the “**Analyst Reports**”);
- Audited annual financial statements of Adapt IT for the 5 years ended 30 June 2020;
- Audited annual financial statements of Huge Group for the 5 years ended 28 February 2020;
- Unaudited management accounts of Huge Group for the year ended 28 February 2021;
- Interim financial results of Adapt IT for the 6 months ended 31 December 2020;



- Unaudited management accounts for Adapt IT for the 10 months ended 30 April 2021;
- Interim financial results of Huge Group for the 6 months ended 31 August 2020;
- Forecast financial information of Adapt IT for the years ending 30 June 2021 to 30 June 2025;
- Forecast financial information of Huge Group for the years ending 28 February 2022 to 28 February 2026;
- The joint circular issued by Adapt IT and Volaris Group Inc. on Tuesday, 1 June 2021, relating to a scheme of arrangement in terms of section 114(1) of the Companies Act, being proposed by the Adapt IT Board between Adapt IT and Adapt IT Shareholders (the “**Joint Circular**”), in terms of which, if successfully implemented, Volaris Group Inc. will, *inter alia*, acquire all of the Exit Election Shares from the Scheme Participants (as defined in the Joint Circular) for a cash consideration of R6.50 per Adapt IT Share (the “**Volaris Offer**”);
- The letter from Volaris which informed us that Volaris intends to increase the consideration under the Volaris Offer to R7.00 per Adapt IT Share (the “**Revised Volaris Consideration**”) which Revised Volaris Consideration will be announced in conjunction with the issue of this opinion (“**Revised Volaris Consideration Announcement**”);
- the draft Revised Volaris Consideration Announcement;
- The 30-day, 60-day and 90-day volume weighted average price (the “**VWAP**”) as at date preceding the Revised Offer Announcement Date for both Adapt IT and Huge Group; and
- The 30-day, 60-day and 90-day VWAP as at 3 June 2021 for both Adapt IT and Huge Group.

The information above was obtained from:

- Directors and management of Adapt IT and Huge Group; and
- Third party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing Adapt IT and Huge Group.

Procedures performed

In arriving at our Opinion we have undertaken the following procedures in evaluating the fairness of the Huge Revised Offer:

- Considered the rationale for the Huge Revised Offer, as represented by the Independent Board and its advisors, Adapt IT management and Huge Group management;
- Reviewed the terms and conditions of the Huge Revised Offer;
- Reviewed the Huge Circular and the Circular;
- Reviewed the Joint Circular;
- Reviewed the Revised Offer Announcement;
- Reviewed the draft Revised Volaris Consideration Announcement;
- Supplemented our knowledge and understanding of Adapt IT and Huge Group as well as the industries in which they operate;
- Held discussions with management on the prospects of Adapt IT and Huge Group;
- Reviewed and analysed the historical financial information of Adapt IT and Huge Group;
- Assessed the Adapt IT forecast, as prepared by management, and challenged certain assumptions;
- Assessed the Huge Group forecast, as prepared by management, and challenged certain assumptions;



- Considered the value of Adapt IT, taking cognisance of the market multiples of comparable companies, as applicable, and a discounted cash flow valuation performed on Adapt IT;
- Considered the value of Huge Group, taking cognisance of the market multiples of comparable companies, as applicable, and a discounted cash flow valuation performed on Huge Group;
- Reviewed both Adapt IT's and Huge Group's historic traded share prices and trading volumes on the JSE to ascertain the relative trading activities, liquidity and volatility of the Adapt IT and Huge Group Shares;
- Reviewed certain publicly available information relating to both Adapt IT and Huge Group and the industries in which they operate that we deemed to be relevant, including company announcements and media articles;
- Performed an analysis of other information considered pertinent to our valuation and Opinion;
- Considered the fact that ~47% of the Adapt IT Shareholders, who are eligible to vote on the Volaris Offer, have provided irrevocable undertakings to vote in favour of the Volaris Offer;
- Reviewed the Analyst Reports; and
- Obtained from the management of both Adapt IT and Huge Group a letter of representation in respect of amongst other things the information shared and/or statements made to us and upon which we have relied.

We have not interviewed any of the Adapt IT Shareholders to obtain their views on the Huge Offer.

Based on the results of the procedures mentioned above, we determined the fairness and reasonableness of the Huge Revised Offer to Adapt IT Shareholders. We believe that the above considerations justify the opinion outlined below.

Limiting conditions

This Opinion of the Independent Expert is provided to the Independent Board in connection with and for the purpose of the Huge Revised Offer. The Opinion of the Independent Expert does not purport to cater for each individual Adapt IT Shareholder's perspective, but rather that of the general body of Adapt IT Shareholders.

We have relied upon and assumed the accuracy of the information provided to and obtained by us in deriving our Opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our Opinion, whether in writing or obtained in discussion with both Adapt IT and Huge Group management, by reference to publicly available or independently obtained information.

While our work has involved an analysis of, *inter alia*, the annual financial statements and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards.

This Opinion of the Independent Expert is provided in terms of the Companies Act and the Companies Regulations. It does not constitute a recommendation to any Adapt IT Shareholder as to how to respond to the Huge Revised Offer or on any matter relating to it. Therefore, it should not be relied upon for any other purpose. We assume no responsibility to anyone if this Opinion of the Independent Expert is used or relied upon for anything other than its intended purpose. Should an individual Adapt IT Shareholder have any doubts as to what action to take, such Shareholder should consult an independent advisor.

Budgets/projections/forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the forecast period. Accordingly, this information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods.



We express no opinion as to how closely actual results will correspond to those projected/forecast by the management of Adapt IT and Huge Group. We have compared the projected/forecast financial information to past trends as well as discussed the assumptions inherent therein with management.

Our Opinion is based on the current economic, regulatory, and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments. We have assumed that all conditions precedent in the transaction agreements, including any material regulatory and other approvals, if any, will be properly fulfilled/obtained. Our Opinion does not include an evaluation of the commercial rationale of the Huge Revised Offer.

The valuation of companies and businesses is not a precise science and conclusions arrived at, will, in many cases, be subjective and dependent on the exercise of individual judgment.

Valuation

Nodus performed an independent valuation of both Adapt IT and Huge Group to determine whether the Revised Offer Consideration represents fair value to the Adapt IT Shareholders.

For our valuation of Adapt IT and Huge Group, we utilised both an income approach (discounted cash flow) valuation methodology and a market approach valuation methodology (based on financial data for comparable publicly traded companies).

The valuation was performed taking cognisance of risk and other market and industry factors affecting both Adapt IT and Huge Group. Additionally, sensitivity analyses were performed considering key assumptions. Prevailing market and industry conditions were also considered in assessing the risk profile of Adapt IT and Huge Group.

Key internal value drivers included the discount rate, revenue growth, and operating margins.

Key external value drivers including gross domestic product growth rates, interest rates, headline inflation rates, and prevailing market and industry conditions in respect of the industry in which both Adapt IT and Huge Group operates were also considered in assessing the forecast cash flows and risk profile of both Adapt IT and Huge Group.

A change of 0.5% in the discount rate would result in a ~6% change in the value attributable to Adapt IT. A change of 0.5% in the discount rate would result in a ~5% change in the value attributable to Huge Group.

Assumptions

Our Opinion is based on the following key assumptions:

- Any agreements that will or have been entered into in terms of the Huge Revised Offer will be legally enforceable;
- The Huge Revised Offer will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives and advisors of Adapt IT;
- Reliance can be placed on the financial information of Adapt IT and Huge Group;
- For the purposes of this Opinion of the Independent Expert, we assumed both Adapt IT's and Huge Group's existing businesses to be ongoing under current business plans and management;
- Current economic, regulatory and market conditions will not change materially;
- Adapt IT and Huge Group are not involved in any material legal proceedings other than those conducted in the ordinary course of business and/or as disclosed in the Circular, the Joint Circular or the Huge Circular;



- Adapt IT and Huge Group are, at the date of this Opinion of the Independent Expert, not engaged in any discussions relating to any acquisitions or transactions that will have a significant impact on the value of either Adapt IT and Huge Group (apart from the Volaris Offer);
- Adapt IT and Huge Group have no material outstanding disputes with the South African Revenue Service;
- There are no undisclosed contingencies that could affect the value of Adapt IT and Huge Group;
- Global financial markets are still currently facing some uncertainty as a result of the ongoing COVID-19 pandemic, with its continued impact remaining uncertain at this stage. We have assumed economic, regulatory and market conditions remain stable over the forecast period after factoring in the impact of COVID-19, as far as practically possible. There is, however, uncertainty, which could persist for some time, as to the full impact of COVID-19 on Adapt IT and Huge Group and, as a result, our work may not have identified or reliably quantified the impact of all such uncertainties; and
- Representations made by Adapt IT and Huge Group management and their advisors during the course of forming this Opinion of the Independent Expert.

Appropriateness and reasonableness of underlying information and assumptions

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our Opinion by:

- Placing reliance on audit reports in the financial statements of both Adapt IT and Huge Group;
- Conducting analytical reviews on the historical financial results and the forecast financial information, such as key ratio and trend analyses, where applicable; and
- Determining the extent to which representations from management were confirmed by documentary and audited financial evidence, as well as our understanding of Adapt IT and Huge Group and the economic environment in which both operate.

Valuation results

In undertaking the valuation exercise of Adapt IT above, we determined a valuation range of the Adapt IT Shares of R7.00 to R9.09 per share (the “**Adapt IT Value Range**”), with a likely value of R8.05.

In undertaking the valuation exercise of Huge Group above, we determined a valuation range of the Huge Group shares of R5.66 to R6.65 per share (the “**Huge Group Value Range**”), with a likely value of R6.16.

In considering the Revised Swap Ratio of 1.37 Huge Group shares for every one Adapt IT Share held by Adapt IT Shareholders, we compared the relative value ranges of the Adapt IT and Huge Group ordinary shares calculated above. Based on the range of values above, we have calculated a range of swap ratios of between 1.05 and 1.61 Huge Group shares for one Adapt IT Share (the “**Swap Ratio Valuation Range**”), with a likely swap ratio of 1.31.

The Revised Offer Consideration falls within our calculated Swap Ratio Valuation Range and is above the likely swap ratio.

The valuation above is provided solely in respect of this fair and reasonable opinion and should not be used for any other purposes.

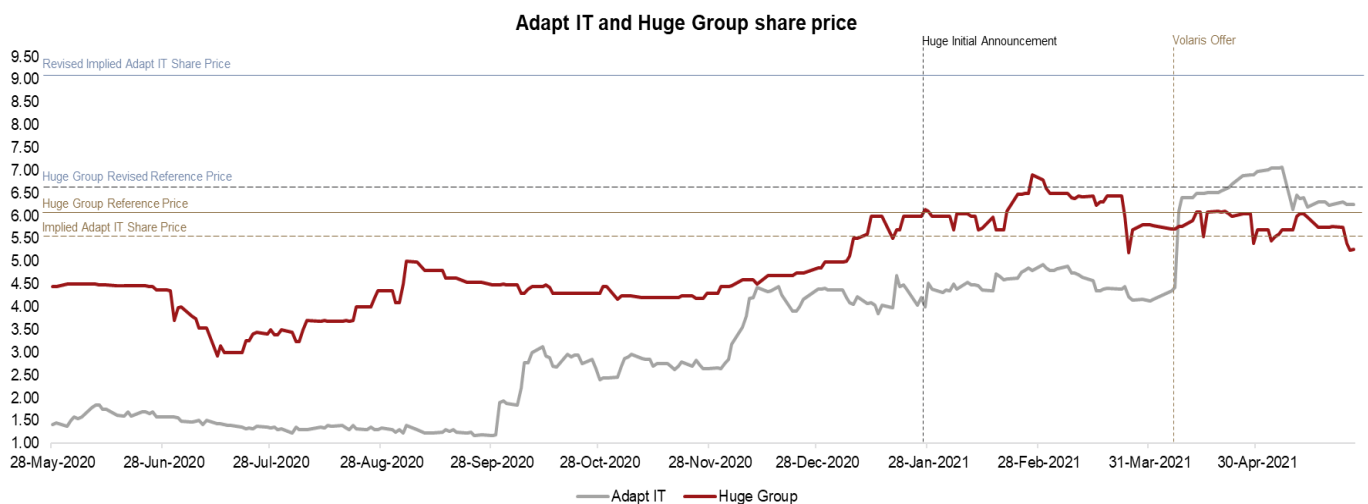
Qualitative considerations

In arriving at our Opinion, we have also considered the following key qualitative considerations in evaluating the reasonableness of the Huge Revised Offer:

- The rationale for the Huge Revised Offer, as set out in the Huge Revised Announcement;
- The opinion of the Independent Board, as set out in the Adapt IT’s Response Announcement;
- The trading liquidity of both the Adapt IT Shares and Huge Group shares:

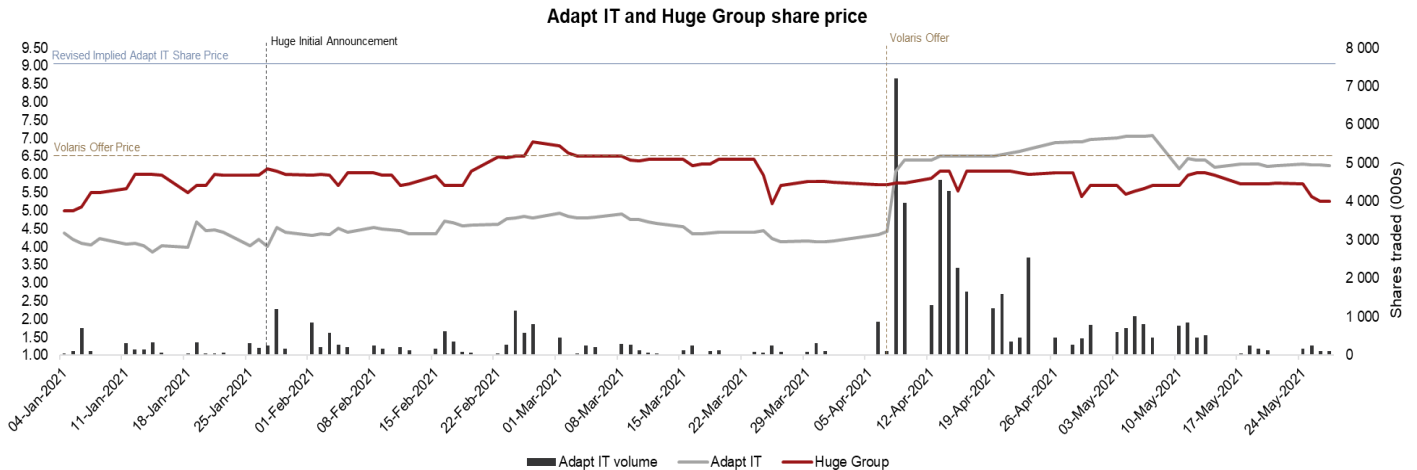


- In the 52 weeks prior to the Huge Revised Offer Announcement Date, 90 337 006 Adapt IT Shares were traded, which represents 70.2% of the total issued shares;
- In the 52 weeks prior to the Huge Revised Offer Announcement Date, 7 576 31 Huge Group shares were traded, which represents 4.7% of the total issued shares;
- The historic trading price of both the Adapt IT Shares and Huge Group shares;
 - In evaluating the reasonableness of the Huge Revised Offer to arrive at our Opinion, we have considered that the Maximum Implied Adapt IT Share Price is at a premium to the traded price of the Adapt IT Shares as well as the 30-, 60-, and 90-day VWAP immediately prior to the Revised Offer Announcement Date;
 - The Maximum Implied Adapt IT Share Price exceeds the 52 week high share price of R7.08 per Adapt IT Share, prior to the Revised Offer Announcement Date;
 - The Huge Group Maximum Reference Price is less than the highest closing price of a Huge Group share for the 52 weeks prior to the Huge Offer being made, which was R6.90 on 26 February 2021;
 - The share price performance of both Adapt IT and Huge Group for the 12 months prior to the Huge Revised Offer is represented below:



- If none of the offers to Adapt IT Shareholders are implemented, the Adapt IT share price may retract back to levels prior to any of the offers and it may take time for the Adapt IT share price to reach such levels again, considering the small market capitalisation of Adapt IT;
- The Huge Revised Offer is settled in Huge Group shares, which are listed but illiquid;
- ~47% of the Adapt IT Shareholders, who are eligible to vote on the Volaris Offer, have provided irrevocable undertakings to vote in favour of the Volaris Offer; and
- The Adapt IT Share price has increased significantly since the announcement of the Huge Offer and the Volaris Offer, reaching R7.08 on 7 May 2021. The graph below illustrates the share price movement from 1 January 2021 to 27 May 2021:





Opinion

Nodus has considered the terms and conditions of the Huge Revised Offer and, based on and subject to the conditions set out herein, is of the opinion that the terms and conditions of the Huge Revised Offer based on quantitative considerations, are fair to the Adapt IT Shareholders.

Based on qualitative factors, we are of the opinion that the terms and conditions of the Huge Revised Offer are reasonable from the perspective of the Adapt IT Shareholders.

Our Opinion is necessarily based upon the information available to us up to 3 June 2021, including in respect of the financial information as well as other conditions and circumstances existing and disclosed to us.

Independence, competence and fees

We confirm that we have no direct or indirect interest in Adapt IT or Huge Group or the Huge Offer nor do we have any relationship with Adapt IT or Huge Group or any person related to Adapt IT or Huge Group such as would lead a reasonable and informed third party to conclude that our integrity, impartiality or objectivity has been compromised by such relationship. We also confirm that we have the necessary competence and experience to provide the Independent Expert Report.

Furthermore, we confirm that our professional fee of R664 000 (excluding VAT) is not contingent upon the success of the Huge Revised Offer.

Consent

We consent to the inclusion of this letter and the reference to our Opinion in the announcement to be issued to the Shareholders of Adapt IT in the form and context in which it appears and in any required regulatory announcement or documentation.

Yours faithfully



Johan le Roux CA(SA)

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