

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 5 of this circular have, where appropriate, been used on this cover page.

If you are in any doubt as to the action you should take, please consult your broker, banker, legal advisor, accountant, investment dealer, CSDP or other professional advisor immediately.

Action required

If you have disposed of all of your enX shares, this circular, together with the attached notice of general meeting and form of proxy, should be handed to the purchaser of such shares or to the broker, banker, investment dealer, CSDP or other agent through whom the disposal was effected.

Beneficial shareholders who hold dematerialised shares through a CSDP or broker but who have not elected own-name registration who wish to attend the general meeting must request their CSDP or broker to provide them with the necessary letter of representation to attend the general meeting or must instruct their CSDP or broker to vote on their behalf in terms of their agreement with their CSDP or broker.

Shareholders are referred to page 5 of this circular, which sets out the detailed action required of them in respect of the transaction and ancillary matters set out in this circular. If you are in any doubt as to the action you should take, please consult your broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.

enX does not accept responsibility and will not be held liable for any failure on the part of the broker, banker, investment dealer or CSDP of any holder of dematerialised shares to notify such shareholder of the action required of them in respect of the transaction and ancillary matters set out in this circular.



enX Group Limited
(Incorporated in the Republic of South Africa)
(Registration number 2001/029771/06)
JSE share code: ENX
ISIN: ZAE000222253
("enX" or the "Company")

CIRCULAR TO ENX SHAREHOLDERS

relating to:

- **the divestment of the EIE Group, enX's Southern African materials handling business,**

and enclosing:

- **a notice of general meeting of enX shareholders; and**
- **a form of proxy to attend and vote at the general meeting of enX shareholders, for use only by certificated shareholders and dematerialised shareholders who have elected own-name registration.**

Transaction sponsor

JAVACAPITAL

Independent reporting accountants

Deloitte.

Legal advisor

MUNRO SMITH
PARKER

Date of issue: Wednesday, 15 December 2021

This circular is available in English only. Due to the COVID-19 pandemic and the resultant lockdown regulations, hard copies of this circular will not be available at the registered address of the Company. The circular will only be available on enX's website www.enxgroup.co.za/circulars/ from Wednesday, 15 December 2021.

CORPORATE INFORMATION

Registered office of the Company

enX Group Limited
(Registration number 2001/029771/06)
9th Floor, Katherine Towers
1 Park Lane
Wierda Valley, Sandton, 2196
(PostNet Suite 86, Private Bag X7, Aston Manor, 1630)

Transaction sponsor

Java Capital Trustees and Sponsors Proprietary Limited
(Registration number 2006/005780/07)
6th Floor, 1 Park Lane
Wierda Valley
Sandton, 2196
(PO Box 522606, Saxonwold, 2132)

Legal Advisor

Munro Smith Parker Incorporated
(Registration number 2020/652762/21)
9th Floor, Katherine Towers
1 Park Lane
Wierda Valley
Sandton, 2196
(Postal address as above)

Date and place of incorporation of the Company

Incorporated on 12 December 2001
in the Republic of South Africa

Company secretary

Acorim Proprietary Limited (Represented by
Roxanne Cloete)
(Registration number 2013/087325/07)
13th Floor, Illovo Point
68 Melville Road
Illovo
Sandton, 2196
(Postal address as above)

Independent reporting accountants

Deloitte & Touche
(Practice number 902276)
Deloitte Place
5 Magwa Crescent
Waterfall City
Midrand, 2090
(Private Bag X6, Gallo Manor, 2052)

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

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ACTION REQUIRED BY ENX SHAREHOLDERS

The definitions and interpretations commencing on page 5 of this circular have, where appropriate, been used in this section.

THE GENERAL MEETING

A general meeting of enX shareholders will be held at 10:00 on Thursday, 20 January 2022, at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196, 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 circular.

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 10:00 on Tuesday, 18 January 2022. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement thereof.

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 his/her 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 and/or as set out in the custody agreement concluded between such shareholders and their CSDP or broker. Such shareholders should **not** complete the form of proxy.

enX 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.

ELECTRONIC PARTICIPATION

The Company has made provision for enX shareholders or their proxies to participate electronically in the general meeting by way of telephone conferencing. Should you wish to participate in the general meeting by telephone conference call, you, or your proxy, should advise the Company as such by no later than 10:00 on Tuesday, 18 January 2022 by submitting by email to the company secretary at enx@acorim.co.za relevant contact details, including an email address, cellular number and landline as well as full details of your title to enX shares and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated shares) or written confirmation from your CSDP confirming your title to the dematerialised shares (in the case of dematerialised shares). Upon receipt of the required information, you will be provided with a secure code and instructions to access the electronic communication during the general meeting. Shareholders should note that access to the electronic communication will be at the expense of the enX shareholders who wish to utilise the facility.

enX shareholders and their appointed proxies attending by conference call will not be able to cast their votes at the general meeting through this medium. Accordingly, enX shareholders making use of the electronic participation facility are requested to either complete the form of proxy (in the case of certificated shareholders and dematerialised shareholders who have elected own-name registration) or contact their CSDP or broker (in the case of dematerialised shareholders who have not elected own-name registration), in both instances, as set out above.

In light of the guidance from the South African Government regarding the need for social distancing, as a result of the COVID-19 pandemic, shareholders are encouraged to make use of proxies for purposes of voting at the general meeting.

In the event of future regulations or directives or preventative measures relating to COVID-19, shareholders or their proxies may be prevented from attending the general meeting in person. In such circumstances, enX may determine, by way of notice to shareholders published on SENS and in the South African press by no later than 10 (ten) business days prior to the general meeting, that the general meeting will take place entirely by electronic means and/or that shareholders or their proxies will be entitled to vote electronically, which notice will include details and instructions of such arrangement.

VOTING PROCEDURE AND QUORUM FOR THE GENERAL MEETING

The quorum requirement for the general meeting to begin or for a matter to be considered at the general meeting is at least three enX shareholders present in person or represented by proxy. In addition:

- the general meeting may not begin until sufficient persons are present in person or represented by proxy to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the general meeting; and
- a matter to be decided at the general meeting may not begin to be considered unless sufficient persons are present 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 in respect of that matter at the time the matter is called on the agenda.

Every enX shareholder present in person or represented by proxy and entitled to exercise voting rights at the general meeting shall be entitled to vote on a show of hands, irrespective of the number of voting rights that shareholder would otherwise be entitled to exercise. On a poll, any person who is present at the general meeting, whether as an enX shareholder or as proxy for an enX shareholder, has the number of votes determined in accordance with the voting rights associated with the enX shares held by that enX shareholder as set out in the MOI.

SALIENT DATES AND TIMES

Set out below are the salient dates and times in relation to the transaction:

2021

Record date to receive the circular and notice of general meeting	Friday, 10 December
Circular and notice of general meeting issued	Wednesday, 15 December
Announcement relating to the issue of the circular and notice of general meeting released on SENS	Wednesday, 15 December

2022

Last day to trade on the JSE in order to be eligible to participate in and vote at the general meeting	Tuesday, 11 January
Voting record date	Friday, 14 January
Last day to lodge forms of proxy for the general meeting with the transfer secretaries, by 10:00 (forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement thereof)	Tuesday, 18 January
General meeting held at 10:00	Thursday, 20 January
Results of the general meeting released on SENS	Thursday, 20 January

Notes:

1. All dates and times in this circular are local dates and times in South Africa and are subject to change. Any changes will be released on SENS.
2. enX shareholders are referred to page 5 of this circular for information on the action required to be taken by them.
3. enX shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three business days after such trades. Therefore, enX shareholders who acquire enX shares after close of trade on Tuesday, 11 January 2022 will not be eligible to vote at the general meeting.
4. No dematerialisation and rematerialisation of enX shares may take place between Wednesday, 12 January 2022 and Friday, 14 January 2022, both days inclusive.

DEFINITIONS AND INTERPRETATIONS

In this circular and the annexures to it, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column have the meanings stated opposite them in the second column.

“600SA Holdings”	600SA Holdings Proprietary Limited (Registration number: 1968/000066/07), a private company incorporated and registered in accordance with the laws of South Africa and currently a wholly-owned subsidiary of enX Leasing;
“base subscription price”	the base subscription price for the share subscription of R700 million;
“board” or “board of directors” or “directors”	the board of directors of enX;
“business day”	any day other than a Saturday, Sunday or an official public holiday in South Africa;
“certificated shareholders”	shareholders who hold certificated shares;
“certificated shares”	shares which have not been dematerialised into the Strate system, title to which is represented by physical documents of title;
“CFAO South Africa”	CFAO Holdings South Africa Proprietary Limited (Registration number: 1999/022886/07), a private company incorporated and registered in accordance with the laws of South Africa;
“circular”	this circular dated Wednesday, 15 December 2021, including all annexures;
“Companies Act”	the Companies Act, No. 71 of 2008, as amended from time to time;
“Company” or “enX”	enX Group Limited (Registration number: 2001/029771/06), a public company incorporated and registered in accordance with the laws of South Africa and listed on the JSE, full details of which are set out in the “Corporate Information” section;
“Competition Authorities”	collectively: <ul style="list-style-type: none">• the Competition Commission, the Competition Tribunal or the Competition Appeal Court, whichever has jurisdiction for the purposes of the transaction, as established by the Competition Act, No. 89 of 1998, as amended from time to time;• the Namibian Competition Commission; and• the Competition and Consumer Authority of Botswana;
“CSDP”	a Central Securities Depository Participant in South Africa, appointed to hold and administer dematerialised shares;
“dematerialised shareholder”	shareholders who hold dematerialised shares;
“dematerialised shares”	shares which have been incorporated into the Strate system, title to which is not represented by physical documents of title;
“documents of title”	share certificates, certified transfer deeds, balance receipts and any other documents of title to shares acceptable to the board;
“EIE Group”	EIE Group Proprietary Limited (Registration number: 1974/002797/07, a private company incorporated and registered in accordance with the laws of South Africa and a wholly-owned subsidiary enX Leasing;
“enX Leasing”	enX Leasing Investments Proprietary Limited (Registration number: 2015/323818/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly-owned subsidiary of the Company;

“escrow amount”	an amount equal to 20% of the final subscription price to be placed in escrow with an escrow agent, which shall be in place for a period of 2 years from the subscription date (or such longer period in the event that there are unresolved claims), save for WR&I outstanding claims at that date, and shall act as security for the obligations of enX in the transaction agreements, including the WR&I obligations of enX and leakage identified post-closing of the transaction;
“final subscription price”	the final subscription price for the share subscription, determined as set out in paragraph 5.2 of the circular;
“Financial Markets Act”	the Financial Markets Act, 19 of 2012, as amended;
“general meeting”	the general meeting of enX shareholders to be held at 10:00 on Thursday, 20 January 2022 at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196, convened for the purpose of considering, and if deemed fit passing, with or without modification, the resolutions set out in the notice of general meeting which is attached to and forms part of this circular;
“Group” or “enX Group”	the Company and its subsidiaries;
“IFRS”	International Financial Reporting Standards;
“independent reporting accountants” or “Deloitte”	Deloitte & Touche (Practice number 902276), full details of which are set out in the “Corporate Information” section;
“internal restructure”	the internal restructure of the enX Group such that Uni-Cape Marine, which is currently a wholly owned subsidiary of 600SA Holdings, will become a wholly owned subsidiary of enX Leasing; and Saficon and 600SA Holdings will each become wholly owned subsidiaries of EIE Group, which will in-turn be unbundled from enX Leasing so as to become wholly-owned subsidiaries of enX;
“Java Capital” or “transaction sponsor”	Java Capital Trustees and Sponsors Proprietary Limited (Registration number 2006/005780/07), in its capacity as transaction sponsor to the Company, a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the “Corporate Information” section;
“JSE”	the exchange operated by the JSE Limited (Registration number 2005/022939/06), a public company incorporated and registered in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act, No. 19 of 2012, as amended from time to time;
“JSE Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;
“last practicable date”	Monday, 6 December 2021, being the last practicable date prior to the finalisation of this circular;
“leakage”	<p>means, in relation to the target companies or any of them:</p> <ul style="list-style-type: none"> (i) any payments made, liabilities assumed, indemnified or incurred, and/or claims and/or liabilities settled, by the target companies from 1 June 2021 in relation to certain executives whose employment has been terminated subsequent to 1 June 2021; (ii) any payments made by, or liabilities incurred by, and/or claims made against the target companies in relation to the interim executives of EIE Group that are required to resign on the signature date, in excess of permitted payments; (iii) any payments made or any assets transferred by the target companies to enX or subsidiaries of enX (excluding the target companies); (iv) any liabilities assumed, indemnified or incurred by the target companies for the benefit of enX or subsidiaries of enX (excluding the target companies), other than a liability which is discharged or terminated on or prior to 31 December 2020; (v) waiver by the target companies of any amount owed to that target company by enX or subsidiaries of enX (excluding the target companies); (vi) any costs, expenses and/or taxes relating to (i) the internal restructure; and (ii) the carve-out of Uni-Cape Marine; and (vii) any dividend or distribution declared, paid or made, or any other payments made by the target companies to their shareholders in respect of any share capital or other securities of the target companies being issued, redeemed, purchased or repaid, or any other return of capital of the target companies, <p>but does not include any permitted leakage;</p>

“legal advisor” or “Munro Smith Parker”	Munro Smith Parker Incorporated (Registration number 2020/652762/21), full details of which are set out in the “Corporate Information” section;
“longstop date”	the last day by which the suspensive conditions must be fulfilled or, where appropriate, waived, being no later than 31 May 2022, or another date which may be agreed between the parties. If the longstop date or an extended longstop date is reached and the only suspensive conditions outstanding are those in respect of regulatory approvals, the Company and EIE Group shall have the unilateral right to extend the longstop date by up to 90 days, provided that they may not exercise such unilateral right to extend the longstop date on more than two occasions;
“material contracts”	restrictive funding arrangements and/or a contract entered into otherwise than in the ordinary course of the business carried on, or proposed to be carried on, by the Company and (i) entered into within the two years prior to the date of this circular; or (ii) entered into at any time and containing an obligation or settlement that is material to the Company as at the date of this circular;
“MOI”	the memorandum of incorporation of the Company;
“own-name dematerialised shareholders”	dematerialised shareholders who have elected own-name registration;
“Rand” or “R” or “ZAR”	South African Rand;
“record date”	the date on which enX shareholders are to be recorded in the register in order to be eligible to attend, speak and vote at the general meeting (or any adjournment thereof), being Friday, 14 January 2022;
“register”	the securities register of enX (including the relevant sub-registers of the CSDP (as contemplated in the Financial Markets Act) administering the sub-registers of enX);
“repurchase agreement”	the share repurchase agreement concluded between EIE Group and enX in terms of which EIE Group will repurchase the 277 003 ordinary shares in EIE Group held by enX (representing 49.9% of the EIE Group shares then in issue) for an amount equal to the final subscription price;
“Saficon”	Saficon Industrial Equipment Proprietary Limited (Registration number: 1970/002074/07), a private company incorporated and registered in accordance with the laws of South Africa and currently a wholly-owned subsidiary of enX Leasing;
“SENS”	the Stock Exchange News Service operated by the JSE;
“share” or “enX share”	an ordinary share of no par value in the share capital of enX;
“share repurchase”	the repurchase by EIE Group of its own shares from enX in terms of the repurchase agreement;
“share subscription”	the subscription by CFAO South Africa for new shares in EIE Group in terms of the subscription agreement;
“shareholders” or “enX shareholders”	the registered holders of enX shares;
“signature date”	Monday, 29 November 2021, being the date of signature of the transaction agreements;
“South Africa”	the Republic of South Africa;
“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;
“subscription agreement”	the subscription agreement concluded between CFAO South Africa, the Company, enX Leasing and EIE Group in terms of which CFAO South Africa will subscribe for 278 113 newly issued ordinary shares in EIE Group (50.1%) for an amount equal to the final subscription price;
“subscription date”	the date occurring five business days after the date on which the last of the suspensive conditions is fulfilled or waived, as the case may be;

“suspensive conditions”	the suspensive conditions to the transaction as set out in Part I, paragraph 6 of this circular;
“target companies”	EIE Group and its subsidiaries, being 600 SA Holdings, Saficon and Uni-Cape Equipment;
“transaction”	the proposed divestment by enX of EIE Group by way of a linked, indivisible and sequential implementation of a subscription for newly issued ordinary shares in EIE Group by CFAO South Africa and a repurchase by EIE Group of all the shares in EIE Group held by enX, as more fully detailed in this circular;
“transaction agreements”	collectively the linked and indivisible subscription agreement and the repurchase agreement;
“transaction business day”	a day which is not a Saturday or Sunday or national holiday in South Africa;
“transfer secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company incorporated and registered in South Africa, full details of which are set out in the “Corporate Information” section;
“transitional services agreement”	the transitional services agreement to be concluded between enX Leasing and the target companies in terms of which enX Leasing will provide information technology and whistle-blowing services to the target companies for a period of up to 12 months after the subscription date;
“Uni-Cape Equipment”	Uni-Cape Equipment Proprietary Limited (Registration number: 1985/002524/07), a private company incorporated and registered in accordance with the laws of South Africa and currently a wholly-owned subsidiary of 600SA Holdings;
“Uni-Cape Marine”	Uni-Cape Marine Proprietary Limited (Registration number: 2019/170595/07), a private company incorporated and registered in accordance with the laws of South Africa and currently a wholly-owned subsidiary of 600SA Holdings; and
“WR&I”	warranties, representations and indemnities granted by enX to CFAO South Africa in terms of the transaction agreements.



enX Group Limited
(Incorporated in the Republic of South Africa)
(Registration number 2001/029771/06)
JSE share code: ENX
ISIN: ZAE000222253
("enX" or the "Company")

Directors

Paul Baloyi (*Non-executive chairman*)
Vuyani Jarana (*Lead independent director*)
Andrew Hannington (*Chief executive officer*)
Robert Lumb (*Chief financial officer*)
Oyama Mabandla (*Executive director*)
Warren Chapman (*Non-executive director*)
Zolani Matthews (*Independent non-executive director*)
Lerato Molefe (*Independent non-executive director*)
Babalwa Ngonyama (*Independent non-executive director*)

CIRCULAR TO ENX SHAREHOLDERS PART I: THE TRANSACTION

1. INTRODUCTION

- 1.1 enX is a diversified industrial group listed on the Main Board of the JSE providing quality branded industrial equipment, petrochemicals, fleet management and logistics products and related services to a wide range of economic sectors in South Africa and sub-Saharan Africa.
- 1.2 As announced on SENS on 30 November 2021, the Company has entered into the transaction agreements with CFAO South Africa for the divestment of EIE Group for the base subscription price of R700 million, which is subject to customary leakage adjustments, such adjusted amount being the final subscription price as more fully described in paragraph 5 below, and subject to the satisfaction or waiver of the suspensive conditions set out in paragraph 6 below.
- 1.3 The transaction constitutes a category 1 disposal in terms of section 9.5(b) of the JSE Listings Requirements, requiring the approval of enX shareholders by way of an ordinary resolution.
- 1.4 The purpose of this circular is to:
 - 1.4.1 provide enX shareholders with information relating to the transaction and the manner in which it will be implemented, so as to enable shareholders to make an informed decision as to whether or not they should vote in favour thereof; and
 - 1.4.2 give notice convening the general meeting at which the resolutions necessary to approve and implement the transaction, as more fully detailed in this circular, will be considered and, if deemed fit, approved with or without modification. The notice convening the general meeting is attached to and forms part of this circular.

2. DESCRIPTION OF EIE GROUP AND CFAO SOUTH AFRICA AND PROSPECTS OF THE COMPANY

- 2.1 EIE Group provides distribution, rental and value add services for industrial and material handling equipment in South Africa and other African countries through a network of independent dealers. EIE Group is the sole distributor of Toyota Forklifts, BT warehousing equipment, Konecranes heavy duty forklifts and container handling equipment, Terberg Terminal Tractors and Hawker batteries and chargers.
- 2.2 CFAO South Africa delivers a range of integrated mobility solutions across the automotive value chain contributing towards the support, development and growth of the automotive industry in South Africa and across the rest of Africa. CFAO South Africa is part of the TTC group of companies, being the exclusive supplier of Toyota forklift for EIE Group.
- 2.3 The Company's trading activities continue to recover, exceeding pre-COVID-19 levels of activity within most of its businesses. The sale of Impact Fork Trucks Limited ("**Impact Handling**") has reduced group debt as all Impact Handling debt was assumed by the purchaser upon completion of that disposal. Proceeds arising from the sale of Impact Handling are unencumbered, have been converted into ZAR and are held at a group level. Negotiations have been concluded with the Eqstra Fleet Management and Logistics ("**Eqstra**") lending syndicate to reduce gearing, extend maturities and improve Eqstra's cost of debt financing. In this regard, R350 million has been injected into Eqstra and used entirely to repay its lenders. The impact of a lower cost of debt financing and gearing is likely to improve Eqstra's net profitability. Eqstra's diversified customer base with annuity revenue and in-use fleet continues to provide a stable revenue stream. Some growth in Eqstra's fleet is anticipated as the economy recovers and fleet replacement, which has been interrupted by the impact of the pandemic, resumes its normal cadence. The impact of lower policy rates over the past three years, which were passed directly on to customers, continues to negatively impact profitability. However, South Africa may now be entering an interest rate up-cycle, which will assist in recovering this lost profitability. Trading within the oil lubricant and chemicals businesses is buoyant, subject to global supply chain concerns negatively impacted by COVID-19 related restrictions and the resultant shortages of shipping capacity and raw materials. Trading within New Way Power and Austro remains challenging, with both businesses operating in difficult markets. Based on the assessment of the prospects and cash flows for each business, management believes that credit facilities in place provide sufficient liquidity for the businesses to continue trading for the foreseeable future. There are no debt maturities within the next 12 months which cannot either be extended or repaid out of existing cash resources. The information contained in this paragraph 2.3 has not been audited or reported on by the Company's external auditors.

3. RATIONALE

- 3.1 The transaction represents an attractive opportunity for the Company to monetise its investment in EIE Group at a valuation that in the view of the board of directors of enX fairly reflects the future prospects and cash flows of EIE Group. It is also higher than that which the board determined was reflected in the enX share price prior to the announcement of the transaction.
- 3.2 CFAO South Africa Group, being part of the TTC group of companies, is a natural fit as owner of EIE Group and whom the directors are of the view will prove to be a good custodian of the EIE Group business. Furthermore, the board considers that proceeding with the transaction with CFAO South Africa reduces the implementation risk of the transaction.

4. USE OF PROCEEDS

- 4.1 enX expects the final subscription price, which is determined before tax and transaction costs and after leakage to be approximately R677 million.
- 4.2 The board anticipates that the proceeds received by enX following implementation of the transaction agreements will be applied in combination as follows:
 - 4.2.1 c.R272 million towards a distribution to enX shareholders of R1.50 per share. The mechanism of this payment has not yet been determined and the timing thereof will be dependent on the closing date of the transaction;
 - 4.2.2 c.R134 million to be held in escrow for a period of 24 months post-closing of the transaction (or such longer period in the event that there are unresolved claims) as restricted cash collateral for claims in relation to the WR&I; and
 - 4.2.3 the remaining amount for reduction in debt (where possible) and for general corporate purposes.

5. TERMS OF THE TRANSACTION

- 5.1 On 30 November 2021, the Company entered into the transaction agreements with CFAO South Africa for the divestment of EIE Group.
- 5.2 The transaction will be effected by way of a linked, indivisible and sequential implementation of a subscription for ordinary shares by CFAO South Africa in EIE Group and a repurchase by EIE Group of all the shares in EIE Group, which will be held by enX post the implementation of the internal restructure (referred to in paragraph 5.3 below). The base subscription price is subject to typical leakage adjustments between 31 December 2020 and the subscription date, such adjusted amount being the final subscription price.
- 5.3 Prior to the implementation of the transaction, enX will undertake an internal restructure, following which Uni-Cape Marine, which is currently dormant and a wholly-owned subsidiary of 600SA Holdings, will become a wholly-owned subsidiary of enX Leasing and will subsequently be deregistered, and Saficon and 600SA Holdings will each become wholly owned subsidiaries of EIE Group. EIE Group will then in-turn be unbundled so as to become a wholly-owned subsidiary of enX. An organogram depicting the enX Group structure both before and after the implementation of the internal restructure has been included in **Annexure 6** to the circular.
- 5.4 In terms of the subscription agreement, CFAO South Africa will subscribe for newly issued ordinary shares in EIE Group for an amount equivalent to the final subscription price, payable to EIE Group. On the subscription date, and immediately upon payment of the final subscription price by CFAO South Africa, EIE Group will repurchase the EIE Group shares held by enX for an amount equivalent to the final subscription price. Following the share subscription and the share repurchase, CFAO South Africa will be the sole shareholder of EIE Group.
- 5.5 enX has undertaken in favour of CFAO South Africa not to compete with and not to solicit any customer of, suppliers to, or employees of the business carried on by the target companies as at the subscription date for a period of three years from the subscription date in any territory in which the target companies operate. However, all of enX's remaining businesses, including Eqstra, are excluded from the competition restriction as they are not deemed to constitute a competing business.
- 5.6 In terms of the transitional services agreement, enX intends to provide information technology and whistle-blowing services to the target companies for a period of up to 12 months after the subscription date.
- 5.7 The transaction is subject to WR&I that are customary for transactions of this nature. enX will be liable for the WR&I for periods of either 30 or 60 months after closing depending on the nature thereof. The WR&I will be secured by an amount held in escrow in terms of the escrow agreement. WR&I claims are subject to a *de-minimis* provision and threshold and are capped in aggregate by the final subscription price.

6. SUSPENSIVE CONDITIONS

The implementation of the transaction remains subject to, *inter alia*, the fulfilment and/or waiver of the following outstanding suspensive conditions by no later than the longstop date or extended longstop date, as the case may be:

- 6.1 the internal restructure being implemented to the satisfaction of CFAO South Africa;
- 6.2 enX shareholders approving the transaction, as required in terms of the Companies Act, JSE Listings Requirements and enX's memorandum of incorporation;
- 6.3 all requisite regulatory approvals for the implementation of the transaction having been obtained from all requisite Competition Authorities;
- 6.4 approval of the internal restructure and transaction and release of certain securities by the target companies' funders, as well the amendment of certain security and funding agreements;
- 6.5 the conclusion of a share repurchase agreement between enX and EIE Group;
- 6.6 the board of directors of EIE Group receiving and delivering to the shareholders of EIE Group, a report prepared by an independent expert in respect of the share repurchase as contemplated in section 114 of the Companies Act and such report advising that the share repurchase is fair and reasonable in regard to the shareholders of EIE Group;
- 6.7 certain material third party consents being obtained;
- 6.8 the conclusion of the transitional service agreement;
- 6.9 an escrow agreement being signed and becoming unconditional in accordance with its terms; and

- 6.10 on the subscription date, there having been no material adverse event between the date of signature of the subscription agreement and the subscription date. A material adverse event shall exclude:
- 6.10.1 an event, fact or circumstance which has or is reasonably likely to have, individually or in the aggregate, an adverse impact of less than 30% on the annual net profits after tax of the target companies;
 - 6.10.2 any failure, in and of itself, by the target companies to meet any internal or published projections, forecasts, estimates or predictions in respect of revenues, earnings or other financial or operating metrics for any period (it being understood that the facts or occurrences giving rise to or contributing to such failure may be deemed to constitute, or be taken into account in determining whether there has been, or is reasonably expected to be, a material adverse effect, to the extent permitted by the definition); or
 - 6.10.3 any consequence directly related to COVID-19 pandemic.

7. SHAREHOLDER APPROVAL REQUIRED

The transaction constitutes a category one disposal in terms of section 9.5 of the JSE Listings Requirements. Accordingly, an ordinary resolution of shareholders in terms of section 9.20 of the JSE Listings Requirements will be presented to shareholders at the general meeting in order to approve the transaction.

8. THE GENERAL MEETING

- 8.1 A general meeting of enX shareholders will be held at 10:00 on Thursday, 20 January 2022 at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196, 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 circular.
- 8.2 In light of the guidance from the South African Government regarding the need for social distancing, as a result of the COVID-19 pandemic, shareholders are encouraged to make use of proxies for purposes of voting at the general meeting.
- 8.3 In the event of future regulations or directives or preventative measures relating to COVID-19, shareholders or their proxies may be prevented from attending the general meeting in person. In such circumstances, enX may determine, by way of notice to shareholders published on SENS and in the South African press by no later than 10 (ten) business days prior to the general meeting, that the general meeting will take place entirely by electronic means and/or that shareholders or their proxies will be entitled to vote electronically, which notice will include details and instructions of such arrangement.

PART II: FINANCIAL INFORMATION

9. PRO FORMA FINANCIAL INFORMATION

- 9.1 The *pro forma* statement of financial position and statement of comprehensive income of enX, showing the *pro forma* effects of the transaction (the “*pro forma financial information*”), is set out in **Annexure 1**.
- 9.2 The *pro forma* financial information has been provided for illustrative purposes only, to provide information on how the transaction may have affected the financial position of enX, assuming it was implemented on 31 August 2021 and the statement of comprehensive income assuming it was implemented on 1 September 2020. Because of its nature, the *pro forma* financial information may not fairly represent enX’s financial position, changes in equity, results of operations or cash flows after the transaction.
- 9.3 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 board of directors. The *pro forma* financial information has been prepared in accordance with enX’s accounting policies and in compliance with IFRS and are consistent with those applied in the audited annual financial statements of enX for the year ended 31 August 2021. The *pro forma* financial information is presented in accordance with the JSE Listings Requirements and the Guide on *pro forma* financial information issued by the South African Institute of Chartered Accountants (“SAICA”).
- 9.4 Extracts from the *pro forma* financial information of enX are set out below:

	Before the transaction (cents)	Pro forma after the transaction (cents)	Percentage change
Basic earnings per share (cents)	165.43	190.29	18.2
Diluted earnings per share(cents)	165.43	190.29	18.2
Headline earnings per share (cents)	208.01	233.97	13.9
Net asset value per share (cents)	1 447	1 292	(10.7)
Net tangible asset value per share (cents)	1 434	1 279	(10.8)
Number of shares in issue	182 312 650	182 312 650	–
Weighted number of shares in issue (net of treasury shares)	181 366 763	181 366 763	–

- 9.5 Detailed notes and assumptions regarding the *pro forma* financial information are set out in **Annexure 1**. The *pro forma* financial information should be read in conjunction with the independent reporting accountant’s assurance report thereon, as contained in **Annexure 2**.

10. HISTORICAL FINANCIAL INFORMATION

- 10.1 The historical financial information of EIE Group, which was extracted from the audited financial statements of enX for the years ended 31 August 2021, 31 August 2020 and 31 August 2019 has been incorporated by reference in terms of paragraph 11.61 of the JSE Listings Requirements and is available on the company’s website at the following link:
www.enxgroup.co.za/sens/circulars_/.
- 10.2 The historical financial information is the responsibility of the board of directors.
- 10.3 The independent reporting accountants’ report on the historical financial information is presented in **Annexure 3**.

PART III: GENERAL

11. MAJOR AND CONTROLLING SHAREHOLDERS

11.1 Set out below are the names of enX shareholders, other than directors, that were, directly or indirectly, beneficially interested in 5% or more of the issued shares as at the last practicable date:

Shareholder	Direct beneficial	Indirect beneficial	Total shares	% of issued share capital
MCC Contracts Proprietary Limited	31 305 360	30 000 000	61 305 360	33.63
PSG Group Limited	–	19 482 634	19 482 634	10.69
M&G Investments Southern Africa Proprietary Limited	–	17 824 286	17 824 286	9.78
Samvenice Trading 1 Proprietary Limited	12 785 271	–	12 785 271	7.01
Sunwood Trading and Investments	9 769 375	–	9 769 375	5.36
Total	53 860 006	67 306 920	121 166 926	66.47

11.2 As at the last practicable date, the Company does not have a controlling shareholder and the transaction will not result in the Company having a controlling shareholder.

12. DIRECTORS' INTERESTS

12.1 Directors' interests in enX shares

12.1.1 Set out below are the interests of directors (including their associates) in enX shares as at 31 August 2021. Direct and indirect beneficial interests are disclosed.

Director	Direct beneficial	Indirect beneficial	Held by associates	Total shares	% of total shares
A Hannington	–	10 987 092	–	10 987 092	6.0
P Baloyi	–	8 405 416	–	8 405 416	4.6
W Chapman	–	26 018 563	–	26 018 563	14.3
O Mabandla	–	1 738 167	–	1 738 167	1.0
Total	–	47 149 238	–	47 149 238	25.9

12.1.2 There were no changes to the interests of directors in enX shares between 31 August 2021 and the last practicable date.

12.2 Directors' interests in transactions

Save in respect of the directors' interests in enX shares, as set out in paragraph 12.1 above and the limited indemnity not exceeding R15 000 000 to each of the Capleverage Proprietary Limited shareholders against any claims made against them by the Industrial Development Corporation of South Africa, as approved by enX shareholders at the annual general meeting held on 19 March 2021, no director of enX has or had any material beneficial interest, whether direct or indirect, in any transaction that was effected by enX during the current or immediately preceding financial year or during an earlier financial year and which remains in any respect outstanding or unperformed.

13. DIRECTORS' EMOLUMENTS

13.1 The emoluments of the directors of enX for the year ended 31 August 2021 is as follows:

	Directors' fees R'000	Salary R'000	Bonus R'000	Retirement contributions R'000	Other benefits R'000	Total R'000
<i>Executive directors</i>						
A Hannington	–	3 500	3 500	–	–	7 000
R Lumb	–	2 700	2 640	426	174	5 940
O Mabandla ¹	330	750	–	–	–	1 080
<i>Non-executive directors</i>						
P Baloyi ²	935	–	–	–	–	935
W Chapman	370	–	–	–	–	370
V Jarana ²	671	–	–	–	–	671
Z Matthews	342	–	–	–	–	342
L Molefe	549	–	–	–	–	549
B Nkonyama	638	–	–	–	–	638
Total	3 835	6 950	6 140	426	174	17 525

Notes:

1. Appointed as an executive director effective 2 June 2021.

2. Appointed effective 3 September 2021

13.2 Save as set out in paragraph 13.1 above, no director of enX received any emoluments for the last financial period, being the year ended 31 August 2021, in the form of:

13.2.1 fees for services as a director;

13.2.2 management, consulting, technical or other fees paid for services rendered as a director, directly or indirectly, including payments to management companies, a part of which is then paid to a director of the Company;

13.2.3 basic salaries;

13.2.4 bonuses and performance-related payments;

13.2.5 sums paid by way of expense allowance;

13.2.6 any other material benefits;

13.2.7 contributions paid under any pension scheme; or

13.2.8 any commission, gain or profit-sharing arrangements.

13.3 No share options or any other right has been given to a director in respect of providing a right to subscribe for shares in enX.

13.4 No shares or share options have been issued and allotted in terms of a share purchase or option scheme for employees or other share purchase or option scheme.

13.5 All directors are remunerated in their capacity as directors by the enX Group. No director receives any remuneration or benefit in their capacity as directors in any form from any holding company or subsidiary of enX (or from their associates), from any joint venture of enX or any holding company or subsidiary of enX, or from any third party management or advisor to enX or to any holding company or subsidiary of enX.

13.6 Save as set out in this paragraph 13, the Company has not entered into any contracts relating to directors' and managerial remuneration, secretarial and technical fees or restraint payments. Contracts of employment with executive directors of enX were concluded on terms and conditions that are standard for such appointments and contain normal terms of employment. The contracts of employment are available for inspection as described in paragraph 23 of this circular. There are no service contracts in place in respect of non-executive directors of enX.

13.7 Other than Oyama Mabandla and Robert Lumb, who are required to resign as interim chief executive officer (“CEO”) and chief financial officer (“CFO”) of EIE Group, respectively, if they remain in such positions at the subscription date, the remuneration of directors of enX will not be varied as a consequence of the transaction.

13.8 Management of EIE Group

enX has a board and management team with a broad range of skills to support enX’s ongoing operations. Following the implementation of the transaction, the EIE Group executive management team will continue to be employed by EIE Group. Oyama Mabandla will resign as interim CEO of EIE Group and will again serve as non-executive director of enX. Brent Hean will resign as interim chief operating officer of EIE Group and will return to his full time role as CEO of West Africa International. Robert Lumb, who serves as joint CFO of enX Group and EIE Group, will resign as CFO of EIE Group and will remain as the CFO of enX Group. The search for a permanent CEO of EIE Group is currently underway and the appointment to this executive position may take place prior to the subscription date. Save as aforesaid there will be no changes to enX’s senior management team pursuant to the transaction.

14. MATERIAL CONTRACTS

Save for:

14.1 the transaction agreements, the salient features of which are set out in paragraph 5;

14.2 the loan agreements detailed in **Annexure 5**; and

14.3 the material contracts, the salient features of which are set out in **Annexure 4**,

no material contracts, being restrictive funding arrangements and/or contracts entered into otherwise than in the ordinary course of business have been entered into either verbally or in writing by enX, any of its major subsidiaries or by any subsidiary within two years prior to the last practicable date or concluded at any time, and which contain an obligation or settlement that is material to the Company and/or its subsidiaries.

15. MATERIAL CHANGES

There has been no material change in the financial or trading position of the enX Group between 31 August 2021, being the latest reported period, and the date of this circular, save for.

15.1 the conclusion of an agreement with the Eqstra lending syndicate on 30 November 2021 to reduce gearing, extend maturities and improve Eqstra’s cost of debt financing. In this regard, R350 million has been injected into Eqstra and used entirely to repay its lenders.

16. MATERIAL BORROWINGS

Details of all material loans made to enX 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 5**.

17. STATEMENT AS TO WORKING CAPITAL

Having considered the effects of the transaction, the anticipated use of proceeds and on the assumption that the transaction takes place on or about 15 December 2021, being the date of issue of the circular, the directors are of the opinion that:

17.1 enX and the enX Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of approval of this circular;

17.2 the consolidated assets of the enX Group, fairly valued, will be in excess of the consolidated liabilities of the enX Group for a period of 12 months after the date of approval of this circular;

17.3 the share capital and reserves of enX and the enX Group will be adequate for ordinary business purposes for a period of 12 months after the date of approval of the circular; and

17.4 the working capital of enX and the enX Group will be adequate for ordinary business purposes for a period of 12 months after the date of the approval of this circular.

18. LITIGATION

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened, of which the board of directors is aware, that may have had, or have during the 12 months preceding the last practicable date had, a material effect on the Group's financial position.

19. RESPONSIBILITY STATEMENT

The directors, whose names are given on page 12 of this circular, collectively and individually accept full responsibility for the accuracy of the information contained in this circular 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, that all reasonable enquiries to ascertain such facts have been made, and that the circular contains all information required by the JSE Listings Requirements.

20. OPINION AND RECOMMENDATION

20.1 The board of directors is of the opinion that the transaction is beneficial to enX shareholders and, accordingly, recommends that enX shareholders vote in favour of the resolutions to be proposed at the general meeting. The opinion of the directors as to the prospects of the company following implementation of the transaction is set out in paragraph 2 above.

20.2 Those directors that hold a beneficial interest in enX shares intend voting in favour of the transaction and all resolutions to be proposed at the general meeting.

21. ADVISORS' CONSENTS

21.1 The transaction sponsor, independent reporting accountant, legal advisor, company secretary, and transfer secretaries have each consented in writing to act in the capacities stated and to their names appearing in this circular, which consent has not been withdrawn prior to the issue of this circular.

21.2 The independent reporting accountant has consented to the inclusion of its reports in the circular in the form and context in which they appear, which consent has not been withdrawn prior to the issue of this circular. The independent reporting accountant has confirmed that the contents of the circular are not contradictory to the information contained in their reports.

22. PRELIMINARY AND ISSUE EXPENSES

The estimated total amount of expenses (excluding VAT) incurred by enX in respect of the transaction within the three years preceding the last practicable date are set out below:

Fees incurred by enX	Recipient	Rands
JSE transaction sponsor fees	Java Capital	550 000
Independent reporting accountant's fees	Deloitte	350 000
Legal fees	Munro Smith Parker	4 000 000
Competition Authority filing fee	Competition Authorities	275 000
Printing and typesetting costs	Ince	100 000
JSE documentation fees	JSE	55 862
Contingency		125 000
Total		5 455 862

23. DOCUMENTS AVAILABLE FOR INSPECTION

In light of the COVID-19 pandemic and the resultant lockdown regulations, copies of the documents below will only be available for inspection electronically and may be obtained from the Company by sending a request to info@enxgroup.co.za.

23.1 this circular;

23.2 the MOI;

23.3 the memorandum of incorporation of each of the company's major subsidiaries;

23.4 the transaction agreements;

- 23.5 the loan agreements;
- 23.6 the material contracts referenced in paragraph 14;
- 23.7 the employment contracts of the executive directors;
- 23.8 the signed reports by the independent reporting accountant as set out in **Annexure 2** and **Annexure 3**;
- 23.9 the audited annual financial statements of the Company for the financial years ended 31 August 2021, 31 August 2020 and 31 August 2019;
- 23.10 the historical financial information of EIE Group, which was extracted from the audited financial statements of enX, for the years ended 31 August 2021, 31 August 2020 and 31 August 2019; and
- 23.11 the written consents referenced in paragraph 21.

24. DOCUMENTS INCORPORATED BY REFERENCE

The following information has been incorporated by reference and is available for viewing on the Company's website at www.enxgroup.co.za/sens/circulars_/

- 24.1 The historical financial information of EIE Group, which was extracted from the audited financial statements of enX, for the years ended 31 August 2021, 31 August 2020 and 31 August 2019.

Signed on behalf of the board of directors

Andrew Hannington
Chief Executive Officer

15 December 2021

***PRO FORMA* FINANCIAL INFORMATION**

Set out below is the *pro forma* statement of financial position and statement of comprehensive income of enX, showing the *pro forma* effects of the transaction (the “***pro forma financial information***”).

The *pro forma* financial information has been provided for illustrative purposes only, to provide information on how the transaction may have affected the financial position of enX, assuming it was implemented on 31 August 2021 and the statement of comprehensive income assuming it was implemented on 1 September 2020. Because of its nature, the *pro forma* financial information may not fairly represent enX’s financial position, changes in equity, results of operations or cash flows after the transaction.

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 board of directors. The *pro forma* financial information has been prepared in accordance with enX’s accounting policies and in compliance with IFRS and are consistent with those applied in the audited annual financial statements of enX for the year ended 31 August 2021. The *pro forma* financial information is presented in accordance with the JSE Listings Requirements and the Guide on *pro forma* financial information issued by SAICA.

The *pro forma* financial information should be read in conjunction with the independent reporting accountant’s assurance report thereon, which is presented in **Annexure 2**.

Pro forma statement of financial position

	enX Last published results R'000	Disposal of EIE Group R'000 Note 2.2, 2.3 & 2.4	Receipt of final subscription price after transaction costs R'000	Use of proceeds R'000	Pro forma after the adjustments R'000
	Note 1	Note 2.4	Note 2.5	Note 2.6	Note 2
ASSETS					
Non-current assets	3 185 840	–	–	–	3 185 840
Property, plant, equipment and right of use assets	259 561	–	–	–	259 561
Leasing assets	2 769 789	–	–	–	2 769 789
Goodwill	–	–	–	–	–
Intangible assets	33 375	–	–	–	33 375
Investment in associate	103 852	–	–	–	103 852
Unlisted investments and loans	851	–	–	–	851
Deferred taxation	18 412	–	–	–	18 412
Current assets	2 334 733	–	671 544	(537 235)	2 469 042
Trade, other receivables and derivatives	810 697	–	–	–	810 697
Inventories	665 356	–	–	–	665 356
Taxation receivable	2 663	–	–	–	2 663
Bank and cash balances	856 017	–	671 544	(537 235)	990 326
Assets held for sale	2 794 679	(2 794 679)	–	–	–
Total assets	8 315 252	(2 794 679)	671 544	(537 235)	5 654 882
EQUITY AND LIABILITIES					
Capital and reserves	2 661 950	(680 794)	671 544	(272 050)	2 380 650
Stated capital	3 134 092	–	–	(272 050)	2 862 042
Other reserves	(733 554)	–	–	–	(733 554)
Accumulated (loss)/profits	224 597	(680 794)	671 544	–	215 347
Equity attributable to equity holders of the parent	2 625 135	(680 794)	671 544	(272 050)	2 343 835
Non-controlling interests	36 815	–	–	–	36 815

	enX Last published results R'000	Disposal of EIE Group R'000 Note 2.2, 2.3 & 2.4	Receipt of final subscription price after transaction costs R'000 Note 2.5	Use of proceeds R'000 Note 2.6	Pro forma after the adjustments R'000
	Note 1	Note 2.2, 2.3 & 2.4	Note 2.5	Note 2.6	Note 2
Non-current liabilities	2 046 164	–	–	–	2 046 164
Interest-bearing liabilities	1 700 071	–	–	–	1 700 071
Deferred vendor consideration	–	–	–	–	–
Lease liabilities	93 415	–	–	–	93 415
Employee benefits	1 179	–	–	–	1 179
Deferred taxation	251 499	–	–	–	251 499
Current liabilities	1 493 253	–	–	(265 185)	1 228 068
Interest-bearing liabilities	359 556	–	–	(265 185)	(94 371)
Deferred vendor consideration	–	–	–	–	–
Lease liabilities	30 584	–	–	–	30 584
Trade, other payables, provisions and derivatives	1 083 882	–	–	–	1 083 882
Taxation payable	19 231	–	–	–	19 231
Bank overdrafts	–	–	–	–	–
Liabilities associated with assets held for sale	2 113 885	(2 113 885)	–	–	–
Total equity and liabilities	8 315 252	(2 794 679)	671 544	(537 235)	5 654 882
Supplementary information:					
Number of shares in issue	182 312 650				182 312 650
Weighted number of shares in issue (net of treasury shares)	181 366 763				181 366 763
Net asset value per share (cents) [#]	1 447				1 292
Net tangible asset value per share (cents)	1 434				1 279

Notes and assumptions:

1. Extracted without adjustment from the audited condensed consolidated financial statements of enX for the year ended 31 August 2021.
2. The figures in the "Pro forma After the Adjustments" column above reflect the *pro forma* effects on the "enX Last published results" resulting from the transaction after taking into account the following:
 - 2.1 The transaction is assumed to have been implemented on 31 August 2021 for the purpose of calculating the *pro forma* impact on the net asset value per share and net tangible asset value per share.
 - 2.2 The EIE Group figures have been extracted from the audited accounts of enX for the year ended 31 August 2021. The breakdown of the assets and liabilities held for sale are as follows:

Disposal group held for sale – EIE Group	EIE Group Historical Information R'000	Adjustments at a group level R'000	Included in enX Last published results R'000
		Note 2.3	
Assets			
Property, plant and equipment	209 163	(33 475)	175 688
Leasing assets	1 952 074	–	1 952 074
Goodwill	278	–	278
Intangible assets	265	–	265
Loans due by group entities	383	(383)	–
Deferred taxation	35 995	–	35 995
Trade and other receivables	269 615	(321)	269 294
Inventories	453 647	–	453 647
Derivative financial assets	374	–	374
Taxation receivable	4 408	–	4 408
Bank and cash balances	10 636	–	10 636
Impairment of held for sale assets	–	(107 980)	(107 980)
Total assets	2 936 838	(142 159)	2 794 679
Liabilities			
Interest-bearing liabilities	1 560 095	–	1 560 095
Lease liabilities	52 048	(35 018)	17 030
Employee benefits	813	–	813
Deferred taxation	164 604	–	164 604
Amounts owing to group companies	88 408	(88 408)	–
Trade, other payables and provisions	357 017	(1 982)	355 035
Derivative financial liabilities	1 386	–	1 386
Bank overdraft	14 922	–	14 922
Total liabilities	2 239 293	(125 408)	2 113 885

- 2.3 The assets and associated liabilities forming part of the EIE Group held for sale include eliminations that take place at a group level. These eliminations include the elimination of inter-group right of use assets, lease liabilities, trade receivables, trade payables and loans. In addition, the elimination relates to an impairment of the EIE Group of R108 million in terms of IFRS 5 as the carrying amount of the EIE Group was higher than the fair value less cost to sell.
- 2.4 These numbers have been adjusted to exclude the stated capital as this is eliminated on consolidation at a group level and therefore cannot be deducted from the group numbers.
- 2.5 The base subscription price associated with the transaction is R700 million. This has been reduced by the estimated costs associated with the transaction amounting to R5.5 million. These one-off costs include the estimated costs of preparing and distributing this circular, holding the general meeting, estimated taxation, implementing the transaction, including the fees payable to professional advisors as well as any costs as categorised in the subscription agreement. The base subscription price has further been reduced by estimated leakages of R23 million. enX has agreed to compensate the purchaser for leakage via a reduction to the base subscription price. The net cash proceeds are reconciled as follows:

	R'000
Gross proceeds (Transaction value)	700 000
Transaction costs	(5 456)
Leakage	(23 000)
Net proceeds	671 544

- 2.6 The net cash proceeds received as per note 2.5 has been applied as follows:
- 2.6.1 a distribution of R272.1 million to enX shareholders amounting to R1.50 per share;
- 2.6.2 a deposit of R134.3 million into an escrow account for a period of 24 months post the completion of the transaction (or such longer period in the event that there are unresolved claims) as restricted cash collateral for claims in relation to the WR&I; and
- 2.6.3 the remaining net cash proceeds of R265.2 million towards reducing the current group debt.
- 2.7 The once-off net loss on the sale of the EIE Group is R9.25 million. This loss is based on the net cash proceeds received of R671.54 million less the net asset value of the EIE Group as at 31 August 2021, being R697.55 million, including the eliminations at a group level.
3. The *pro forma* financial information under note 2 (after the adjustments included as described in notes 2.2 to 2.6) represents the statement of financial position of enX after the implementation of the transaction.
4. There are no other post-balance sheet events which require adjustment to the *pro forma* statement of financial position.

Pro forma statement of profit or loss and other comprehensive income

	enX Last published results R'000 Note 1	Disposal of EIE Group R'000 Note 2.2	Once off net loss on disposal of EIE Group R'000 Note 2.6	Income based on use of proceeds R'000 Note 2.7	Pro forma after the adjustments R'000 Note 2
Revenue	4 334 591	-	-	-	4 334 591
Cost of sale	(2 934 691)	-	-	-	(2 934 691)
Gross profit	1 399 900	-	-	-	1 399 900
Expected credit (release)/losses	28 384	-	-	-	28 384
Other operating expenses	(1 086 675)	-	-	-	(1 086 675)
Operating profit before the items mentioned below	341 609	-	-	-	341 609
Impairment of goodwill, intangibles and PPE	(1 721)	-	-	-	(1 721)
Adjustment on deferred vendor loan	-	-	-	-	-
Income/(expenses) on sale of the EIE business	-	-	-	-	-
(Loss)/profit before interest and taxation	339 888	-	-	-	339 888
Net finance costs	(151 757)	-	-	28 619	(123 138)
Interest received	6 902	-	-	8 730	15 632
Interest expense	(158 659)	-	-	19 889	(138 770)
Share of profits from associate	32 936	-	-	-	32 936
(Loss)/profit before taxation	221 067	-	-	28 619	249 686
Taxation	(55 593)	-	-	(8 013)	(63 606)
(Loss)/profit after taxation	165 474	-	-	20 606	186 080
Discontinued operations					
Profit for the year from discontinued operations	136 716	33 903	(9 250)	-	161 369
Net profit after taxation ("PAT")	302 190	33 903	(9 250)	20 606	347 449

	enX Last published results R'000 Note 1	Disposal of EIE Group R'000 Note 2.2	Once off net loss on disposal of EIE Group R'000 Note 2.6	Income based on use of proceeds R'000 Note 2.7	Pro forma after the adjustments R'000 Note 2
<i>Attributable to:</i>					
Equity holders of the parent	299 858	33 903	(9 250)	20 606	345 117
Continuing operations	163 142	–	–	20 606	183 748
Discontinuing operations	136 716	33 903	(9 250)	–	161 369
Non-controlling interests	2 332	–	–	–	2 332
Net (loss)/profit after taxation (“PAT”)	302 190	33 903	(9 250)	20 606	347 449
<i>Other comprehensive income net of taxation:</i>					
(Loss)/profit after taxation	302 190	33 903	(9 250)	20 606	347 449
Items that may be reclassified subsequently to profit or loss:					
– Foreign currency translation reserve	(95 870)	–	–	–	(95 870)
Total comprehensive (loss)/income	206 320	33 903	(9 250)	20 606	251 579
<i>Attributable to:</i>					
Equity holders of the parent	203 988	33 903	(9 250)	20 606	249 247
Non-controlling interests	2 332	–	–	–	2 332
Total comprehensive (loss)/income	206 320	33 903	(9 250)	20 606	251 579
(Loss)/profit per share					
Basic (loss)/earnings per share (cents)	165.43				190.29
Diluted (loss)/earnings per share (cents)**	165.43				190.29
Headline (loss)/earnings per share (cents)	208.01				233.97
Number of shares in issue	182 312 650				182 312 650
Weighted number of shares in issue (net of treasury shares)	181 366 763				181 366 763
Headline earnings reconciliation					
Net profit after taxation attributable to equity holders of the parent	299 858	33 903	(9 250)	20 606	345 117
Adjusted for:					
Profit on disposal of property, plant and equipment	(3 417)	–	–	–	(3 417)
Impairment of goodwill, intangible assets and property	114 519	–	–	–	114 519
Loss on disposal of subsidiary	(32 819)	–	–	–	(32 819)
Taxation effect on adjustments	(874)	–	–	–	(874)
Headline earnings attributable to ordinary shareholders	377 267	33 903	(9 250)	20 606	422 526

The dilutionary instruments in issue have an anti-dilutionary effect in the prior year.

Notes and assumptions:

1. Extracted without adjustment from the audited condensed consolidated financial statements of enX for the year ended 31 August 2021.
2. The figures in the “*Pro forma* After the Adjustments” column above reflect the *pro forma* effects on the “enX Last published results” resulting from the transaction after taking into account the following assumptions:
 - 2.1 The transaction was implemented on 1 September 2020 for the purposes of determining *pro forma* statement of profit or loss and other comprehensive income, earnings per share, diluted earnings per share, headline earning per share and diluted headline earning per share and adjusted headline earnings per share.
 - 2.2 The EIE Group figures have been extracted from the audited accounts of EIE Group for the year ended 31 August 2021.

	EIE Group Historical Information R'000	Adjustments at a group level R'000	enX Last published results R'000
Note 2.3			
Discontinued operations			
Consolidated discontinued statement of comprehensive income			
Revenue	2 111 067	–	2 111 067
Cost of sales	(1 496 316)	–	(1 496 316)
Gross profit	614 751	–	614 751
Expected credit losses	(9 672)	–	(9 672)
Operating expenses	(387 574)	12 625	(374 949)
Operating profit before items listed below	217 505	12 624	230 129
Impairment of goodwill, intangibles and PPE	(4 818)	–	(4 818)
Impairment of held for sale assets	–	(107 980)	(107 980)
Profit before interest and taxation	212 687	(95 356)	117 331
Net finance costs	(131 040)	–	(131 040)
Interest received	2 421	–	2 421
Interest expense	(133 461)	–	(133 461)
Net profit before tax	81 647	(95 355)	(13 708)
Attributable taxation expense	(19 423)	(772)	(20 195)
Net profit after taxation from discontinued operations	62 224	(96 127)	(33 903)

- 2.3 The discontinued operations of EIE Group takes into account the release of the IFRS 3 inventory and deferred tax provisions that arose on the acquisition of EIE Group in November 2016, which have been derecognised of as part of the year end reporting. Furthermore, the discontinued operation of EIE Group takes into account the impairment of the EIE Group amounting to R108 million in terms of IFRS 5 as the carrying amount of EIE Group was higher than the fair value less cost to sell.
- 2.4 The net cash proceeds of the transaction as at 1 September 2020 are R671.5 million. This is seen to have been received on 1 September 2020 as though the transaction happened on this day.
- 2.5 The fair value less cost to sell of EIE Group considers the base subscription price receivable in respect of the disposal of EIE Group is an amount equal to R700.0 million on 1 September 2020. This has been reduced by the estimated costs associated with the transaction amounting to R5.5 million. These one-off costs include the estimated costs of preparing and distributing this circular, holding the general meeting, estimated taxation, implementing the transaction, including the fees payable to professional advisors as well as any costs as categorised in the subscription agreement. The base subscription price has further been reduced by estimated leakage of R23 million. enX has agreed to compensate the purchaser for leakage via a reduction to the base subscription price. These costs have been taken into account in calculating the fair value less cost of EIE Group.
- 2.6 The once-off net loss on the sale of the EIE Group is R9.25 million. This loss is based on the net cash proceeds received of R671.54 million less the net asset value of EIE Group as at 31 August 2021, being R697.55 million, including the eliminations at a group level.
- 2.7 The net cash proceeds received as per note 2.5 have been applied as follows:
 - 2.7.1 a distribution of R272.1 million to enX shareholders amounting to R1.50 per share;
 - 2.7.2 a deposit of R134.3 million into an escrow account for a period of 24 months post the completion of the transaction (or such longer period in the event that there are unresolved claims) as restricted cash collateral for claims in relation to the warranties, representations and indemnities. As these funds are required to be held in escrow in terms of the transaction agreements, management intends for the funds to be invested in a two-year fixed deposit, earning interest at an estimated effective rate of 6.5%. This results in interest earned of R8.7 million, which will endure of a two-year period;
 - 2.7.3 remaining net cash proceeds of R265.2 million towards reducing the current group debt. This results in a pre-tax interest saving for the 12 months ended 31 August 2021 of R19.9 million, calculated utilising an average cost of funding of 7.5%.
3. The *pro forma* financial information under note 2 (after the adjustments included as described in notes 2.2 to 2.7) represents the *pro forma* consolidated statement of profit or loss and other comprehensive income of enX after the implementation of the transaction.
4. There are no other subsequent events that require adjustments to the *pro forma* financial information.
5. All adjustments are of a continuing nature unless indicated otherwise.

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

To the Directors
enX Group Limited
9th Floor, Katherine Towers
1 Park Lane
Wierda Valley
Sandton
2196

Dear Sirs/Madames

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

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of enX Group Limited ("the Group") by the directors. The *pro forma* financial information, as set out in paragraph 9 and **Annexure 1** of the circular ("the circular"), to be dated on or about 15 December 2021, consists of *pro forma* consolidated statement of profit or loss and the *pro forma* consolidated statement of financial position and related notes. The *pro forma* financial information has been compiled on the basis of the applicable criteria specified in the JSE Limited (JSE) Listings Requirements.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of the corporate action or event, described in Paragraph 1 of the circular, on the Group's financial position as at 31 August 2021, and the Group's financial performance for the period then ended, as if the corporate action or event had taken place at 1 September 2020 and for the period then ended. As part of this process, information about the Group's financial position and financial performance has been extracted by the directors from the Group's financial statements for the period ended 31 August 2021, on which an auditor's report was issued on 3 November 2021 and contained an unqualified audit opinion.

*Directors' Responsibility for the *Pro Forma* Financial Information*

The directors 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 9 and **Annexure 1** of the circular.

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 the 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 specified in the JSE Listings Requirements 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* which is applicable to an engagement of this nature. This standard requires that we comply with ethical requirements and 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 included in a prospectus is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction at 31 August 2021 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 in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, 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.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the company, the corporate action or event 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 9 and **Annexure 1** of the circular.

Deloitte & Touche

Registered Auditor

Per: Tumellano Lavhengwa

Partner

7 December 2021

Deloitte & Touche, Registered Auditors, 5 Magwa Crescent Waterfall City Waterfall (Private Bag X6, Gallo Manor, 2052)

INDEPENDENT REPORTING ACCOUNTANT’S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF EIE GROUP

The Directors
enX Group Limited
9th Floor, Katherine Towers
1 Park Lane
Wierda Valley
Sandton
2196

Dear Sirs/Madams

INDEPENDENT REPORTING ACCOUNTANT’S REPORT ON THE CONSOLIDATED HISTORICAL FINANCIAL INFORMATION INCLUDED IN THE CIRCULAR

Introduction

We have:

- audited the consolidated historical financial information of Eqstra Industrial Equipment South Africa (“the Company”) in respect of the year ended 31 August 2021, included by reference in Paragraph 10 of the circular dated on or about 15 December 2021 (“the Circular”); and
- we have reviewed the consolidated historical financial information of the Company in respect of the years ended 31 August 2020 and 31 August 2019, included by reference in Paragraph 10 of the Circular.

Consolidated Historical Financial Information for the year ended 31 August 2021

Opinion

The consolidated historical financial information in respect of the year ended 31 August 2021, included by reference in Paragraph 10 of the Circular, comprises the statement of financial position as at 31 August 2021, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated historical financial information, including a summary of significant accounting policies.

In our opinion, the consolidated historical financial information presents fairly, in all material respects, the statement of financial position of the Company as at 31 August 2021, and its statements of comprehensive income, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards and the JSE Listings Requirements.

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 *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the group 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)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Directors’ Responsibility for the Consolidated Historical Financial Information

The Company’s directors are responsible for the preparation and fair presentation of the consolidated historical financial information for the year ended 31 August 2021 in accordance International Financial Reporting Standards and the JSE Listings Requirements, and for such internal control as the directors determine is necessary to enable the preparation of consolidated historical financial information that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated historical financial information, the directors are responsible for assessing the Company'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 the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of Consolidated Historical Financial Information for the year ended 31 August 2021

Our objectives are to obtain reasonable assurance about whether the consolidated historical financial information for the year ended 31 August 2021 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor'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 the consolidated historical financial information.

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 consolidated historical financial information, 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.
- Conclude on the appropriateness of the directors' 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 the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated historical financial information 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity's activities within the Company to express an opinion on the consolidated historical financial information. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.
- Evaluate the overall presentation, structure and content of the consolidated historical financial information, including the disclosures, and whether the consolidated historical financial information represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated historical financial information of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Consolidated Historical Financial Information for the years ended 31 August 2020 and 31 August 2019

We have reviewed the consolidated historical financial information of the Company in respect of the years ended 31 August 2020 and 31 August 2019 included by reference in Paragraph 10 of the Circular, comprising the statement of financial position, and the statements of comprehensive income, changes in equity and cash flows, including a summary of significant accounting policies and selected explanatory notes.

Directors' Responsibility for the Consolidated Historical Financial Information

The directors are responsible for the preparation and fair presentation of the consolidated historical financial information in accordance with International Financial Reporting Standards and the JSE Listings Requirements, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated historical financial information that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Reviews of the Consolidated Historical Financial Information for the years ended 31 August 2020 and 31 August 2019

Our responsibility is to express conclusions on the consolidated historical financial information for the years ended 31 August 2020 and 31 August 2019. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity (ISRE 2410), which applies to a review of the consolidated historical financial information 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 consolidated historical financial information is not prepared, in all material respects, in accordance with International Financial Reporting Standards and the JSE Listings Requirements. This standard also requires us to comply with relevant ethical requirements.

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

The procedures performed 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 consolidated historical financial information.

Conclusion on the Consolidated Historical Financial Information

Based on our review, nothing has come to our attention that causes us to believe that the consolidated historical financial information of the Company for the years ended 31 August 2020 and 31 August 2019 do not present fairly, in all material respects, the financial position of the Company as at 31 August 2020 and 31 August 2019, and its financial performance and cash flows for the years then ended, in accordance with International Financial Reporting Standards and the JSE Listings Requirements.

Purpose of the report

The purpose of our report is for the disposal of the Company and is not to be used for any other purpose.

Deloitte & Touche

Registered Auditor

Per: Tumellano Lavhengwa

Partner

7 December 2021

Deloitte & Touche, Registered Auditors, 5 Magwa Crescent, Waterfall City, Waterfall (Private Bag X6, Gallo Manor, 2052)

MATERIAL CONTRACTS

In addition to the transaction agreements, the salient features of which are set out in paragraph 5 of the circular, and the loan agreements described in **Annexure 5**, the following are details of material contracts, being (i) contracts entered into otherwise than in the ordinary course of business, within the two years prior to the date of this circular or at any time containing an obligation or settlement that is or may be material to the company or its subsidiaries at the last practicable date; and (ii) contracts that are otherwise considered material by the company.

1. EXIT BONUS AGREEMENT

- 1.1 On 8 December 2020, enX Leasing Investments, a wholly-owned subsidiary of the Company, concluded an exit bonus agreement (the “**Exit Bonus Agreement**”) with Impact Handling (UK) in relation to certain employees of Impact Handling (UK), being Terry Kendrew, Robin Harris and Steve Shakespeare (collectively, the “**employees**”) in terms of which the employees were entitled to certain monies (the “**bonus**”) in the event of a sale of more than 75% of the equity share capital of Impact Handling (UK) in one or a series of connected transactions (a “**sale**”).
- 1.2 In the event of a sale, the employees were entitled to a bonus payable by Impact Handling (UK) equal to the proportion of the aggregate sale price as set out in the table below:

Proceeds	Percentage
For all proceeds up to and including £22 000 000	3%
For all proceeds from and including £22 000 001 up to and including £30 000 000	5%
For all proceeds from and including £30 000 001	10%

- 1.3 The bonus was paid by Impact Handling (UK) to the employees on the completion of a sale in the following proportions:
- 1.3.1 Terry Kendrew, 40%;
- 1.3.2 Robin Harris, 40%; and
- 1.3.3 Steve Shakespeare, 20%.
- 1.4 enX Leasing Investments guaranteed Impact Handling (UK)’s obligation to pay the bonus to the employees in terms of the Exit Bonus Agreement.

2. DISPOSAL OF IMPACT FORK TRUCKS LIMITED

- 2.1 On 15 April 2021, enX and its wholly-owned subsidiary, enX Leasing Investments Proprietary Limited (the “**seller**”), entered into an agreement with Aprolis Holdings SAS (the “**purchaser**”) in respect of the disposal of 100% of the issued share capital of Impact Fork Trucks Limited (“**Impact Handling (UK)**”) for a disposal consideration of £31 000 000 (approximately R619.1 million at the time) plus the profit after tax of Impact Handling (UK) during the period between 1 September 2020 and 17 June 2021 (the “**completion date**”), subject to a maximum disposal consideration of £33 000 000 (the “**disposal**”).
- 2.2 The seller agreed to compensate the purchaser for any leakage that occurred outside of the ordinary course of business or that was directly related to the implementation of the disposal up to and including the completion date.
- 2.3 enX has undertaken not to compete with the business carried on by Impact Handling (UK) and its subsidiaries in the UK and/or Ireland for a period of two years commencing on the completion date.
- 2.4 The transaction agreement contains certain warranties and indemnities standard for a transaction of its nature. Furthermore, enX Leasing Investments provided standard interim undertakings regarding the manner in which Impact Handling (UK) and its subsidiaries conduct their business. All such warranties, indemnities and undertakings were subject to a mutually agreed limitation of liability regime which is normal for a transaction of this nature.
- 2.5 enX agreed to guarantee all the obligations of the seller under the transaction agreement and any other agreement or document entered into between the purchaser, the seller and/or Impact Handling (UK) or any of its subsidiaries in connection with the transaction.

3. **AGREEMENT WITH THE EQSTRA FLEET MANAGEMENT LENDING SYNDICATE**

- 3.1 On 30 November 2021, an agreement was concluded with the Eqstra lending syndicate, comprising Nedbank, RMB, Standard Bank, ABSA and HSBC, to reduce gearing, extend maturities and improve Eqstra's cost of debt financing.
- 3.2 In this regard, a capital amount of R350 million has been injected into Eqstra and used entirely to repay its lenders.

MATERIAL BORROWINGS

Set out below are details of all material loans made to enX and/or to any of its subsidiaries, that remain outstanding as at the last practicable date and will remain in the enX Group following the implementation of the transaction:

Amounts owing by enX Corporation Limited to the Eqstra Fleet Management and Logistics (“Eqstra”) lenders¹:

Details as to how loan arose	Counterparty	Original term	Facility (R)	Base rate	Credit margin over base rate	Interest rate ²	Amount utilised (R)	Advance date	Maturity date	Notes
Refinance of bank loans and debt capital market notes, which funding was employed to fund Eqstra's assets, primarily its fleet lease book	ABSA/ Nedbank/ RMB/SBSA	4 years	850 000 000	3m Jibar	3.56	7.427	850 000 000	17 December 2020	17 December 2024	Bullet payment on maturity
	ABSA/ Nedbank/ RMB/SBSA/HSBC	2 years	500 000 000	3m Jibar	2.87	6.737	500 000 000	17 December 2020	17 December 2022 ³	Bullet payment on maturity
	ABSA/ Nedbank/ RMB/SBSA	3 years	400 000 000	1m/3m Jibar	3.290	7.157	–	17 December 2020	17 December 2023	Revolving credit facility. Outstanding balance due on maturity
	ABSA/ Nedbank/ RMB/SBSA	90 days notice	200 000 000	Prime	(0.475) ⁴	6.775	38 850 000	17 December 2020	Evergreen	Repayable in 90 days if called
Total			1 950 000 000				1 388 850 000			

Notes

- The amounts due to the Eqstra lenders are secured primarily by guarantees, counter-indemnities, pledges and cessions over receivables and bank accounts and general notarial bonds over moveable assets granted by enX Corporation Limited, Eqstra NH Equipment Proprietary Limited, GPS Tracking Solutions Proprietary Limited, Eqstra Fleet Services Proprietary Limited, Omatemba Fleet Services Proprietary Ltd (Namibia), Amasondo Fleet Services Proprietary Limited and enX Fleet Management Botswana Proprietary Ltd (Botswana). Eqstra Investment Holdings Proprietary Limited is a guarantor of the facilities and enX Group Limited has provided a limited recourse causa guarantee in respect of the shares that it owns in Eqstra Investment Holdings Proprietary Limited.
- Downward pricing ratchets are in place should certain credit metrics be achieved.
- The Eqstra lenders have agreed to extend this maturity date by 12 months to 17 December 2023. New facility agreements are being concluded.
- Estimated weighted average margin relative to the prime rate of interest

Eqstra Financial Covenants

As at 31 August 2021 (the “**relevant testing date**”), Eqstra’s financial ratios were at the levels set out below:

Financial covenant ratio	Calculated value	Required covenant level ¹	Compliance (Yes/No)
Net total debt: EBITDA	2.4x	≤ 3.5x	Yes
EBITDA: Net finance charges	2.1x	≥ 1.2x	Yes
Net total debt: Equity	2.3x	≤ 3.5x	Yes
Loan to value	59%	≤ 85%	Yes

1. The required covenant levels will be amended from 28 February 2022 as follows:

Financial covenant ratio	Required covenant level
Net total debt : EBITDA	≤ 3.0x
EBITDA : Net finance charges	≥ 1.5x
Net total debt : Equity ³	≤ 2.5x
Loan to value ⁴	≤ 65%

Amounts owing by enX Trading Investments Proprietary Limited (“enX Trading”):

Details as to how loan arose	Counterparty	Original term	Facility (R)	Base rate	Margin over base rate	Interest rate	Amount utilised (R)	Advance date	Maturity date	Notes
Finance Trading businesses	SBSA/RMB	36 months	45 000 000	1m/3m JIBAR	3.5	7.183	45 000 000	31 August 2017	31 August 2022	Revolving credit facility
Finance Trading businesses	SBSA/RMB	Overdraft	150 000 000	Prime	–	7.25%	120 919 787	31 August 2017	Evergreen	Repayable in 365 days if called
WAG Chemical	RMB	12 months	45 000 000	Prime	1.10	8.35	44 458 379	16 August 2021	31 January 2023	150 days from last day of available period
Total			240 000 000				210 378 166			

Notes

The amounts due to RMB and SBSA are secured by:

- Cession in security over the book debts of Centlube, WAG, WAG Chemicals, Austro, New Way Power, Power 02 and AGL.
- Cession in security of the domestic debtor cover policies held by WAG, WAG Chemicals and AGL.
- General notarial bond over the movable assets of Centlube, WAG, WAG Chemicals, Austro, New Way Power, Power 02 and AGL.
- Cession in security of the South African bank accounts of Centlube, WAG, WAG Chemicals, Austro, New Way Power, Power 02 and AGL.
- Pledge and cession of enX Group Limited’s shares in enX Trading and enX Trading’s shares in Centlube, WAG, WAG Chemicals, Austro, New Way Power, Power 02 and AGL.
- Unlimited corporate guarantee from enX Group Limited.

There are no conversion or redemption rights applicable to any of the above borrowings.

The material loans made to enX and/or to any of its subsidiaries as set out above will remain outstanding following implementation of the transaction.

enX Trading Financial Covenants

As at 31 August 2021, enX Trading's financial ratios were at the levels set out below:

Financial covenant ratio	Calculated value	Required covenant level	Compliance (Yes/No)
Net total debt: EBITDA	N/A – No debt ¹	< 2x	Yes
Net interest cover ratio	6.92x	> 3.5x	Yes
Security cover ratio	N/A – No debt ¹	> 1.67x	Yes
Eligible receivables: GSTBF	4.83x	> 2x	Yes

Note

1. enX Trading had no net total debt exposure at the relevant testing date and as such these credit metrics could not be mathematically determined.

Set out below are details of all material loans made to EIE Group, that remain outstanding as at the last practicable date and will be assumed by CFAO South Africa following the implementation of the transaction:

Amounts owing by EIE Group and the other target companies:

Details as to how loan arose	Counterparty	Original term	Facility (R)	Base rate	Credit margin over base rate	Interest rate	Amount utilised (R)	Advance date	Maturity date	Notes
Refinance of bank loans and debt capital market notes, which funding was employed to fund SIE's assets, primarily its inventory and fleet lease book	Investec/Sanlam/Sanlam Investment Management	5 years	1 585 000 000	Prime	(0.125%)	7.125%	1 316 000 000	17 December 2020	17 December 2025	Outstanding balance due at maturity
	Investec	Call notice	400 000 000	Prime	(0.75%)	6.5%	239 570 000	17 December 2020	Evergreen	Outstanding balance due at maturity
	Investec	Call notice	100 000 000	Prime	(0.75%) ²	6.5% ²	–	17 December 2020	Evergreen	Outstanding balance due at maturity
	Nedbank	Call notice	10 000 000	Prime	(0.50)	6.75%	–	17 December 2020	Evergreen	Outstanding balance due at maturity
Total			2 095 000 000				1 555 570 000			

Notes

- The amounts due to lenders are secured primarily by guarantees, counter-indemnities, pledges and cessions over receivables and bank accounts and general notarial bonds over moveable assets granted by Safcon, EIE Group and 600SA Holdings.
- A further 35bps per month commission is charged on outstanding balances.

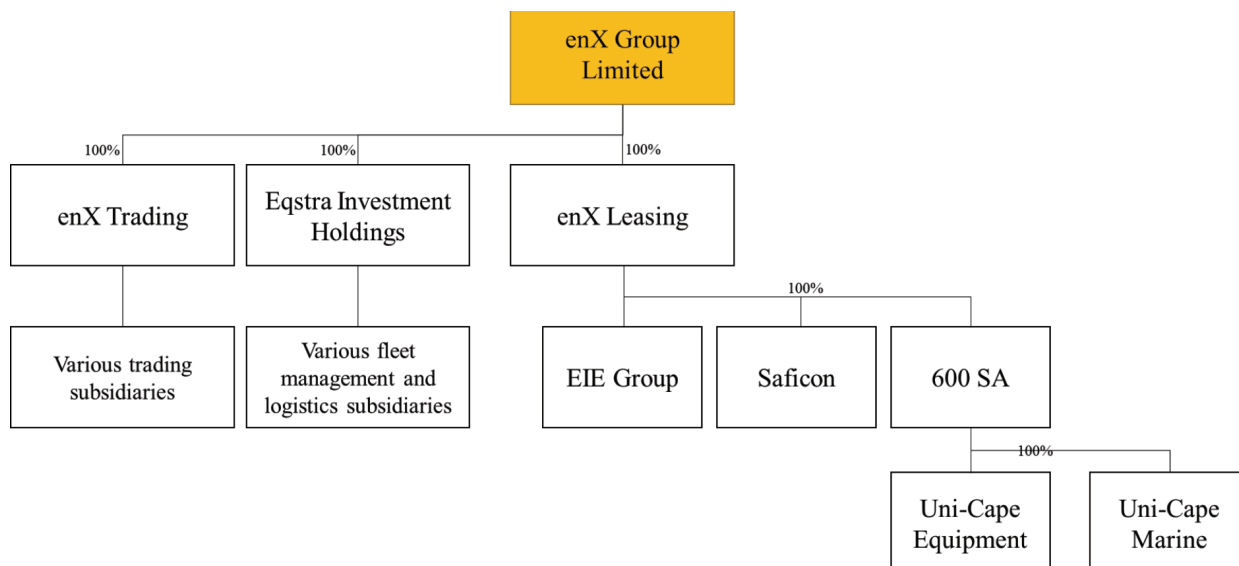
EIE Group Financial Covenants

As at 30 October 2021, EIE's financial ratios were at the levels set out below:

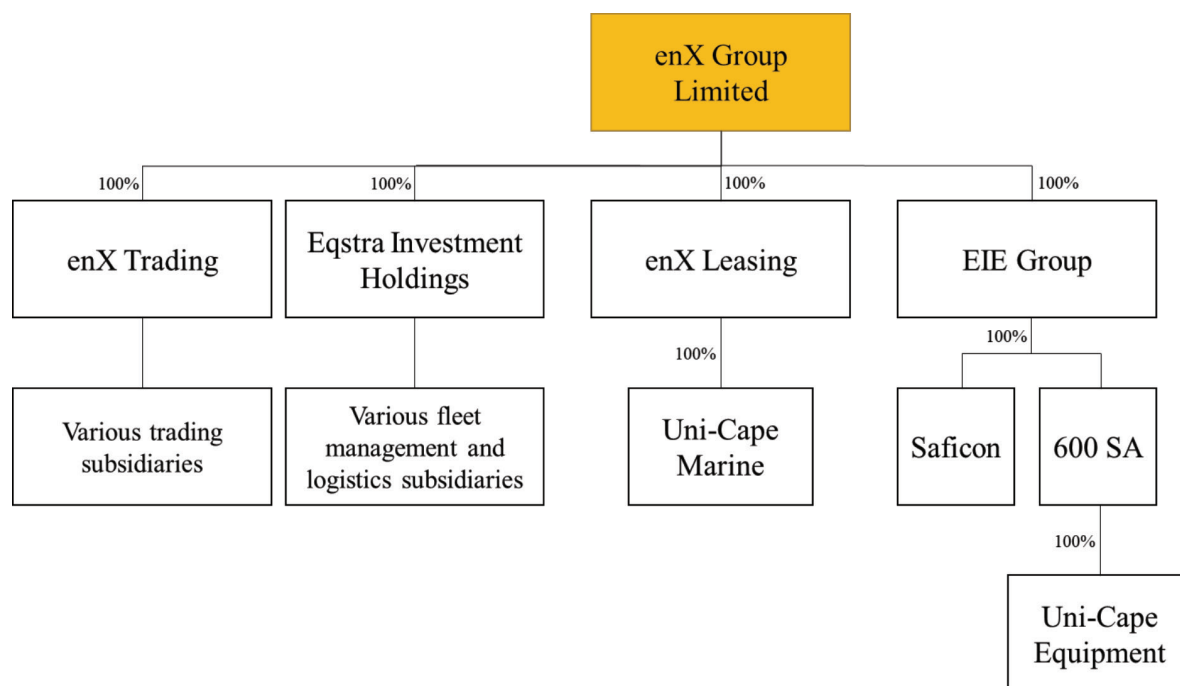
Financial covenant ratio	Calculated value	Required covenant level	Compliance (Yes/No)
% of non-performing long term lease book vs. total long term lease book	1%	< 10%	Yes
Utilised portion of short-term assets	80.3%	≥ 75%	Yes
Suspended fleet	R104 449 514	≤ R150 000 000	Yes
Blended weighted residual value	27%	≤ 35%	Yes
Credit loss ratio	0.5%	≤ 2.5%	Yes
Interest cover ratio	5.33x	> 3x	Yes

ENX GROUP STRUCTURE

The enX Group structure before the implementation of the internal restructure is as follows:



The enX Group structure immediately following the completion of the internal restructure is as follows:





enX Group Limited
(Incorporated in the Republic of South Africa)
(Registration number 2001/029771/06)
JSE share code: ENX
ISIN: ZAE000222253
("enX" or the "Company")

NOTICE OF GENERAL MEETING OF SHAREHOLDERS

Where appropriate and applicable, the terms defined in the circular to which this notice of general meeting is attached bear the same meanings in this notice of general meeting and, in particular, in the resolutions set out below.

Notice is hereby given that a general meeting of enX shareholders will be held at 10:00 on Thursday, 20 January 2022 at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196, for the purpose of considering and, if deemed fit, passing with or without modification, the resolutions set out below.

Shareholders are referred to the circular, which sets out the information and explanatory material that they may require in order to determine whether to participate in the general meeting and vote on the resolutions set out below.

Salient dates and times

	2021
Record date to receive the circular and notice of general meeting	Friday, 10 December
	2022
Last day to trade on the JSE in order to be eligible to participate in and vote at the general meeting	Tuesday, 11 January
Voting record date	Friday, 14 January
Last day to lodge forms of proxy for the general meeting with the transfer secretaries, by 10:00 (forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement thereof)	Tuesday, 18 January
General meeting held at 10:00	Thursday, 20 January
Results of the general meeting released on SENS	Thursday, 20 January

Notes:

1. All dates and times in this circular are local dates and times in South Africa and are subject to change. Any changes will be released on SENS.
2. enX shareholders are referred to page 2 of this circular for information on the action required to be taken by them.
3. enX shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three business days after such trades. Therefore, enX shareholders who acquire enX shares after close of trade on Tuesday, 11 January 2022 will not be eligible to vote at the general meeting.
4. No dematerialisation and rematerialisation of enX shares may take place between Wednesday, 12 January 2022 and Friday, 14 January 2022, both days inclusive.

ORDINARY RESOLUTION 1: DISPOSAL OF EIE GROUP

"Resolved in terms of paragraph 9.20 of the JSE Listings Requirements that the transaction comprising the divestment of enX's Southern African materials handling business and involving, *inter alia*, the subscription for newly issued ordinary shares in EIE Group by CFAO South Africa and the repurchase by EIE Group of all of the shares in EIE Group held by enX, as detailed in Part I of the circular, pursuant to the implementation of the transaction agreements, 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 reflected on the register as such on the voting record date are entitled to vote on ordinary resolution 1.

ORDINARY RESOLUTION 2: AUTHORITY TO GIVE EFFECT TO RESOLUTIONS

“Resolved that any director or the company secretary of enX be and is hereby authorised to do all such things and sign all such documents required to give effect to the resolutions 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 reflected on the register as such on the voting record date are entitled to vote on ordinary resolution 2.

VOTING AND QUORUM

The quorum requirement for the general meeting to begin or for a matter to be considered at the general meeting is at least three enX shareholders present in person or represented by proxy. In addition:

- the general meeting may not begin until sufficient persons are present in person or represented by proxy to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the general meeting; and
- a matter to be decided at the general meeting may not begin to be considered unless sufficient persons are present 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 in respect of that matter at the time the matter is called on the agenda.

Every shareholder present in person or represented by proxy and entitled to exercise voting rights at the general meeting shall be entitled to vote on a show of hands, irrespective of the number of voting rights that shareholder would otherwise be entitled to exercise. 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 as set out in the MOI.

SHAREHOLDERS

General instructions

Shareholders who are entitled to attend, speak and vote at the general meeting are encouraged to do so.

Electronic participation

The Company has made provision for enX shareholders or their proxies to participate electronically in the general meeting by way of telephone conferencing. Should you wish to participate in the general meeting by telephone conference call, you, or your proxy, should advise the Company as such by no later than 10:00 on Tuesday, 18 January 2022 by submitting by email to the company secretary at enx@acorim.co.za relevant contact details, including an email address, cellular number and landline as well as full details of your title to enX shares and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated shares) or written confirmation from your CSDP confirming your title to the dematerialised shares (in the case of dematerialised shares). Upon receipt of the required information, you will be provided with a secure code and instructions to access the electronic communication during the general meeting. Shareholders should note that access to the electronic communication will be at the expense of the enX shareholders who wish to utilise the facility.

enX shareholders and their appointed proxies attending by conference call will not be able to cast their votes at the general meeting through this medium. Accordingly, enX shareholders making use of the electronic participation facility are requested to either complete the form of proxy (in the case of certificated shareholders and dematerialised shareholders who have elected own-name registration) or contact their CSDP or broker (in the case of dematerialised shareholders who have not elected own-name registration), in both instances, as set out above.

In light of the guidance from the South African Government regarding the need for social distancing, as a result of the COVID-19 pandemic, shareholders are encouraged to make use of proxies for purposes of voting at the general meeting.

In the event of future regulations or directives or preventative measures relating to COVID-19, shareholders or their proxies may be prevented from attending the general meeting in person. In such circumstances, enX may determine, by way of notice to shareholders published on SENS and in the South African press by no later than 10 (ten) business days prior to the general meeting, that the general meeting will take place entirely by electronic means and/or that shareholders or their proxies will be entitled to vote electronically, which notice will include details and instructions of such arrangement.

Proxies and authority for representatives to act

The attached form of proxy is only to be completed by:

- certificated shareholders; or
- own-name dematerialised shareholders,

who cannot attend the general meeting but wish to be represented thereat.

All other beneficial owners who have dematerialised their shares through a CSDP or broker, without own-name registration, and who wish to attend the general meeting, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These shareholders must not use a form of proxy.

Forms of proxy are requested to be delivered to the transfer secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or emailed to proxy@computershare.co.za, so as to arrive no later than 10:00 on Tuesday, 18 January 2022. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement thereof. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting should the shareholder decide to do so.

A company that is a shareholder, wishing to attend and participate at the general meeting should ensure that a resolution authorising a representative to so attend and participate at the general meeting on its behalf, is passed by its directors.

enX does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised enX shareholder to notify such shareholder of the general meeting of or any business to be conducted thereat.

GENERAL NOTES

1. Shareholders who are companies or other bodies corporate may, by resolution of its directors or other governing body, authorise any person to act as its representative at the general meeting.
2. The chairperson of the general meeting will be making a demand that all resolutions put to the vote shall be decided by way of a poll.

By order of the board

enX Group Limited

15 December 2021

Registered office

9th Floor, Katherine Towers
1 Park Lane
Wierda Valley
Sandton
2196



enX Group Limited
(Incorporated in the Republic of South Africa)
(Registration number 2001/029771/06)
JSE share code: ENX
ISIN: ZAE000222253
("enX" or the "Company")

FORM OF PROXY

Where appropriate and applicable, the terms defined in the circular to which this form of proxy is attached bear the same meanings in this form of proxy.

THIS FORM OF PROXY IS ONLY FOR USE BY:

- certificated shareholders;
- own-name dematerialised shareholders,

for completion by the aforesaid registered shareholders who are unable to attend the general meeting to be held at 10:00 on Thursday, 20 January 2022 at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196.

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 CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

Email address

Telephone number

Cellphone number

of (address)

being the holder(s) of enX shares hereby appoint:

1. or failing him/her

2. of failing him/her

3. the chairperson of the general meeting

as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the general meeting of shareholders and at any adjournment or postponement thereof, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the general meeting, and to vote on the resolutions in respect of the shares registered in my/our name(s).

Please indicate with an "X" in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

	Number of votes		
	*In favour of	*Against	*Abstain
Ordinary resolution 1: Disposal of EIE Group			
Ordinary resolution 2: Authority to give effect to resolutions			

**One vote per enX share held by shareholders, recorded in the register on the voting record date.*

Unless otherwise instructed my proxy may vote or abstain from voting as he/she thinks fit.

Signed this

day of

202_

Signature

Assisted by me (where applicable)

(State capacity and full name)

A shareholder entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a shareholder of enX. Each shareholder is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in place of that shareholder at the general meeting.

Forms of proxy are requested to be delivered to the transfer secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or emailed to proxy@computershare.co.za, so as to arrive no later than 10:00 on Tuesday, 18 January 2022. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting should the shareholder decide to do so.

Please read notes on the reverse side hereof

NOTES TO THE FORM OF PROXY:

1. Only shareholders who are registered in the register of the Company under their own name on the voting record date may complete a form of proxy or attend the general meeting. This includes certificated shareholders or own-name dematerialised shareholders. A proxy need not be a shareholder of the Company.
2. Certificated shareholders wishing to attend the general meeting have to ensure beforehand with the transfer secretaries that their shares are registered in their own name.
3. Beneficial 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 a registered shareholder and they should contact the registered shareholder for assistance in issuing instructions on voting their shares, or obtaining a proxy to attend, speak and vote at the general meeting.
4. Dematerialised shareholders who have not elected own-name registration in the register of the Company through a CSDP and who wish to attend the general meeting, must instruct the CSDP or broker to provide them with the necessary letter of representation to attend.
5. Dematerialised shareholders who have not elected own-name registration in the register of the Company through a CSDP and who are unable to attend, but wish to vote at the general meeting, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.
6. A shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder's choice in the space, with or without deleting "the chairperson of the general meeting of shareholders". 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.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the foregoing, a shareholder may revoke the proxy appointment by:
 - 7.1 cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - 7.2 delivering a copy of the revocation instrument to the proxy, and to the Company.
8. 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:
 - 8.1 stated in the revocation instrument, if any; or
 - 8.2 upon which the revocation instrument is delivered to the proxy and the Company as required in section 58(4)(c)(ii) of the Companies Act.
9. Should the instrument appointing a proxy or proxies have been delivered to the transfer secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act or the MOI to be delivered by the Company to the shareholder must be delivered to:
 - 9.1 the shareholder; or
 - 9.2 the proxy or proxies if the shareholder has in writing directed the Company to do so and has paid any reasonable fee charged by the Company for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the MOI or the instrument appointing the proxy provide otherwise.
11. If the Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of instrument appointing a proxy:
 - 11.1 such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
 - 11.2 the Company must not require that the proxy appointment be made irrevocable; and
 - 11.3 the proxy appointment remains valid until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries or waived by the chairperson of the general meeting.
14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding shares in the Company that wishes to attend and participate at the general meeting should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the transfer secretaries prior to the general meeting.
16. Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders wishes to be present or represented at the general meeting, that one of the said persons whose name appears first in the register or his proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. The chairperson of the general meeting may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a shareholder wishes to vote.
18. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.
19. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the general meeting, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the general meeting or other proxy to vote or to abstain from voting at the general meeting as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all of the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
20. Forms of proxy are requested to be delivered to the transfer secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or emailed to proxy@computershare.co.za, so as to arrive no later than 10:00 on Tuesday, 18 January 2022. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement of the general meeting. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting should the shareholder decide to do so.
21. This form of proxy may be used at any adjournment or postponement of the general meeting, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
22. The foregoing notes include a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.

