

## 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, then this circular and form of acceptance, surrender and transfer (*blue*), should be handed to the purchaser of such enX shares or to the broker, banker, investment dealer, CSDP or other agent through whom the disposal was effected.

Shareholders are referred to page 2 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:

- a mandatory offer by the offerors to acquire some or all of the ordinary shares in the Company not already owned by the offerors for an offer consideration of R5.60 per enX ordinary share held; and
- a responding circular by the independent board of enX containing their views in respect of the mandatory offer,

and incorporating:

- an independent fairness opinion regarding the mandatory offer;
- a form of acceptance, surrender and transfer (*blue*) for use by certificated shareholders only.

Corporate advisor to the offerors



Independent expert to enX



Transaction sponsor to enX



Legal advisor to enX



Date of issue: Friday, 8 April 2022

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\\_1](http://www.enxgroup.co.za/circulars_1) from Friday, 8 April 2022.

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## CORPORATE INFORMATION

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### **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)

### **Corporate advisor to the offerors**

Java Capital Proprietary Limited  
(Registration number 2012/089864/07)  
6th Floor, 1 Park Lane  
Wierda Valley  
Sandton, 2196  
(PO Box 522606, Saxonwold, 2132)

### **Independent expert to enX**

BDO Corporate Finance Proprietary Limited  
(Registration number 1983/002903/07)  
Wanderers Office Park  
52 Corlett Drive  
Illovo, 2196  
(Private Bag X60500, Houghton, 2041)

### **Transfer secretaries**

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

### **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)

### **Transaction sponsor to enX**

The Standard Bank of South Africa Limited  
(Registration number: 1962/000738/06)  
3rd Floor, 30 Baker Street  
Rosebank, 2196  
(PO Box 7725, Johannesburg, 2000)

### **Legal advisor to enX**

Bowman Gilfillan Inc.  
(Registration Number: 1998/021409/21)  
11 Alice Lane  
Sandton, 2146  
(PO Box 785812, Sandton, 2146)

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## **ACTION REQUIRED BY ENX SHAREHOLDERS**

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

If you have disposed of all your enX shares, then this circular, together with the attached form of acceptance, surrender and transfer (*blue*), should be handed to the purchaser of such shares or to the broker, CSDP, banker or other agent through whom the disposal was effected.

Please take careful note of the following provisions regarding the action to be taken by enX shareholders in relation to the offer.

### **1. CERTIFICATED SHAREHOLDERS**

- 1.1 The provisions of this paragraph 1 do not apply to dematerialised shareholders who elect to accept the offer.
- 1.2 Certificated shareholders who wish to accept the offer are required to complete the attached form of acceptance, surrender and transfer and return it to the transfer secretaries together with their documents of title in respect of their offer shares, at their own risk, to be received by no later than 12:00 on the closing date. If a form of acceptance is not received by 12:00 on the closing date, such certificated shareholder will be deemed to have declined the offer. No late acceptances will be considered if received by the transfer secretaries after 12:00 on the closing date.
- 1.3 If the documents of title relating to the shares held by a certificated shareholder have been lost or destroyed, enX shareholders should nevertheless return a duly completed form of acceptance together with an indemnity on terms satisfactory to enX and the offerors. The offerors and enX may, in their sole discretion, dispense with the surrender of such documents of title upon production of satisfactory evidence that the documents of title have been lost or destroyed and upon provision of an indemnity on terms acceptable to the offerors and enX. Unless otherwise agreed by the offerors and enX, only indemnity forms obtained from the transfer secretaries (available on request) will be regarded as suitable. The offerors and enX shall be entitled, in their absolute discretion, by way of agreement to waive the requirement of an indemnity.
- 1.4 No receipt will be issued for documents of title surrendered unless specifically requested. In order to comply with the requirements of the JSE, lodging agents must prepare special transaction receipts, if required.
- 1.5 The offerors reserve the right, in their sole and absolute discretion, to:
  - 1.5.1 in respect of certificated shares, treat as invalid forms of acceptance, transfer and surrender not accompanied by valid documents of title;
  - 1.5.2 treat as invalid forms of acceptance, transfer and surrender not properly completed; and
  - 1.5.3 require proof of the authority of the person signing the form of acceptance where such proof has not been lodged with or recorded by the transfer secretaries.
- 1.6 Without prejudice to any of their rights, the offerors reserve the right to condone, in their sole discretion, the non-performance by any offeree of any of the terms of the mandatory offer.

### **2. DEMATERIALISED SHAREHOLDERS**

- 2.1 Dematerialised shareholders who wish to accept the offer are required to notify their CSDPs or brokers of their acceptance in the manner and by the deadline stipulated in the custody agreement concluded between the holders of dematerialised enX shares and their CSDPs or brokers, as the case may be. If no instruction is given to their CSDPs or brokers, or if there is any doubt or dispute in respect of their acceptance, such dematerialised shareholders will be deemed to not have accepted the offer. Dematerialised shareholders must not complete the attached form of acceptance. The CSDP or broker of a dematerialised shareholder who wishes to accept the offer must notify the transfer secretaries of such acceptance of the offer.
- 2.2 Without prejudice to any of their rights, the offerors reserve the right to condone, in their sole discretion, the non-performance by any offeree of any of the terms of the mandatory offer.

### 3. SETTLEMENT OF THE OFFER CONSIDERATION

- 3.1 Certificated shareholders who accept the offer will have the offer consideration transferred to them by way of EFT (depending on the election made by them in the form of acceptance) by no later than the payment date, being within six business days after the date on which such shareholders deliver forms of acceptance and documents of title to the transfer secretaries, unless such forms of acceptance and documents of title are delivered on the closing date, in which case the offer consideration will be paid on the first business day following the record date.
- 3.2 Dematerialised shareholders who accept the offer will have their accounts at their CSDP or broker updated with the offer consideration by no later than the payment date, being within six business days after the date on which the CSDPs or brokers of such enX shareholders notify the transfer secretaries of their acceptance of the offer, unless such notification is received on the closing date, in which case the offer consideration will be paid on the first business day following the record date.
- 3.3 If the offer consideration is not sent to shareholders entitled thereto because the relevant documents of title and forms of acceptance have not been surrendered, or if the offer consideration is returned undelivered to the transfer secretaries, the offer consideration will be held by the offerors or the transfer secretaries, on behalf of and for the benefit of such certificated shareholders until claimed and no interest will accrue thereon. This paragraph does not apply to dematerialised shares held by shareholders.
- 3.4 The settlement of the offer consideration to which any offeree becomes entitled in terms of the offer will be implemented in full in accordance with the terms of the offer without regard to any lien, right of set-off, counter-claim or any other analogous right to which the offerors may be entitled.
- 3.5 The settlement of the offer consideration for both dematerialised shareholders and certificated shareholders will be made subject to the Exchange Control Regulations.

### TRP APPROVALS

enX shareholders should take note that the TRP does not consider commercial advantages or disadvantages of affected transactions when it approves such transactions.

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## SALIENT DATES AND TIMES IN RESPECT OF THE MANDATORY OFFER

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

**2022**

Record date to determine which enX shareholders are entitled to receive this circular	Friday, 1 April
Circular together with the accompanying form of acceptance, surrender and transfer ( <i>blue</i> ) posted to enX shareholders on	Friday, 8 April
Announcement relating to the issue of the circular and the mandatory offer released on SENS on	Friday, 8 April
Mandatory offer opens at 09:00 (see notes 4 and 5 below)	Monday, 11 April
Announcement relating to the issue of the circular and the mandatory offer published in the press on	Monday, 11 April
Expected last day to trade in enX shares on the JSE in order to participate in the mandatory offer	Tuesday, 31 May
Expected date on which the shares trade “ex” the mandatory offer	Wednesday, 1 June
Expected date on which the mandatory offer closes at 12:00 on	Friday, 3 June
Record date on which enX shareholders must hold enX shares in order to accept the mandatory offer	Friday, 3 June
Results of the mandatory offer announced on SENS	Monday, 6 June
Mandatory offer consideration paid to offer participants as per notes 6 and 7 below, with the last payment on	Monday, 6 June
Results of the mandatory offer published in the press	Tuesday, 7 June

**Notes:**

1. All dates and times in this circular are local dates and times in South Africa.
2. The above dates and times are subject to change. Any changes will be released on SENS and, if required, published in the press.
3. No dematerialisation and rematerialisation of enX shares may take place between Wednesday, 1 June 2022 and Friday, 3 June 2022, both days inclusive.
4. The mandatory offer must remain open for at least 30 business days after the opening date.
5. Acceptance of the mandatory offer will be irrevocable, save in circumstances where the condition precedent in paragraph 2.4 of Part I of the circular is not fulfilled.
6. Certificated shareholders who accept the mandatory offer will have the offer consideration transferred to them by way of EFT (depending on the election made by them in the form of acceptance) by no later than the payment date, being within six business days after the date on which such shareholders deliver forms of acceptance and documents of title to the transfer secretaries, unless such forms of acceptance and documents of title are delivered on the closing date, in which case the offer consideration will be paid on the first business day following the record date.
7. Dematerialised shareholders who accept the mandatory offer will have their accounts at their CSDP or broker updated with the offer consideration by no later than the payment date, being within six business days after the date on which the CSDPs or brokers of such enX shareholders notify the transfer secretaries of their acceptance of the mandatory offer, unless such notification is received on the closing date, in which case the offer consideration will be paid on the first business day following the record date.

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## DEFINITIONS AND INTERPRETATIONS

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In this circular and the annexures hereto, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the other, 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, as follows:

<b>“African Phoenix”</b>	African Phoenix Investments Limited (Registration number 1946/021193/07), a public company incorporated and registered in accordance with the laws of South Africa and owned by: <ul style="list-style-type: none"><li>• Persec Prime Brokers Proprietary Limited as to 49.1%;</li><li>• Zarclear Holdings Limited as to 23.5%;</li><li>• Hampden Capital Proprietary Limited as to 20.9%;</li><li>• Oyama Mabandla as to 2.1%; and</li><li>• the balance being held by multiple minority shareholders;</li></ul>
<b>“board” or “enX board”</b>	the board of directors of enX;
<b>“broker”</b>	any person registered as a broking member (equities) in terms of the JSE Listings Requirements made in accordance with the provisions of the Financial Markets Act;
<b>“business day”</b>	any day other than a Saturday, Sunday or official public holiday in South Africa;
<b>“certificated shareholders”</b>	shareholders who hold certificated shares;
<b>“certificated shares”</b>	shares which have not been dematerialised into the Strate system, title to which is represented by a share certificate or other physical documents of title;
<b>“circular” or “this document”</b>	this circular dated Friday, 8 April 2022 including annexures thereto;
<b>“closing date”</b>	the closing date of the mandatory offer at 12:00 as announced on SENS, a minimum of 10 businesses days prior thereto, and if required, published in the press, and which closing date shall be (i) a Friday; and (ii) not be earlier than 30 business days after the opening date. The closing date is anticipated to be on Friday, 3 June 2022;
<b>“Common Monetary Area”</b>	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Eswatini;
<b>“Companies Act”</b>	the Companies Act, No. 71 of 2008, as amended from time to time;
<b>“company secretary” or “Acorim”</b>	Acorim Proprietary Limited (Registration number 2013/087325/07), full details of which are set out in the Corporate Information section;
<b>“corporate advisor”</b>	Java Capital Proprietary Limited (Registration number 2012/089864/07), a private company incorporated and registered in South Africa, full details of which are set out in the “Corporate Information” section of this circular and corporate advisor to the offerors;
<b>“CSDP”</b>	a Central Securities Depository Participant in South Africa, appointed to hold and administer dematerialised shares;
<b>“custody agreement”</b>	the agreement which regulates the relationship between the CSDP or broker and each beneficial holder of dematerialised shares;
<b>“dematerialised shareholders”</b>	shareholders who hold dematerialised shares;
<b>“dematerialised shares”</b>	shares which have been incorporated into the Strate system, title to which is not represented by share certificates or other physical documents of title;
<b>“director”</b>	a director of enX;

<b>“directors of African Phoenix”</b>	the directors of the African Phoenix, being O Mabandla, W Chapman, A Hannington, N Naidoo, D Maithufi, and N Sennett;
<b>“directors of MCC Contracts”</b>	the directors of the MCC Contracts, being JL Serfontein and A Hannington;
<b>“directors of the offerors”</b>	collectively, the directors of African Phoenix and MCC Contracts;
<b>“documents of title”</b>	share certificates, certified transfer deeds, balance receipts and any other documents of title to shares acceptable to the enX board;
<b>“enX” or the “Company”</b>	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;
<b>“enX minority shareholders”</b>	all enX shareholders, other than the offerors;
<b>“enX share acquisition”</b>	the acquisition by the offerors of 7 559 375 enX shares at a cash price of R5.60 per share, which triggered the mandatory offer;
<b>“Exchange Control Regulations”</b>	the South African Exchange Control Regulations, promulgated in terms of section 9 of the Currency and Exchanges Act, No. 9 of 1933, as amended from time to time;
<b>“fair and reasonable opinion”</b>	the report to the independent board prepared by the independent expert in compliance with the relevant sections of the Companies Act and Takeover Regulations in respect of the mandatory offer, which report is set out in <b>Annexure 1</b> of this circular;
<b>“Financial Markets Act”</b>	the Financial Markets Act, No. 19 of 2012, as amended from time to time;
<b>“firm intention announcement”</b>	the announcement released on SENS on Friday, 28 January 2022, advising shareholders of the mandatory offer;
<b>“foreign shareholder”</b>	an enX shareholder who is a non-resident of South Africa as contemplated in the Exchange Control Regulations;
<b>“form of acceptance”</b>	the form of acceptance, surrender and transfer ( <i>blue</i> ) attached to this circular for use by certificated shareholders only;
<b>“IFRS”</b>	International Financial Reporting Standards;
<b>“independent board”</b>	a sub-committee of the enX board comprising Vuyani Jarana, Babalwa Ngonyama and Lerato Molefe, which has been specifically constituted to appraise the mandatory offer on behalf of the enX board;
<b>“independent expert” or “BDO”</b>	BDO Corporate Finance Proprietary Limited (Registration number 1983/002903/07), the independent expert appointed to provide external advice to the independent board in relation to the mandatory offer in terms of the Companies Act and Takeover Regulations, full details of which are set out in the Corporate Information section;
<b>“JSE”</b>	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;
<b>“JSE Listings Requirements”</b>	the Listings Requirements published by the JSE from time to time;
<b>“last practicable date”</b>	Thursday, 31 March 2022, being the last practicable date prior to the finalisation of this circular;

<b>“MCC Contracts”</b>	MCC Contracts Proprietary Limited (Registration number 1983/008084/07), a private company incorporated and registered in accordance with the laws of South Africa and wholly owned by eXtract Group Limited, which is in turn owned by: <ul style="list-style-type: none"> <li>• African Phoenix as to 49.3%;</li> <li>• Hampden Capital Proprietary Limited as to 22.7%;</li> <li>• The Hannington Family Trust as to 16.8%;</li> <li>• O Mabandla as to 1.9%; and</li> <li>• the balance being held by multiple minority shareholders;</li> </ul>
<b>“MOI”</b>	memorandum of incorporation;
<b>“NAV”</b>	net asset value;
<b>“offer” or “mandatory offer”</b>	the mandatory offer made by the offerors to enX shareholders, in terms of section 117(1)(c)(vi) (read together with section 123) of the Companies Act, to acquire all or part of their shareholding in enX, on the terms set out in this circular;
<b>“offer consideration”</b>	R5.60 per enX share;
<b>“offeree”</b>	the enX shareholders to which the mandatory offer is made;
<b>“offer participants”</b>	the enX shareholders who validly and lawfully accept the mandatory offer by the closing date and who are thus entitled to receive the offer consideration;
<b>“offer period”</b>	the period from 09:00 on the opening date to 12:00 on the closing date;
<b>“offer record date”</b>	the date on which enX shareholders must be recorded in the securities register in order to participate in the mandatory offer, being the closing date;
<b>“offerors”</b>	collectively, African Phoenix and MCC Contracts;
<b>“opening date”</b>	the opening date of the mandatory offer, being 09:00 on Monday, 11 April 2022;
<b>“own name registration”</b>	dematerialised shareholders who have instructed their CSDP to hold their enX shares in their own name on the uncertificated securities register;
<b>“payment date”</b>	means: <ul style="list-style-type: none"> <li>• certificated shareholders who accept the mandatory offer will have the offer consideration transferred to them by way of EFT (depending on the election made by them in the form of acceptance) by no later than the payment date, being within six business days after the date on which such shareholders deliver forms of acceptance and documents of title to the transfer secretaries, unless such forms of acceptance and documents of title are delivered on the closing date, in which case the offer consideration will be paid on the first business day following the record date; and</li> <li>• dematerialised shareholders who accept the mandatory offer will have their accounts at their CSDP or broker updated with the offer consideration by no later than the payment date, being within six business days after the date on which the CSDPs or brokers of such enX shareholders notify the transfer secretaries of their acceptance of the mandatory offer, unless such notification is received on the closing date, in which case the offer consideration will be paid on the first business day following the record date;</li> </ul>
<b>“R” or “Rand”</b>	the South African Rand, the lawful currency of South Africa;
<b>“register”</b>	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);
<b>“SARB”</b>	the South African Reserve Bank;
<b>“SENS”</b>	the Stock Exchange News Service of the JSE;
<b>“share” or “enX share”</b>	an ordinary share of no par value in the share capital of enX;

<b>“South Africa”</b>	the Republic of South Africa;
<b>“transaction sponsor”</b>	The Standard Bank of South Africa Limited (Registration number: 1962/000738/06), a public company incorporated and registered in South Africa, full details of which are set out in the “Corporate Information” section of this circular;
<b>“Strate”</b>	Strate Proprietary Limited (Registration number 1998/022242/07), a private company registered and incorporated in accordance with the laws of South Africa, a registered central securities depository responsible for the electronic settlement system used by the JSE;
<b>“subsidiary/ies”</b>	shall have the meaning ascribed thereto as set out in the Companies Act;
<b>“Takeover Regulation Panel” or “TRP”</b>	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
<b>“Takeover Regulations”</b>	has the meaning ascribed to that term in section 1 of the Companies Act;
<b>“transfer secretaries” or “Computershare”</b>	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 of this circular;
<b>“VAT”</b>	value added tax as defined in the Value Added Tax Act, 1991, as amended; and
<b>“VWAP”</b>	volume weighted average traded price per enX share.



## 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")

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### 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*)

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## CIRCULAR TO ENX SHAREHOLDERS

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### 1. INTRODUCTION

- 1.1 In the firm intention announcement released on SENS on Friday, 28 January 2022, shareholders were advised that the offerors had established a concert party arrangement in relation to any shares beneficially held from time to time by them in enX and had subsequently purchased 7 559 375 enX shares at a cash price of R5.60 per share. As a result of the enX share acquisition, the offerors increased their combined shareholding in enX to more than 35% and are accordingly able to exercise more than 35% of all the voting rights attached to enX shares as contemplated in section 123(5) of the Companies Act and regulation 86(1) of the Takeover Regulations. The offerors are therefore required to make a mandatory offer to all other enX shareholders to purchase their shares at a price of R5.60 per share in terms of section 123 of the Companies Act.
- 1.2 The mandatory offer will be made by the offerors in compliance with the relevant provisions of the Companies Act and the Takeover Regulations and is not subject to any suspensive conditions.
- 1.3 The purpose of this circular is to provide enX shareholders with information regarding the mandatory offer and the manner in which it will be implemented.

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## PART I: OFFER TO ALL ENX MINORITY SHAREHOLDERS

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### 1. BACKGROUND TO THE MANDATORY OFFER

- 1.1 In the firm intention announcement released on SENS on Friday, 28 January 2022, shareholders were advised that the offerors had established a concert party arrangement in relation to any shares beneficially held from time to time by them in enX and had subsequently purchased 7 559 375 enX shares for a cash price of R5.60 per share.
- 1.2 As a result of this purchase, the offerors increased their combined shareholding in enX to more than 35% and are accordingly able to exercise more than 35% of all the voting rights attached to enX shares as contemplated in section 123(5) of the Companies Act and regulation 86(1) of the Takeover Regulations. The offerors are therefore required to make a mandatory offer to all other enX shareholders to purchase their shares at a price of R5.60 per share in terms of section 123 of the Companies Act.

### 2. THE MANDATORY OFFER

#### 2.1 The mandatory offer and offer consideration

- 2.1.1 The offerors hereby make a mandatory offer to acquire from enX shareholders all the enX shares in respect of which it receives valid acceptances prior to the closing date.
- 2.1.2 The mandatory offer will be made for a cash consideration of R5.60 per enX share payable against delivery of registered and beneficial ownership of the relevant shares into the name of the offerors.
- 2.1.3 Subject to the JSE Listings Requirements, enX intends to remain listed on the Main Board of the JSE following the implementation of the mandatory offer. Should the take-up by shareholders of the offer have an adverse impact on enX's spread and liquidity, enX will put in place a plan to remedy such impact.
- 2.1.4 The offer consideration of R5.60 per enX share represents:
  - 2.1.4.1 discount of 31.3% to the 5-day VWAP of R8.15 per enX share;
  - 2.1.4.2 a discount of 31.0% to the 10-day VWAP of R8.11 per enX share;
  - 2.1.4.3 a discount of 30.7% to the 20-day VWAP of R8.08 per enX share; and
  - 2.1.4.4 a discount of 28.0% to the 30-day VWAP of R7.78 per enX share,as at Wednesday, 26 January 2022, being the date of the enX share acquisition.

#### 2.2 Offer period

- 2.2.1 The mandatory offer will open at 09:00 on Monday, 11 April 2022 and will remain open until 12:00 on the closing date.
- 2.2.2 The mandatory offer will be open for acceptances by offerees for a period of at least 30 business days as required by Regulation 102(4) of the Takeover Regulations.

#### 2.3 Remaining enX shareholders

enX shareholders who do not accept the mandatory offer will remain as enX shareholders.

#### 2.4 Condition precedent

- 2.4.1 The implementation of the mandatory offer is subject to the fulfilment of the condition precedent that, to the extent required, all Competition and other regulatory approvals, clearances or non-oppositions that the offerors have confirmed in writing to enX to be required by applicable law, in any jurisdiction, for the implementation of the mandatory offer, shall have been obtained, in each case on terms and conditions (if any) that the offerors and enX have confirmed in writing to the other of them are satisfactory to them, acting reasonably.
- 2.4.2 Given that the mandatory offer is being made at a significant discount to the listed price of an enX share, it is not expected that the offer will result in the acquisition by the offerors of control of enX for Competition Act purposes, and as such it is anticipated that offer will be made and implemented on an unconditional basis.

## 2.5 Ability to proceed with the mandatory offer

- 2.5.1 The offerors have confirmed to the enX board that the offerors have sufficient funds to fully satisfy the cash offer commitment.
- 2.5.2 The offerors have delivered to the TRP an irrevocable unconditional guarantee issued by The Standard Bank of South Africa Limited in accordance with Regulations 111(4) and 111(5) of the Takeover Regulations and in favour of enX shareholders for the sole purpose of fully satisfying the offerors' cash offer commitments.

## 2.6 Acceptances irrevocable

All acceptances of the mandatory offer received by the transfer secretaries, the offerors or the relevant CSDP or broker prior to the closing date will be irrevocable, save in circumstances where the condition precedent in paragraph 2.4 above is not fulfilled.

## 2.7 Transaction receipts

No receipts will be issued by enX's transfer secretaries or the offerors for forms of acceptance unless specifically requested to do so by the enX shareholder in question. Lodging agents who require special transaction receipts are requested to prepare such receipts and to submit them for stamping by enX's transfer secretaries together with the form of acceptance.

## 2.8 Applicable law

- 2.8.1 The mandatory offer is made in compliance with the requirements of the Takeover Regulations and is governed by and subject to the provisions of the laws of South Africa and will be subject to the exclusive jurisdiction of a South African court.
- 2.8.2 Each offer participant will be deemed by his acceptance to have consented and submitted to the jurisdiction of the courts of South Africa in relation to all matters arising out of or in connection with the mandatory offer and acceptance thereof.

## 2.9 Offer not made where illegal

- 2.9.1 The legality of the mandatory offer to persons resident in jurisdictions outside of South Africa may be affected by the laws of the relevant jurisdiction.
- 2.9.2 Such persons should acquaint themselves with any applicable legal requirements which they are obligated to observe.
- 2.9.3 It is the responsibility of any offeree wishing to accept the mandatory offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith.
- 2.9.4 In particular, the mandatory offer is not being made, directly or indirectly, in or into any jurisdiction where it is illegal for the mandatory offer to be made or accepted ("**affected jurisdictions**") or by using mail, or by means or instrumentality of inter-state or foreign commerce of, or any facility of a national securities exchange of any of the affected jurisdictions.
- 2.9.5 Persons wishing to accept the mandatory offer should not use the mail of any of the affected jurisdictions or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to the mandatory offer.
- 2.9.6 Envelopes containing forms of acceptance, transfer and surrender or other documents relating to the mandatory offer should not be post-marked in any of the affected jurisdictions or otherwise dispatched from any of the affected jurisdictions and all acceptors must provide addresses outside the affected jurisdictions for receipt of the offer consideration to which they are entitled under the mandatory offer.
- 2.9.7 If received in any jurisdiction where it is illegal for the mandatory offer to be made or accepted, this document should be treated as being received for information only.

## 2.10 Approvals, consents and undertakings received

- 2.10.1 The offerors have obtained the necessary authorisations and approvals from their boards and shareholders, to the extent applicable, to proceed with the mandatory offer.
- 2.10.2 The TRP and the JSE have both approved this circular.

## 2.11 Tax implications for offerees

The tax treatment of offerees is dependent on the individual circumstances and the jurisdiction applicable to such offerees. It is recommended that, if offerees are uncertain about the tax treatment of the receipt of the offer consideration, they should seek appropriate advice in this regard.

## 2.12 Other terms of the mandatory offer

- 2.12.1 The mandatory offer may be amended, varied or revised in such a manner as the offerors in their sole discretion may determine, provided that no such amendment, variation or revision shall be made unless:
  - 2.12.1.1 the prior consent of the TRP has been obtained;
  - 2.12.1.2 there is no diminution in the value of the offer consideration offered; and
  - 2.12.1.3 an announcement on SENS or a press release containing the amended, varied or revised offer is made prior to the closing time and date of the offer or such other date which is approved by the TRP.
- 2.12.2 In addition to the above, no amendment to, or variation of the mandatory offer will be valid unless made in writing and signed by a duly authorised representative of the offerors. Without prejudice to its other rights, the offerors reserve the right to condone, in their sole discretion, the non-observance by any shareholder of any of the terms or conditions of the mandatory offer. If the mandatory offer is amended, varied or revised in a manner which makes it more favourable to the shareholders, the benefit of such improved mandatory offer will automatically accrue to any shareholder who has accepted the mandatory offer prior to the amendment, variation or revision being made.
- 2.12.3 The acceptance by or on behalf of such shareholders of the mandatory offer in its original or previous form shall be deemed to be an acceptance of any improved offer pursuant to any such amendment, variation or revision and shall constitute an irrevocable authority and power of attorney in *rem suam* to any director or duly authorised representative of the offerors:
  - 2.12.3.1 to accept such amended, varied or revised offer on behalf of such shareholder; and
  - 2.12.3.2 to execute on behalf of and in the name of such shareholder all such further documents (if any) as may be required to give effect to such acceptance.

## 3. PROCEDURE FOR ACCEPTANCE OF THE OFFER

### 3.1 Certificated shareholders

- 3.1.1 The provisions of this paragraph 3.1 do not apply to dematerialised shareholders who elect to accept the mandatory offer.
- 3.1.2 Certificated shareholders who wish to accept the mandatory offer are required to complete the attached form of acceptance and return it to the transfer secretaries together with their documents of title in respect of their offer shares, at their own risk, to be received by no later than 12:00 on the closing date. If a form of acceptance is not received by 12:00 on the closing date, such certificated shareholder will be deemed to have declined the mandatory offer. No late acceptances will be considered if received by the transfer secretaries after 12:00 on the closing date.
- 3.1.3 If the documents of title relating to the shares held by a certificated shareholder have been lost or destroyed, enX shareholders should nevertheless return a duly completed form of acceptance together with an indemnity on terms satisfactory to enX and the offerors. The offerors and enX may, in their sole discretion, dispense with the surrender of such documents of title upon production of satisfactory evidence that the documents of title have been lost or destroyed and upon provision of an indemnity on terms acceptable to the offerors and enX. Unless otherwise agreed by the offerors and enX, only indemnity forms obtained from the transfer secretaries (available on request) will be regarded as suitable. The offerors and enX shall be entitled, in their absolute discretion, by way of agreement to waive the requirement of an indemnity.

- 3.1.4 No receipt will be issued for documents of title surrendered unless specifically requested. In order to comply with the requirements of the JSE, lodging agents must prepare special transaction receipts, if required.
- 3.1.5 The offerors reserve the right, in their sole and absolute discretion, to:
  - 3.1.5.1 in respect of certificated shares, treat as invalid forms of acceptance, transfer and surrender not accompanied by valid documents of title;
  - 3.1.5.2 treat as invalid forms of acceptance, transfer and surrender not properly completed; and
  - 3.1.5.3 require proof of the authority of the person signing the form of acceptance where such proof has not been lodged with or recorded by the transfer secretaries.
- 3.1.6 Without prejudice to any of their rights, the offerors reserve the right to condone, in their sole discretion, the non-performance by any offeree of any of the terms of the mandatory offer.

### 3.2 Dematerialised shareholders

- 3.2.1 Dematerialised shareholders who wish to accept the mandatory offer are required to notify their CSDPs or brokers of their acceptance in the manner and by the deadline stipulated in the custody agreement concluded between the holders of dematerialised enX shares and their CSDPs or brokers, as the case may be. If no instruction is given to their CSDPs or brokers, or if there is any doubt or dispute in respect of their acceptance, such dematerialised shareholders will be deemed to not have accepted the mandatory offer. Dematerialised shareholders must not complete the attached form of acceptance. The CSDP or broker of a dematerialised shareholder who wishes to accept the mandatory offer must notify the transfer secretaries of such acceptance of the mandatory offer.
- 3.2.2 Without prejudice to any of their rights, the offerors reserve the right to condone, in their sole discretion, the non-performance by any offeree of any of the terms of the mandatory offer.

### 3.3 Settlement of the offer consideration

- 3.3.1 Certificated shareholders who accept the mandatory offer will have the offer consideration transferred to them by way of EFT (depending on the election made by them in the form of acceptance) by no later than the payment date, being within six business days after the date on which such shareholders deliver forms of acceptance and documents of title to the transfer secretaries, unless such forms of acceptance and documents of title are delivered on the closing date, in which case the offer consideration will be paid on the first business day following the record date.
- 3.3.2 Dematerialised shareholders who accept the mandatory offer will have their accounts at their CSDP or broker updated with the offer consideration by no later than the payment date, being within six business days after the date on which the CSDPs or brokers of such enX shareholders notify the transfer secretaries of their acceptance of the mandatory offer, unless such notification is received on the closing date, in which case the offer consideration will be paid on the first business day following the record date.
- 3.3.3 If the offer consideration is not sent to shareholders entitled thereto because the relevant documents of title and forms of acceptance have not been surrendered, or if the offer consideration is returned undelivered to the transfer secretaries, the offer consideration will be held by the offerors or the transfer secretaries, on behalf of and for the benefit of such certificated shareholders, until claimed and no interest will accrue thereon. This paragraph does not apply to dematerialised shares held by shareholders.
- 3.3.4 The settlement of the offer consideration to which any offeree becomes entitled in terms of the mandatory offer will be implemented in full in accordance with the terms of the mandatory offer without regard to any lien, right of set-off, counter-claim or any other analogous right to which the offerors may be entitled.
- 3.3.5 The settlement of the offer consideration for both dematerialised shareholders and certificated shareholders will be made subject to the Exchange Control Regulations.

#### 4. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

The settlement of the offer consideration for both the certificated shareholders and dematerialised shareholders will be made subject to the Exchange Control Regulations. The following is a summary of the applicable Exchange Control Regulations. The remaining shareholders that are to receive the offer consideration who are not resident in South Africa, or who have registered addresses outside South Africa (as the case may be), must satisfy themselves as to the full observance of the laws of the relevant jurisdiction concerning the receipt of the offer consideration. This includes obtaining any required governmental or other consents, observing any other required formalities and paying any transfer or other taxes due in that jurisdiction. If any remaining shareholder is in any doubt, he/she should consult his/her professional advisers without delay.

##### 4.1 Residents of the Common Monetary Area

In the case of:

- 4.1.1 certificated shareholders whose registered addresses in the register are within the Common Monetary Area and whose documents of title are not restrictively endorsed in terms of the Exchange Control Regulations, the offer consideration will be transferred to such certificated shareholders' bank accounts locally, in accordance with paragraph 3.1 above; or
- 4.1.2 dematerialised shareholders whose registered addresses in the register are within the Common Monetary Area and whose accounts with their CSDP or broker have not been restrictively designated in terms of the Exchange Control Regulations, the offer consideration will be credited directly to the accounts nominated for the relevant dematerialised shareholders by their duly appointed CSDP or broker in terms of the provisions of the custody agreement with their CSDP or broker who will thereafter transfer the offer consideration to shareholders' bank accounts locally.

##### 4.2 Emigrants from the Common Monetary Area

In the case of shareholders who are emigrants from the Common Monetary Area and whose shares form part of their blocked assets, the offer consideration will:

- 4.2.1 in the case of certificated shareholders whose documents of title are restrictively endorsed in terms of the Exchange Control Regulations, be forwarded to the authorised dealer in foreign exchange in South Africa controlling the offeree's capital assets in terms of the Exchange Control Regulations, against delivery of the relevant documents of title. The attached form of acceptance makes provision for the details of the authorised dealer concerned to be given; or
- 4.2.2 in the case of dematerialised shareholders whose registered addresses in the register are within the Common Monetary Area and whose accounts with their CSDP or broker have not been restrictively designated in terms of the Exchange Control Regulations, be paid to their CSDP or broker which shall arrange for same to be credited directly to the capital Rand bank account of the shareholder concerned with their authorised dealer in foreign exchange in South Africa.

##### 4.3 All other non-residents of the Common Monetary Area

The offer consideration accruing to non-resident remaining shareholders whose registered addresses are outside the Common Monetary Area and who are not emigrants from the Common Monetary Area will, in the case of:

- 4.3.1 certificated shareholders whose documents of title have been restrictively endorsed in terms of the Exchange Control Regulations, be deposited with their authorised dealer in foreign exchange in South Africa nominated by such certificated shareholder; or
- 4.3.2 dematerialised shareholders, be paid to their duly appointed CSDP or broker and credited to such remaining shareholders in terms of the provisions of the custody agreement with their CSDP or broker.

##### 4.4 Information not provided

If the information regarding authorised dealers is not given or the instructions are not given as required in terms of paragraphs 4.2 and 4.3, the offer consideration will be held in trust by the offerors or the transfer secretaries on behalf of the offerors for the remaining shareholders concerned, pending receipt of the necessary information or instructions. Should no information or instructions be received for three years after the closing date, the offer consideration will be donated to a charitable organisation of the offerors' choice.

## 5. INTERESTS OF THE OFFERORS AND THEIR DIRECTORS IN ENX AND THE OFFERORS

### 5.1 Interest of the offerors in enX

5.1.1 The offerors have disclosed the following shareholdings in enX held by the offerors, persons related to the offerors and/or persons acting in concert with the offerors as at the last practicable date:

Shareholder	Direct beneficial	Indirect beneficial	Total	% of issued share capital
MCC Contracts	61 305 360	–	61 305 360	33.6
African Phoenix	7 559 375	–	7 559 375	4.2
<b>Total</b>	<b>68 864 735</b>	<b>–</b>	<b>68 864 735</b>	<b>37.8</b>

5.1.2 There has been no trade by the offerors, persons related to the offerors and/or persons acting in concert with the offerors in enX securities in the period commencing six months before the date of the firm intention announcement, being Friday, 28 January 2022, and ending on the last practicable date, save for the acquisition by African Phoenix of 7 559 375 enX shares at R5.60 per enX share on 26 January 2022, for an aggregate consideration of R42 332 500.00 pursuant to an off-market transaction.

### 5.2 Interest of the directors of African Phoenix in African Phoenix and enX

5.2.1 As at the last practicable date, the directors of African Phoenix are O Mabandla, W Chapman, A Hannington, N Naidoo, D Maithufi, and N Sennett.

The interests of the directors of African Phoenix in the African Phoenix shares as at the last practicable date were as follows:

Director	Direct beneficial	Indirect beneficial	Total	% of issued share capital
A Hannington	–	1 395	1 395	0.0
O Mabandla	32 232 954	–	32 232 954	2.3
W Chapman	–	575 976 112	575 976 112	40.9
N Sennett	–	51 372 735	51 372 735	3.7
<b>Total</b>	<b>32 232 954</b>	<b>627 350 242</b>	<b>659 583 196</b>	<b>46.9</b>

5.2.2 There have been no dealings in African Phoenix shares by directors of African Phoenix during the period commencing six months before the date of the firm intention announcement, being Friday, 28 January 2022, and ending on the last practicable date.

5.2.3 The interests of the directors of African Phoenix in enX's shares as at the last practicable date were as follows:

Director	Direct beneficial	Indirect beneficial*	Total	% of issued share capital
A Hannington	–	10 987 129	10 987 129	6.0
O Mabandla	–	2 045 275	2 045 275	1.1
W Chapman	–	29 359 740	29 359 740	16.1
N Sennett	–	6 776 332	6 776 332	3.7
<b>Total</b>	<b>–</b>	<b>49 168 476</b>	<b>49 168 476</b>	<b>26.9</b>

\* The indirect beneficial shareholdings include the indirect shareholdings held by each director through African Phoenix

5.2.4 There has been no trade by the directors of African Phoenix in enX shares in the period commencing six months before the date of the firm intention announcement, being Friday, 28 January 2022 and ending on the last practicable date, save for the acquisition by African Phoenix of 7 559 375 enX shares at R5.60 per enX share on 26 January 2022, for an aggregate consideration of R42 332 500.00 pursuant to an off-market transaction. Each of O Mabandla and W Chapman has a beneficial interest in African Phoenix.

### 5.3 Interest of the directors of MCC Contracts in MCC Contracts and enX

5.3.1 As at the last practicable date, the directors of MCC Contracts are JL Serforntein and A Hannington.

The interests of the directors of MCC Contracts in the MCC Contracts shares as at the last practicable date were as follows:

<b>Director</b>	<b>Direct beneficial</b>	<b>Indirect beneficial</b>	<b>Total</b>	<b>% of issued share capital</b>
A Hannington	–	852 620 536	852 620 536	17.9
<b>Total</b>	<b>–</b>	<b>852 620 536</b>	<b>852 620 536</b>	<b>17.9</b>

5.3.2 There have been no dealings in MCC Contracts shares by directors of MCC Contracts during the period commencing six months before the date of the firm intention announcement, being Friday, 28 January 2022, and ending on the last practicable date.

5.3.3 The interests of the directors of MCC Contracts in enX's shares as at the last practicable date were as follows:

<b>Director</b>	<b>Direct beneficial</b>	<b>Indirect beneficial*</b>	<b>Total</b>	<b>% of issued share capital</b>
A Hannington	–	10 987 129	10 987 129	6.0
<b>Total</b>	<b>–</b>	<b>10 987 129</b>	<b>10 987 129</b>	<b>6.0</b>

\* The indirect beneficial shareholdings include the indirect shareholdings held by each director through MCC Contracts

5.3.4 There has been no trade by the directors of MCC Contracts in enX shares in the period commencing six months before the date of the firm intention announcement, being Friday, 28 January 2022 and ending on the last practicable date.

### 5.4 Directors' interests in the offers

Save as set out in paragraphs 5.2 and 5.3 above, the directors of the offerors will not benefit directly or indirectly, in any manner as a consequence of the implementation of the mandatory offer.

### 5.5 Directors' interests in other transactions

The directors of the offerors have not had any material beneficial interests, whether direct or indirect, in transactions that were effected by the offerors during the current or immediately preceding financial year or during an earlier financial year which remains in any respect outstanding or unperformed.

## 6. ARRANGEMENTS IN RELATION TO THE MANDATORY OFFER

6.1 No agreement exists between the offerors and enX which could be considered material to a decision regarding the mandatory offer to be taken by enX shareholders.

6.2 No arrangements, agreements or understandings which have any connection with or dependence on the mandatory offer exist between enX and the offerors, the directors of the offerors, or any persons who were directors of the offerors within the 12 months preceding the last practicable date, the shareholders of the offerors or any persons who were holders of the offerors' shares within the 12 months preceding the last practicable date.

## 7. RELATED AND CONCERT PARTIES

7.1 African Phoenix and MCC Contracts established a concert party arrangement in relation to any shares beneficially held from time to time by them in enX prior to effecting the enX share acquisition and triggering the mandatory offer. No further related and concert party relationships will arise as a result of the mandatory offer.

7.2 Save as disclosed in paragraph 8 below, no agreements exist between the offerors and any of the parties mentioned in paragraphs (i) to (iii) of Regulation 106(4)(e) of the Takeover Regulations.

## 8. ENX SHAREHOLDER SUPPORT

- 8.1 Irrevocable undertakings not to accept the mandatory offer have been received from the following enX shareholders holding in aggregate 38 676 017 enX shares, representing 21.2% of all enX shares and 34.1% of enX shares excluding shares held by the offerors:

Shareholder/asset manager	Number of shares	% of issued shares	% of issued shares (excluding the shares held by the offerors)
Samvenice Trading 1 Proprietary Limited	12 785 271	7.0	11.3
Ellerine Group Proprietary Limited	6 444 157	3.5	5.7
SBSA ITF SUI GENERIS LPFP H4 QHF	5 398 509	3.0	4.8
Eric Ellerine Trust Proprietary Limited	4 401 161	2.4	3.9
Brian Downs	1 818 181	1.0	1.6
Crimson Harvest	1 800 000	1.0	1.6
BSC Technologies Proprietary Limited	1 104 545	0.6	1.0
Bopdeen Investments Proprietary Limited	800 000	0.4	0.7
Westex International	772 330	0.4	0.7
Berkeley Capital	688 857	0.4	0.6
The Brent Hean Trust	672 330	0.4	0.6
enX Corporation Proprietary Limited	570 014	0.3	0.5
Richmark Holdings Proprietary Limited	445 456	0.2	0.4
Nedbank	370 000	0.2	0.3
Paul Mansour	232 324	0.1	0.2
Spigin Family Trust	100 000	0.1	0.1
Spigin 888 Investments	100 000	0.1	0.1
Finance Focus Proprietary Limited	97 700	0.1	0.1
Jacode Trust	75 182	0.0	0.1
<b>Total</b>	<b>38 676 017</b>	<b>21.2</b>	<b>34.1</b>

- 8.2 There have been no dealings in enX shares by the enX shareholders set out in paragraph 8.1 above for the period commencing six months before the date of the firm intention announcement, being Friday, 28 January 2022, and ending on the last practicable date, save for the acquisition by Paul Mansour of 350 000 enX shares at R5.60 per enX share on 26 January 2022, for an aggregate consideration of R1 960 000.00 pursuant to an off-market transaction.
- 8.3 None of the enX shareholders set out in paragraph 8.1 above have any interests in the offerors' shares.

## 9. OFFEROR RESPONSIBILITY STATEMENT

The directors of the offerors:

- 9.1 confirm that Part I of this circular contains all information required by the TRP and the JSE Listings Requirements, to the extent applicable;
- 9.2 accepts, individually and collectively, full responsibility for the accuracy of the information given in Part I of this circular;
- 9.3 have considered all statement of fact and opinion in this circular and accept full responsibility for the information contained in Part I of this circular;
- 9.4 certify that, to the best of their knowledge and belief, the information contained in Part I of this circular is true and correct;
- 9.5 certify that, to the best of their knowledge and belief, there are no omissions of material facts or considerations which would make any statement of fact or opinion contained in this document false or misleading; and
- 9.6 have made all reasonable enquiries in this regard.

## 10. CONSENTS

- 10.1 All the parties listed in the “Corporate Information” section above 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.
- 10.2 The independent expert has consented to the inclusion of their report in this circular in the form and context in which they have been reproduced in this circular in **Annexure 1**, which consent has not been withdrawn prior to the issue of this circular. The independent expert has confirmed that the contents of the circular are not contradictory to the information contained in their report.

## 11. PRELIMINARY AND ISSUE EXPENSES

- 11.1 The expenses (excluding VAT) relating to the mandatory offer which have been incurred or that are expected to be incurred are presented in the table below.

<b>Fees attributable to the offerors</b>	<b>Recipient</b>	<b>R</b>
Corporate advisor fees	Java Capital	750 000
TRP documentation inspection fees <sup>1</sup>	TRP	62 500
Printing, publication and distribution costs <sup>1</sup>	Ince	32 500
Contingency costs		25 000
<b>Sub-total</b>		<b>870 000</b>

  

<b>Fees attributable to enX</b>	<b>Recipient</b>	<b>R</b>
Transaction sponsor fees	Standard Bank	380 000
Independent expert fees	BDO	100 000
Legal advisor fees	Bowmans	250 000
JSE documentation inspection fees	JSE	18 155
TRP documentation inspection fees <sup>1</sup>	TRP	62 500
Printing, publication and distribution costs <sup>1</sup>	Ince	32 500
Contingency costs		26 845
<b>Sub-total</b>		<b>870 000</b>
<b>Total</b>		<b>1 740 000</b>

**Note:**

1. The TRP documentation fees and printing, publication and distribution costs will be shared equally between the offerors and enX.

## 12. 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 on enX’s website ([www.enxgroup.co.za/circulars\\_/](http://www.enxgroup.co.za/circulars_/)) and may also be obtained from the Company by sending a request to [info@enxgroup.co.za](mailto:info@enxgroup.co.za).

- 12.1 a signed copy of this circular;
- 12.2 the MOIs of the offerors;
- 12.3 copies the irrevocable undertakings referred to in paragraph 8 of Part I of this circular;
- 12.4 the letter issued by the TRP approving this circular in terms of Regulation 117 of the Takeover Regulations; and
- 12.5 the signed letters of consent referred to in paragraph 10 of Part I of this circular.

**Signed in Johannesburg on behalf of the boards of MCC Contracts and African Phoenix in terms of the written resolution passed by each of the directors.**

By order of the boards

\_\_\_\_\_  
**MCC Contracts Proprietary Limited**

**Andrew Hannington**

*Director*

**1 April 2022**

\_\_\_\_\_  
**African Phoenix Investments Limited**

**Oyama Mabandla**

*Director*

**1 April 2022**



## 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")

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### 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*)

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## PART II: ENX RESPONSE CIRCULAR

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### 1. INTRODUCTION

This circular contains the response by the independent board of enX to the mandatory offer by the offerors, as described in Part I of this circular.

### 2. INFORMATION ON ENX AND BACKGROUND TO THE MANDATORY OFFER

- 2.1 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.
- 2.2 In the firm intention announcement released on SENS on Friday, 28 January 2022, shareholders were advised that the offerors had established a concert party arrangement in relation to any shares beneficially held from time to time by them in enX and had subsequently purchased 7 559 375 enX shares at a cash price of R5.60 per share.
- 2.3 As a result of this purchase, the offerors increased their combined shareholding in enX to more than 35% and are accordingly able to exercise more than 35% of all the voting rights attached to enX shares as contemplated in section 123(5) of the Companies Act and regulation 86(1) of the Takeover Regulations. The offerors are therefore required to make a mandatory offer to all other enX shareholders to purchase their shares at a price of R5.60 per share in terms of section 123 of the Companies Act.
- 2.4 Subject to the JSE Listings Requirements, enX intends to remain listed on the Main Board of the JSE following the implementation of the mandatory offer.

### 3. COMPOSITION OF THE INDEPENDENT BOARD

The independent board comprises Vuyani Jarana, Babalwa Ngonyama and Lerato Molefe.

#### 4. APPOINTMENT OF INDEPENDENT EXPERT

The independent board has appointed BDO as its independent expert to provide the independent board with its opinion as to whether the terms of the mandatory offer are fair and reasonable to enX shareholders in accordance with the requirements of the Takeover Regulations.

#### 5. OPINION OF THE INDEPENDENT EXPERT

BDO, acting as independent expert, has considered the terms of the mandatory offer and is of the opinion that, as at the date of the issue of its opinion, the mandatory offer is **unfair** and **unreasonable** to enX shareholders. The independent expert's opinion is set out in **Annexure 1** of this circular.

#### 6. VIEWS OF THE INDEPENDENT BOARD

- 6.1 As contemplated in Regulation 110(3) of the Takeover Regulations, in order for an independent board to express an opinion on an offer and on the offer consideration, it must either perform a valuation of the offeree regulated company's securities that are the subject of an offer, or place reliance upon a valuation of the offeree regulated company's securities that are the subject of an offer, as performed by an independent expert after performing the requisite amount of work that satisfies the independent board that it is justified in placing reliance upon that valuation.
- 6.2 In terms of Regulation 110(6) of the Takeover Regulations, the independent board must consider factors that are difficult to quantify, or are unquantifiable, and must disclose such factors and take them into account in forming its opinion in respect of fairness. The independent board must also form a view of a range of fair value of the offeree regulated company securities, based upon an accepted valuation approach, as contemplated in Regulation 110(7) of the Takeover Regulations.
- 6.3 For the purposes of this circular, in determining whether the offer consideration may generally be considered to be "fair" and "reasonable" the meaning ascribed to the word "fair" and "reasonable" in the Takeover Regulations are applied. In this regard it is noted that:
  - 6.3.1 in accordance with Regulation 110(8) of the Takeover Regulations, an offer with a consideration per offeree regulated company security within a fair-value range is generally considered to be fair;
  - 6.3.2 an offer with an offer consideration per offeree regulated company security above the offeree regulated company's traded security price at the time the offer consideration per security was announced, or at some more appropriate identifiable time, is generally considered to be reasonable in terms of Regulation 110(9) of the Takeover Regulations.
- 6.4 The independent board, after due consideration of the report of the independent expert, has determined that it will place reliance on the valuation performed by the independent expert for the purposes of reaching its own opinion regarding the offer and the offer consideration as contemplated in Regulation 110(3)(b) of the Takeover Regulations.
- 6.5 The independent board has considered the following factors which are difficult to quantify or are unquantifiable (as contemplated in Regulation 110(6) of the Takeover Regulations) in forming its opinion:
  - 6.5.1 the factors identified in the independent expert's report.
- 6.6 The independent expert determined a fair value range of between R12.37 and R13.80 per enX share with a core value of R13.08 per enX share.
- 6.7 The independent board has formed a view of the range of the fair value of the enX shares, which accords with the valuation range contained in the independent expert's report, in considering its opinion and recommendation.
- 6.8 **The view of the independent board is that the general offer is unfair.** This is a function of the offer consideration falling below the fair value range determined in respect of the enX shares.
- 6.9 **The independent board has concluded that the offer consideration is unreasonable.** In this regard it is noted that the offer consideration per enX share is below the closing price of enX shares on the day prior to the date of the firm intention announcement and below the VWAP for enX shares for 5, 10 and 30 days prior to the date of the firm intention announcement.

## 7. MAJOR SHAREHOLDERS

- 7.1 As at the last practicable date, enX did not have a controlling shareholder.
- 7.2 Set out below are the names of shareholders that, directly or indirectly, are beneficially interested in 5% or more of the issued shares of enX as at the last practicable date.

<b>Director</b>	<b>Direct beneficial</b>	<b>Indirect beneficial</b>	<b>Total</b>	<b>% of issued share capital</b>
MCC Contracts	61 305 360	–	61 305 360	33.6
M&G Investments	–	27 349 997	27 349 997	15.0
PSG Group Limited	–	19 482 634	19 482 634	10.7
Samvenice Trading 1 Proprietary Limited	12 785 271	–	12 785 271	7.0
<b>Total</b>	<b>74 090 631</b>	<b>46 832 631</b>	<b>120 923 262</b>	<b>66.3</b>

## 8. INTERESTS OF ENX AND ITS DIRECTORS IN THE OFFEROR AND ENX

### 8.1 Interests of enX in the offeror

- 8.1.1 As at the last practicable date, enX held no interest in any shares of the offerors.
- 8.1.2 There has been no trade by enX in the shares of the offerors in the period commencing six months before the date of the firm intention announcement, being Friday, 28 January 2022 and ending on the last practicable date.

### 8.2 Interests of the directors of enX in enX and the offerors

- 8.2.1 The table below sets out the direct and indirect beneficial holdings of enX shares by the directors in the share capital of the Company as at the last practicable date, including any directors who have resigned during the last 18 months.

<b>Director</b>	<b>Direct beneficial</b>	<b>Indirect beneficial</b>	<b>Total</b>	<b>% of issued share capital</b>
A Hannington	–	10 987 129	10 987 129	6.0
P Baloyi	–	9 624 031	9 624 031	5.3
O Mabandla	–	2 045 275	2 045 275	1.1
W Chapman	–	29 359 740	29 359 740	16.1
R Lumb	60 000	–	60 000	0.0
<b>Total</b>	<b>60 000</b>	<b>52 016 175</b>	<b>52 076 175</b>	<b>28.5</b>

1. Denotes shares held via a trust, company and associates.

- 8.2.2 There have been no dealings in enX shares by the directors of enX in the period commencing six months before the date of firm intention announcement, being Friday, 28 January 2022, and ending on the last practicable date, save for:
- 8.2.2.1 the acquisition by African Phoenix of 7 559 375 enX shares at R5.60 per enX share on 26 January 2022, for an aggregate consideration of R42 332 500.00 pursuant to an off-market transaction. Each of O Mabandla and W Chapman has a beneficial interest in African Phoenix;
- 8.2.2.2 the acquisition of 60 000 shares by Robert Lumb at R5.60 per share on 26 January 2022, for an aggregate consideration of R336 000.00 pursuant to an off-market transaction; and
- 8.2.2.3 the acquisition by Crimson Harvest Holdings Proprietary Limited (“**Crimson Harvest**”) of 1 800 000 enX shares at R5.60 per enX share on 25 November 2021, for an aggregate consideration of R10 080 000.00 pursuant to an on-market transaction. P Baloyi is the sole director of Crimson Harvest.

- 8.2.3 The interests of the directors of enX in African Phoenix shares as at the last practicable date were as follows:

<b>Director</b>	<b>Direct beneficial</b>	<b>Indirect beneficial</b>	<b>Total</b>	<b>% of issued share capital</b>
A Hannington	–	1 395	1 395	0.0
O Mabandla	32 232 954	–	32 232 954	2.3
W Chapman	–	575 976 112	575 976 112	40.9
<b>Total</b>	<b>32 232 954</b>	<b>575 977 507</b>	<b>608 210 461</b>	<b>43.2</b>

- 8.2.4 Save as stated in this paragraph 8.2, none of the directors of enX held any interest in the shares of African Phoenix as at the last practicable date.

- 8.2.5 There have been no dealings by the directors of enX in any shares of African Phoenix during the period commencing six months before the date of the firm intention announcement, being Friday, 28 January 2022, and ending on the last practicable date.

- 8.2.6 The interests of the directors of enX in MCC Contracts shares as at the last practicable date were as follows:

<b>Director</b>	<b>Direct beneficial</b>	<b>Indirect beneficial</b>	<b>Total</b>	<b>% of issued share capital</b>
A Hannington	–	852 620 536	852 620 536	17.9
<b>Total</b>	<b>–</b>	<b>852 620 536</b>	<b>852 620 536</b>	<b>17.9</b>

- 8.2.7 Save as stated in this paragraph 8.2, none of the directors of enX held any interest in the shares of MCC Contracts as at the last practicable date.

- 8.2.8 There have been no dealings by the directors of enX in any shares of MCC Contracts during the period commencing six months before the date of the firm intention announcement, being Friday, 28 January 2022, and ending on the last practicable date.

### 8.3 Directors' service contracts

- 8.3.1 There will be no material change in the remuneration of directors of enX as a consequence of the mandatory offer.

- 8.3.2 No payment or other benefit will be made or given by enX to any director of enX for compensation for loss of office or as consideration for, or in connection with, his/her retirement from office as a consequence of the mandatory offer.

- 8.3.3 No service contracts have been entered into or amended within six months before the firm intention announcement date.

### 8.4 Directors' interests in the mandatory offer

Save as set out in paragraph 8.2 above, no directors of enX will benefit directly or indirectly, in any manner as a consequence of the implementation of the mandatory offer.

### 8.5 Directors' interests in other transactions

The directors of enX have not had any material beneficial interests, whether direct or indirect, in transactions that were effected by enX during the current or immediately preceding financial year or during an earlier financial year which remains in any respect outstanding or unperformed.

## 9. HISTORICAL FINANCIAL INFORMATION

- 9.1 The audited historical financial information of enX for the years ended 31 August 2021, 31 August 2020 and 31 August 2019 is set out in **Annexure 2**.

- 9.2 The historical financial information of enX is the responsibility of the directors of enX.

## 10. PRICE AND VOLUME HISTORY OF ENX SHARES

A table of the aggregate volumes and values traded and the highest and lowest prices traded in enX shares for each month over the 12 months prior to the date of issue of the circular and for each day over the 30 days preceding the last practicable date is set out in **Annexure 3**.

## 11. INDEPENDENT BOARD RESPONSIBILITY STATEMENT

The independent board:

- 11.1 confirms that Part II of this circular contains all information required by the TRP, the JSE Listings Requirements, where applicable;
- 11.2 accepts, individually and collectively, full responsibility for the accuracy of the information given in Part II of this circular;
- 11.3 has considered all statements of fact and opinion in this circular and accepts full responsibility for the information contained in Part II of this circular;
- 11.4 certifies that, to the best of its knowledge and belief, the information contained in Part II of this circular is true and correct;
- 11.5 certifies that, to the best of its knowledge and belief, there are no omissions of material facts or considerations which would make any statement of fact or opinion contained in this document false or misleading; and
- 11.6 has made all reasonable enquiries in this regard.

## 12. CONSENTS

- 12.1 All the parties listed in the “Corporate Information” section above 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.
- 12.2 The independent expert has consented to the inclusion of their report in this circular in the form and context in which they have been reproduced in this circular in **Annexure 1**, which consent has not been withdrawn prior to the issue of this circular. The independent expert has confirmed that the contents of the circular are not contradictory to the information contained in their report.

## 13. CONFLICTS OF INTEREST

- 13.1 Shareholders are advised that Standard Bank is acting as JSE sponsor to enX and in its capacity as JSE sponsor, Standard Bank can confirm that there is no matter that would impact on its ability to exercise reasonable care and judgement to achieve and maintain independence and objectivity in professional dealings in relation to enX, and that would impact on its ability to act within the Code of Conduct as set out in the JSE Listings Requirements.
- 13.2 Standard Bank has various stringent internal procedures in place to ensure that its ability to act independently as JSE sponsor, is not compromised. It furthermore identifies and manages any conflicts of interest in relation to its role as sponsor and its approved executives which could be expected to impair their independence and objectivity in relation to an applicant issuer for a transaction or corporate action.
- 13.3 Pursuant to these internal procedures, Standard Bank has a Compliance Control Room function that identifies and manages conflicts risks and ensures that strict “information barriers” are maintained to ensure that as JSE sponsor, it is able to act independently from other divisions within Standard Bank. Standard Bank also enforces and implements physical and logical access restrictions to information, which is limited to deal teams for whom the information is relevant, for the purpose of fulfilling the client mandate.

## 14. COSTS OF THE OFFER

The preliminary issue and expenses in respect of the offer are set out in paragraph 11 of Part I of this circular.

## 15. 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 on enX's website ([www.enxgroup.co.za/circulars\\_/](http://www.enxgroup.co.za/circulars_/)) and may also be obtained from the Company by sending a request to [info@enxgroup.co.za](mailto:info@enxgroup.co.za).

- 15.1 a signed copy of this circular;
- 15.2 the MOI of enX and its subsidiaries;
- 15.3 the independent fairness opinion regarding the mandatory offer as set out in **Annexure 1**;
- 15.4 the audited consolidated financial statements of enX for the years ended 31 August 2021, 31 August 2020 and 31 August 2019;
- 15.5 the irrevocable undertakings referred to in paragraph 8 of Part I of this circular;
- 15.6 the letter issued by the TRP approving this circular in terms of Regulation 117 of the Takeover Regulations; and
- 15.7 the signed letters of consent referred to in paragraph 12 of Part II of this circular.

**Signed in Johannesburg on behalf of the enX board in terms of the written resolution passed by each of the directors.**

By order of the board

**enX Holdings Limited**

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**Vuyani Jarana**

*Chairperson of the independent board*

1 April 2022

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## INDEPENDENT EXPERT'S OPINION REGARDING THE OFFER

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**The Independent Board**

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

1 April 2022

Dear Sirs/Mesdames

### REPORT OF THE INDEPENDENT EXPERT TO PROVIDE INDEPENDENT EXPERT ADVICE TO THE INDEPENDENT BOARD OF DIRECTORS OF ENX GROUP LIMITED REGARDING A MANDATORY OFFER

**Introduction**

In the firm intention announcement released on the Stock Exchange News Service (“SENS”) of the JSE Limited (“JSE”) on Friday, 28 January 2022 (“FIA”), shareholders of enX Group Limited (“enX” or the “Company”) (“Shareholders”) were advised that MCC Contracts Proprietary Limited (“MCC Contracts”) and African Phoenix Investments Limited (“African Phoenix”) (MCC Contracts and African Phoenix are together the “Concert Parties” or “Offerors”) had established a concert party arrangement in relation to any shares beneficially held from time to time by them in enX and had subsequently purchased 7 559 375 ordinary shares of no par value in the share capital of enX (“Shares”) for a cash consideration of R5.60 per share.

As a result of this purchase, the Offerors increased their combined shareholding in enX to more than 35% and are accordingly able to exercise more than 35% of all the voting rights attached to enX shares as contemplated in section 123(5) of the Companies Act, 71 of 2008, as amended (the “Companies Act”) and regulation 86(1) of the Companies Regulations, 2011 (the “Companies Regulations”). The Offerors are therefore required to make a mandatory offer to all other enX shareholders (“Offeree Shareholders”) to purchase their Shares at a price of R5.60 per Share (the “Offer Consideration”) in terms of section 123 of the Companies Act (the “Offer”).

**Independent expert reports required in terms of the Companies Act**

The Offer is an affected transaction as defined in section 117(1)(c)(vi) of the Companies Act. In terms of section 114(2) of the Companies Act, as read with Regulation 90 and 110 of the Companies Regulations, the Company is required to retain an independent expert to provide an independent expert report (in the form of a fair and reasonable opinion) in terms of section 114(3) of the Companies Act, as read with Regulations 90 and 110 of the Companies Regulations (the “Fair and Reasonable Opinion” or “Opinion”).

BDO Corporate Finance Proprietary Limited (“BDO Corporate Finance” or “Independent Expert”) has been appointed as the independent expert by the independent board of directors constituted to assess the Offer as required in terms of section 114(2) of the Companies Act, as read with Regulations 90 and 110 of the Companies Regulations (“Independent Board”). The Independent Expert Report set out herein is provided to the Independent Board for the sole purpose of assisting the Independent Board in forming and expressing an opinion on the Offer and Offer Consideration for the benefit of the Offeree Shareholders.

**Responsibility**

Compliance with the Companies Act and the Companies Regulations is the responsibility of the Independent Board. Our responsibility is to report to the Independent Board on whether the terms and conditions of the Offer and the Offer Consideration are fair and reasonable to Offeree Shareholders.

**Definition of the terms “fair” and “reasonable” applicable in the context of the Offer**

The “fairness” of a transaction is primarily based on quantitative issues. A transaction will generally be said to be fair to a company’s shareholders if the benefits received, as a result of the transaction, are equal to or greater than the value given up.

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

The assessment of reasonableness of an offer is generally based on qualitative considerations surrounding the transaction. Hence, even though the consideration may be lower than the market value, the Offer may be considered reasonable after considering other significant qualitative factors. The Offer may be said to be reasonable if the Offer Consideration is greater than the trading price of a Share as at the time of the Offer, or at some other more appropriate identifiable time.

### **Details and sources of information**

In arriving at our opinion we have relied upon the following principal sources of information:

- FIA and the circular dated Friday, 1 April 2022 including annexures thereto in respect of the Offer (“**Circular**”);
- the audited annual financial statements of enX, for the financial years ended 31 August 2020 and 2021;
- In respect of each of the following subsidiaries of enX, being:
  - Eqstra Investment Holdings Proprietary Limited (“**Eqstra**”);
  - New Way Power Proprietary Limited (“**New Way**”);
  - Power O2 Proprietary Limited (“**Power O2**”);
  - Centlube Proprietary Limited and African Group Lubricants Proprietary Limited (“**Fuel**”); and
  - West African International Proprietary Limited (“**WAI**”) (the “**Subsidiaries**”):the following information:
  - year to date financial information of the Subsidiaries for the period ended 30 November 2021;
  - budgeted financial information in respect of the Subsidiaries provided by enX management for the financial year ending 31 August 2022; and
  - discussions with enX directors and management regarding the historical and budgeted financial information;
- discussions with the enX directors and management of enX regarding the Offer;
- discussions with the enX directors and management of enX on prevailing market, economic, legal and other conditions which may affect underlying value;
- publicly available information relating to the industry in which enX and the Subsidiaries operate in general; and
- publicly available information relating to enX that we deemed to be relevant, including Company announcements and media articles.

The information above was secured from:

- directors and executive management of enX; and
- third-party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing enX.

### **Procedures**

In arriving at our opinion we have undertaken the following procedures and taken into account the following factors in evaluating the Offer:

- reviewed the terms and conditions of the Offer;
- reviewed the financial information relating to enX and the Subsidiaries as detailed above;
- reviewed and obtained an understanding from management of enX as to the budgeted financial information of enX and the Subsidiaries for the financial year ending 31 August 2022 as prepared by management. This review included an assessment of the recent historical performance to date as well as the reasonableness of the outlook assumed based on discussions with management and assessed the achievability thereof by considering historical information as well as macroeconomic and industry-specific data;
- performed such other studies and analyses as we deemed appropriate and have considered our assessment of general economic, market and financial conditions and our experience in other transactions, as well as our experience in securities valuation and knowledge of the industries in which the Subsidiaries operate;
- held discussions with the directors and management of enX regarding the past and current business operations, regulatory requirements, financial condition and prospects of enX and such other matters as we have deemed relevant to our inquiry;
- the net asset value (“**NAV**”) method of valuation is normally the most appropriate for the valuation of pure investment companies. This valuation approach would be used to value an investment holding company, where the value attributable

to such holding company would be determined on a “sum of the parts” (“SOTP”) basis. As such, the NAV methodology is most applicable for businesses where the value lies in the underlying assets and not the ongoing operations of the business. BDO Corporate Finance performed a SOTP valuation of enX. The valuation was based on the following principal valuation methodologies;

- for Eqstra, Power O2, Fuel and WAI we compiled a capitalisation of maintainable earnings valuation of the Subsidiaries by using adjusted historical and forecast financial information to derive sustainable earnings before interest, tax, depreciation and amortisation (“EBITDA”) or profit after tax (“PAT”) and applied BDO Corporate Finance’s calculated earnings multiples based on market comparables, adjusted for company specific factors for each of these Subsidiaries relative to listed peers;
- for New Way we applied an adjusted NAV approach;
- determined the maintainable costs of head office and the administration functions by using adjusted historical and forecast financial information and applied BDO Corporate Finance’s calculated earnings multiples for investment holding companies;
- the investment in Zestcor Eleven Proprietary Limited (37% shareholding) was valued at carrying value;
- financial assets and financial liabilities were valued based on their carrying values, after confirming that such carrying values represent fair value in terms of International Financial Reporting Standards; and
- aggregated the valuations of the Subsidiaries and the head office and administration function, as well as adjusting for financial assets and financial liabilities to determine a SOTP valuation of enX;
- applied appropriate discounts for, *inter alia*, capital gains tax and costs associated with disposing of the Subsidiaries;
- assessed the long-term potential of enX and the Subsidiaries;
- performed a sensitivity analysis on key assumptions included in the valuation;
- evaluated the relative risks associated with enX and the Subsidiaries and the industries in which they operate;
- reviewed certain publicly available information relating to enX and the Subsidiaries and the industries in which they operate that we deemed to be relevant, including, *inter alia*, Company announcements, media articles, and any available analyst coverage of the industry in general; and
- where relevant, representations made by management and/or directors were corroborated to source documents or independent analytical procedures were performed by us, to examine and understand the industries in which enX and the Subsidiaries operate, and to analyse external factors that could influence the business of enX and the Subsidiaries.

### **Assumptions**

We arrived at our opinion based on the following assumptions:

- That all agreements that have been entered into in terms of the Offer will be legally enforceable against the relevant parties thereto.
- That none of the enX Shares acquired pursuant to the Offer will be transferred to any person other than the Offeror and the Offeror will be the ultimate owner of the enX Shares so acquired.
- That the Offer will have the legal, accounting and taxation consequences described in the Circular and discussions with, and materials furnished to us by representatives and advisers of enX.
- That reliance can be placed on the financial information of enX and the Subsidiaries.

### **Appropriateness and reasonableness of underlying information and assumptions**

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

- placing reliance on audit reports in the financial statements of enX;
- conducting analytical reviews on the historical financial results and forecast financial information, such as key ratio and trend analyses; and
- determining the extent to which representations from management of enX were confirmed by documentary and other financial evidence as well as our understanding of enX and the Subsidiaries and the economic environment in which they operate.

### **Limiting conditions**

The Independent Expert Report is provided in connection with and for the purposes of the Offer. This Independent Expert Report does not purport to cater for each individual Offeree Shareholder’s perspective, but rather that of the general body of Offeree Shareholders. Should an Offeree Shareholder be in doubt as to what action to take, he or she should consult an independent adviser.

Individual Offeree Shareholder's decisions regarding the Offer may be influenced by such Offeree Shareholder's circumstances and accordingly individual Offeree Shareholders should consult an independent adviser if in any doubt as to the merits or otherwise of the Offer.

We have relied upon and assumed the accuracy of the information provided to us in deriving our opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our opinion, whether in writing or obtained in discussion with management, by reference to publicly available or independently obtained information. While our work has involved an analysis of, *inter alia*, the annual financial statements, and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards.

Where relevant, forward-looking information of enX and the Subsidiaries relates to future events and is based on assumptions that may or may not remain valid going forward. Consequently, such information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely the actual future results of enX will correspond to those projected. We have, however, compared the forecast financial information to past trends as well as discussing the assumptions inherent therein with management.

We have also assumed that the Offer will have the legal consequences described in discussions with, and materials furnished to us by representatives and advisers of enX and we express no opinion on such consequences.

Our opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

The scope of our appointment does not require us to express, and nor do we express, a view on the future growth prospects, earnings potential or value of a Share. We do not express any view as to the price at which Shares may trade nor on the future value, financial performance or condition of enX.

### **Independence, competence and fees**

We confirm that neither we nor any person related to us (as contemplated in the Companies Act) have a direct or indirect interest in the Shares or the Offer, nor have had within the immediately preceding two years, any relationship as contemplated in section 114(2)(b) of the Companies Act, and specifically declare, as required by Regulation 90(6)(i) and 90(3)(a) of the Companies Regulations, that we are independent in relation to the Offer and will reasonably be perceived to be independent. We also confirm that we have the necessary competence to provide the Independent Expert Report and meet the criteria set out in section 114(2)(a) of the Companies Act.

Furthermore, we confirm that our professional fees of R450 000 (excluding VAT), in respect of professional services relating to the Offer are not contingent upon the success of the Offer. Our fees are not payable in shares.

### **Valuation approach**

This valuation has been prepared on the basis of "Market Value". The generally accepted definition of "Market Value" is the value as applied between a hypothetical willing vendor and a hypothetical willing prudent buyer in an open market and with access to all relevant information.

The valuation of enX was performed on a SOTP basis by applying the appropriate valuation methodology to each underlying subsidiary, being the multiples approach, based on financial data for comparable publicly traded companies adjusted for company specific factors.

The valuation was performed taking cognisance of risk and other market and industry factors affecting enX and the Subsidiaries. Key internal value drivers to the SOTP valuation of enX included the sustainable earnings of each of the Subsidiaries.

The key external value drivers for the capitalisation of maintainable earnings approach is a market-related earnings multiple applicable to comparable publicly traded companies, adjusted for differences between each of the Subsidiaries and the market comparables to account for the risk profile of the Subsidiaries relative to the basket of peers. The enterprise value is then adjusted for the value of the investment in net cash or net debt balances.

We have determined the value of enX's head office and administration costs by applying an appropriate multiple.

Other financial assets and financial liabilities and the investment in Zestcor were valued based on their carrying values.

Our valuation results are sensitive to the valuation multiples, applied in the SOTP valuation. Sensitivity analyses were performed in respect of the valuation multiples by increasing and decreasing the multiples by 10%. The sensitivity analyses did not indicate a significant enough effect on the valuation of enX to alter our opinion in respect of the Offer.

### **Valuation results**

In undertaking the valuation exercise above, we determined a valuation range of R12.37 to R13.80 per enX Share with a most likely value of R13.08 per enX Share.

The valuation range above is provided solely in respect of the Independent Expert Report and should not be used for any other purposes.

### **Reasonableness of the Offer**

The Offer Consideration represents a 34% discount to the enX closing share price and a 1.4% discount to the 60-day volume-weighted average price (“**VWAP**”) on the last trading day before the date of the FIA, being 27 January 2022. We have assessed the terms of the Offer with reference to normal market-related practice. We have found that, as the Offer Consideration is below the fair value range and market price, accepting the Offer will have a material adverse effect on the Offeree Shareholders and as such is considered not reasonable.

### **Opinion**

We have considered the terms and conditions of the Offer and, based upon and subject to the conditions set out herein, are of the opinion that the Offer is not fair to the enX Offeree Shareholders.

Based on the qualitative considerations set out above, we are of the opinion that the terms and conditions of the Offer are not reasonable.

Our opinion is necessarily based upon the information available to us up to 31 March 2022, including in respect of the financial, market and other conditions and circumstances existing and disclosed to us at the date thereof. We have furthermore assumed that all conditions precedent, including any material regulatory and other approvals and consents required in connection with the Offer have been fulfilled or obtained.

Accordingly, it should be understood that subsequent developments may affect this Independent Expert Report, which we are under no obligation to update, revise or re-affirm.

### **Consent**

We hereby consent to the inclusion of this Independent Expert Report, in whole or in part, and references thereto in the Circular and any other announcement or document pertaining to the Offer, in the form and context in which they appear.

Yours faithfully

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**N Lazanakis CA(SA)**

*Director*

**BDO Corporate Finance Proprietary Limited**

52 Corlett Drive

Illovo

2196

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**HISTORICAL FINANCIAL INFORMATION OF ENX FOR THE YEARS ENDED 31 AUGUST 2021, 31 AUGUST 2020 AND 31 AUGUST 2019**

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The consolidated annual financial statements of enX for the years ended 31 August 2021, 31 August 2020 and 31 August 2019 are set out below. The notes to the consolidated annual financial statements of enX for the years ended 31 August 2021 and 31 August 2020 have been incorporated by reference and are available on enX's website <https://www.enxgroup.co.za/annual-results/>.

No adjustments have been made to previously reported historical financial information used in the preparation of this **Annexure 2**.

**Consolidated Statement of financial position as at**

	Group			Company		
	31 August 2021 R'000s	31 August 2020 R'000s	31 August 2019 R'000s	31 August 2021 R'000s	31 August 2020 R'000s	31 August 2019 R'000s
<b>ASSETS</b>						
<b>Non-current assets</b>	<b>3 185 840</b>	<b>7 019 397</b>	<b>7 220 053</b>	<b>2 089 879</b>	<b>1 848 588</b>	<b>1 858 235</b>
Property, plant, equipment and right-use-assets	259 561	621 446	425 296	1 072	45	131
Leasing assets	2 769 789	6 087 417	5 937 005	–	–	–
Goodwill	–	92 461	390 810	–	–	–
Intangible assets	33 375	73 308	332 674	–	–	–
Investment in associate	103 852	70 916	59 205	–	–	–
Unlisted investments and loans	851	9 175	12 769	–	–	–
Investment in subsidiaries	–	–	–	1 775 428	1 537 701	1 537 701
Loans to group companies	–	–	–	313 379	310 842	320 403
Deferred taxation	18 412	60 050	55 956	–	–	–
Trade and other receivables	–	4 624	6 338	–	–	–
<b>Current assets</b>	<b>2 334 733</b>	<b>3 592 610</b>	<b>3 169 220</b>	<b>6 497</b>	<b>6 250</b>	<b>2 765</b>
Trade and other receivables	810 665	1 062 507	1 110 480	4 868	6 246	204
Inventories	665 356	1 622 021	1 547 864	–	–	–
Derivative financial instruments	32	2 372	21 225	–	–	–
Taxation receivable	2 663	19 801	3 915	1 629	4	82
Bank and cash balances	856 017	885 909	485 736	–	–	2 479
Disposal group held for sale	2 794 679	–	–	–	–	–
<b>Total assets</b>	<b>8 315 252</b>	<b>10 612 007</b>	<b>10 389 273</b>	<b>2 096 376</b>	<b>1 854 838</b>	<b>1 861 000</b>

	Group			Company		
	31 August 2021 R'000s	31 August 2020 R'000s	31 August 2019 R'000s	31 August 2021 R'000s	31 August 2020 R'000s	31 August 2019 R'000s
<b>EQUITY AND LIABILITIES</b>						
<b>Capital and reserves</b>	<b>2 661 950</b>	<b>2 497 447</b>	<b>2 941 754</b>	<b>1 240 692</b>	<b>1 240 065</b>	<b>1 237 009</b>
Stated capital	3 134 092	3 134 092	3 117 031	3 151 707	3 151 707	3 151 706
Other reserves	(733 554)	(595 867)	(648 860)	(773 654)	(773 654)	(773 654)
Accumulated profit/(loss)	224 597	(75 261)	437 208	(1 137 361)	(1 137 988)	(1 141 043)
Equity attributable to equity holders of the parent	2 625 135	2 462 964	2 905 379	1 240 692	1 240 065	1 237 009
Non-controlling interests	36 815	34 483	36 375	–	–	–
<b>Non-current liabilities</b>	<b>2 046 164</b>	<b>4 159 009</b>	<b>4 558 447</b>	<b>–</b>	<b>–</b>	<b>–</b>
Interest-bearing liabilities	1 700 071	3 620 250	4 021 523	–	–	–
Deferred vendor consideration	–	–	2 655	–	–	–
Lease liabilities	93 415	95 741	–	–	–	–
Employee benefits	1 179	5 090	2 999	–	–	–
Deferred taxation	251 499	437 928	531 270	–	–	–
<b>Current liabilities</b>	<b>1 493 253</b>	<b>3 995 551</b>	<b>2 898 072</b>	<b>855 684</b>	<b>614 773</b>	<b>623 991</b>
Interest-bearing liabilities	359 556	2 241 028	1 260 520	–	–	–
Loans from group companies	–	–	–	854 463	612 204	621 354
Deferred vendor consideration	–	33 895	–	–	–	–
Lease liabilities	30 584	115 675	–	–	–	–
Trade, other payables and provisions	1 082 828	1 534 706	1 554 504	598	1 655	2 637
Derivative financial instruments	1 054	1 520	390	–	–	–
Taxation payable	19 231	23 350	50 425	623	914	–
Bank overdrafts	–	5 337	32 233	–	–	–
Liabilities associated with disposal group held for sale	2 113 885	–	–	–	–	–
<b>Total equity and liabilities</b>	<b>8 315 252</b>	<b>10 612 007</b>	<b>10 398 273</b>	<b>2 096 376</b>	<b>1 854 838</b>	<b>1 861 000</b>

Consolidated statement of profit or loss and other comprehensive income for the years

	Group			Company		
	31 August 2021 R'000s	Restated* 31 August 2020 R'000s	31 August 2019 R'000s	Restated* 31 August 2021 R'000s	31 August 2020 R'000s	31 August 2019 R'000s
<b>Continuing operations</b>						
Revenue	4 334 591	3 867 230	7 790 851	3 892	8 674	5 630
<b>Operating profit before items listed below</b>	<b>341 609</b>	<b>110 448</b>	<b>757 175</b>	<b>(1 273)</b>	<b>2 295</b>	<b>(352)</b>
Impairment of goodwill, intangible assets and property, plant and equipment	(1 721)	(318 170)	(166 395)	–	–	–
Adjustment on deferred vendor consideration	–	(30 688)	–	–	–	–
<b>Operating profit before net finance costs and earnings from associate</b>	<b>339 888</b>	<b>(238 410)</b>	<b>590 780</b>	<b>(1 273)</b>	<b>2 295</b>	<b>(352)</b>
Net finance costs	(151 757)	(195 999)	(406 480)	2 344	2 187	2 220
Interest received	6 902	13 678	7 231	2 344	2 187	2 220
Interest expense	(158 659)	(209 677)	(413 711)	–	–	–
Share of profits from associate	32 936	11 711	4 965	–	–	–
<b>Profit/(loss) before taxation</b>	<b>221 067</b>	<b>(422 698)</b>	<b>189 265</b>	<b>1 071</b>	<b>4 482</b>	<b>1 868</b>
Taxation	(55 593)	102 011	(80 614)	(444)	(1 426)	(523)
<b>Profit/(loss) after taxation</b>	<b>165 474</b>	<b>(320 687)</b>	<b>108 651</b>	<b>627</b>	<b>3 056</b>	<b>1 345</b>
<i>Attributable to:</i>						
Equity holders of the parent	163 142	(320 226)	105 811	627	3 056	1 345
Non-controlling interests	2 332	(461)	2 840	–	–	–
<b>Net profit/(loss) after taxation</b>	<b>165 474</b>	<b>(320 687)</b>	<b>108 651</b>	<b>627</b>	<b>3 056</b>	<b>1 345</b>

	Group			Company		
	31 August 2021 R'000s	Restated* 31 August 2020 R'000s	31 August 2019 R'000s	Restated* 31 August 2021 R'000s	31 August 2020 R'000s	31 August 2019 R'000s
<b>Discontinued operations</b>						
Profit/(loss) for the year from discontinued operations	136 716	(192 243)	–	–	–	–
<b>Net profit/(loss) after taxation</b>	<b>302 190</b>	<b>(512 930)</b>	<b>108 651</b>	<b>627</b>	<b>3 056</b>	<b>1 345</b>
<i>Attributable to:</i>						
Equity holders of the parent	299 858	(512 469)	105 811	627	3 056	1 345
Continuing operations	163 142	(320 226)	105 811	627	3 056	1 345
Discontinued operations	136 716	(192 243)	–	–	–	–
Non-controlling interests	2 332	(461)	2 840			
<b>Net profit/(loss) after taxation</b>	<b>302 190</b>	<b>(512 930)</b>	<b>108 651</b>	<b>627</b>	<b>3 056</b>	<b>1 345</b>
<i>Other comprehensive income/(loss) net of taxation:</i>						
Profit/(loss) after taxation	302 190	(512 930)	108 651	627	3 056	1 345
Items that may be reclassified subsequently to profit or loss:						
– Foreign currency translation reserve	(95 870)	102 941	(8 190)	–	–	–
<b>Total comprehensive income/(loss)</b>	<b>206 320</b>	<b>(409 989)</b>	<b>100 461</b>	<b>627</b>	<b>3 056</b>	<b>1 345</b>
<i>Attributable to:</i>						
Equity holders of the parent	203 988	(409 528)	97 621	627	3 056	1 345
Non-controlling interests	2 332	(461)	2 840	–	–	–
<b>Total comprehensive income/(loss)</b>	<b>206 320</b>	<b>(409 989)</b>	<b>100 461</b>	<b>627</b>	<b>3 056</b>	<b>1 345</b>
<b>Profit/(loss) per share from continuing operations</b>						
Basic earnings/(loss) per share (cents)	90,0	(176,9)	58,9			
Diluted earnings/(loss) per share (cents)	90,0	(176,9)	58,3			
<b>Profit/(loss) per share from discontinued operations</b>						
Basic earnings/(loss) per share (cents)	75,4	(106,2)	–			
Diluted earnings/(loss) per share (cents)	75,4	(106,2)	–			

\* During the year, the group entered into an agreement with Aprolis Holdings SAS to divest its ownership in Impact Handling. This divestment was effective from 14 June 2021 and resulted in Impact handling being recognised as a discontinued operation in 2021. Furthermore during the year, the group entered into an agreement with CFAO to divest its ownership in EIE SA. This resulted in EIE SA being recognised as a discontinued operation as at 31 August 2021. Therefore, the statement of profit or loss and other comprehensive income for 2020 has been represented in accordance with IFRS 5 to take into account the two disposals.

**Consolidated Statement of changes in equity** for the years ended

	Group						Company			
	Stated capital R'000	Other reserves R'000	Accumulated profits R'000	Equity attributable to equity holders of the parent R'000	Non-controlling interests R'000	Total equity R'000	Stated capital R'000	Other reserves R'000	Accumulated profits R'000	Total equity R'000
<b>Balances as at 1 September 2018</b>	<b>3 103 455</b>	<b>(681 952)</b>	<b>348 410</b>	<b>2 769 913</b>	<b>36 002</b>	<b>2 805 915</b>	<b>3 139 569</b>	<b>(773 654)</b>	<b>(1 142 388)</b>	<b>1 223 527</b>
Issue of additional shares	12 138	-	-	12 138	-	12 138	12 138	-	-	12 138
Transfer from treasury shares to issued shares	1 438	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	105 811	105 811	2 840	108 651	-	-	1 344	1 344
Other comprehensive income for the year	-	(8 190)	-	(8 190)	-	(8 190)	-	-	-	-
Share-based payment expense	-	5 282	-	5 282	-	5 282	-	-	-	-
Acquisition of minority interest in subsidiary	-	-	(17 031)	(17 031)	(32)	(17 063)	-	-	-	-
Dividends paid to minority shareholders	-	-	-	-	(2 435)	(2 435)	-	-	-	-
<b>Balances as at 31 August 2019</b>	<b>3 117 031</b>	<b>(684 860)</b>	<b>437 208</b>	<b>2 869 379</b>	<b>36 375</b>	<b>2 905 754</b>	<b>3 151 707</b>	<b>(773 654)</b>	<b>(1 141 044)</b>	<b>1 237 009</b>
Transfer from treasury shares to issued shares	17 061	-	-	17 061	-	17 061	-	-	-	-
Profit for the year	-	-	(512 469)	(512 469)	(461)	(512 930)	-	-	3 056	3 056
Other comprehensive income for the year	-	102 941	-	102 941	-	102 941	-	-	-	-
Vesting of share-based payment	-	(13 948)	-	(13 948)	-	(13 948)	-	-	-	-
Dividends paid to minority shareholders	-	-	-	-	(1 431)	(1 431)	-	-	-	-
<b>Balances as at 31 August 2020</b>	<b>3 134 092</b>	<b>(595 867)</b>	<b>(75 261)</b>	<b>2 462 964</b>	<b>34 483</b>	<b>2 497 447</b>	<b>3 151 707</b>	<b>(773 654)</b>	<b>(1 137 988)</b>	<b>1 240 065</b>
Profit for the year	-	-	299 858	299 858	2 332	302 190	-	-	627	627
Other comprehensive income for the year	-	(95 870)	-	(95 870)	-	(95 870)	-	-	-	-
Reclassification of reserves on disposal of subsidiary	-	(41 518)	-	(41 518)	-	(41 518)	-	-	-	-
Share-based payment settlement	-	(299)	-	(299)	-	(299)	-	-	-	-
<b>Balances as at 31 August 2021</b>	<b>3 134 092</b>	<b>(733 554)</b>	<b>224 597</b>	<b>2 625 135</b>	<b>36 815</b>	<b>2 661 950</b>	<b>3 151 707</b>	<b>(773 654)</b>	<b>(1 137 361)</b>	<b>1 240 692</b>

**Consolidated Statements of cash flows** for the years ended

	Group			Company		
	31 August 2021 R'000	31 August 2020 R'000	31 August 2019 R'000	31 August 2021 R'000	31 August 2020 R'000	31 August 2019 R'000
<b>Cash flows from operating activities</b>	<b>2 345 119</b>	<b>1 995 525</b>	<b>1 736 384</b>	<b>1 875</b>	<b>(5 063)</b>	<b>952</b>
Cash generated from operations	2 680 421	2 470 873	2 205 006	2 553	(4 643)	1 508
Interest received	9 323	13 945	7 231	57	10	159
Interest paid	(307 717)	(417 032)	(399 374)	–	–	–
Taxation paid	(36 908)	(72 261)	(76 479)	(735)	(430)	(715)
<b>Cash flows from investing activities</b>	<b>(1 341 710)</b>	<b>(1 771 570)</b>	<b>(2 267 615)</b>	<b>(250)</b>	<b>2 588</b>	<b>–</b>
Additions to property, plant and equipment	(56 120)	(36 465)	(44 730)	–	–	–
Additions to leasing assets	(1 733 498)	(1 737 911)	(2 098 549)	–	–	–
Additions to intangible assets	(24 639)	(14 783)	(13 870)	–	–	–
Proceeds on disposal of property, plant and equipment	10 857	15 300	5 047	–	–	–
Acquisition of business	(12 947)	–	(112 404)	–	–	–
Net proceeds on disposal of subsidiary	474 637	–	–	–	–	–
Cash movements in loans with group companies	–	–	–	(250)	2 588	–
Cash inflow/(outflow) from unlisted investments and loans	–	2 289	(3 109)	–	–	–
<b>Cash flows from financing activities</b>	<b>(1 005 191)</b>	<b>243 311</b>	<b>546 754</b>	<b>–</b>	<b>–</b>	<b>–</b>
Proceeds from interest-bearing liabilities	3 360 712	693 550	1 036 868	–	–	–
Repayment of interest-bearing liabilities	(4 322 382)	(395 927)	(476 475)	–	–	–
Deferred vendor consideration paid	(30 319)	–	(11 204)	–	–	–
Repayment of lease liabilities	(13 202)	(52 881)	–	–	–	–
Dividends paid to minority shareholders	–	(1 431)	(2 435)	–	–	–
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1 782)</b>	<b>467 266</b>	<b>15 523</b>	<b>1 625</b>	<b>(2 475)</b>	<b>952</b>
Effects of exchange rate changes on cash and cash equivalents	(27 019)	(13 237)	4 384	–	–	–
Cash and cash equivalents at beginning of year	880 532	426 503	406 596	4	2 479	1 527
<b>Cash and cash equivalents at end of year</b>	<b>851 731</b>	<b>880 532</b>	<b>426 503</b>	<b>1 629</b>	<b>4</b>	<b>2 479</b>
<i>Cash and cash equivalents consist of:</i>						
Bank and cash balances	866 653	885 909	458 736	1 629	4	2 479
Bank overdrafts	(14 922)	(5 377)	(32 233)	–	–	–
	<b>851 731</b>	<b>880 532</b>	<b>426 503</b>	<b>1 629</b>	<b>4</b>	<b>2 479</b>

## TRADING HISTORY OF ENX SHARES

A table of the aggregate volumes and values traded, and the highest and lowest prices traded in enX shares for each month over the 12 months prior to the mandatory offer period and for each day over the 30 days preceding the last practicable date prior to the date of the circular is set out below:

Period	High (Rand)	Low (Rand)	Close (Rand)	Volume	Value (R)
<b>Monthly</b>					
<b>2021</b>					
April	5.52	5.50	5.52	2 095 638	11 526 114
May	5.70	5.60	5.60	27 790	155 984
June	5.82	5.82	5.82	10 000	54 500
July	5.75	5.75	5.75	5 000	28 750
August	5.95	5.95	5.95	10 075	59 946
September	6.67	5.90	6.20	90 553	560 652
October	7.45	7.25	7.44	10 008	72 563
November	7.70	7.26	7.70	5 402	40 590
December	8.35	8.35	8.35	996	8 317
<b>2022</b>					
January	8.50	7.30	8.50	8 500	65 010
February	7.25	7.10	7.20	15 778	113 600
March	7.63	7.63	7.63	22	168
<b>Daily</b>					
<b>2022</b>					
17 February	8.39	8.00	8.39	140	1 171
18 February	8.39	8.00	8.39	0	0
21 February	8.39	8.00	8.39	0	0
22 February	8.40	7.61	8.01	9 764	77 467
23 February	7.81	7.75	7.80	45 966	358 984
24 February	7.75	7.32	7.32	1 981	14 794
25 February	7.75	7.30	7.75	29 048	217 812
28 February	7.25	7.10	7.20	15 778	113 600
1 March	7.25	7.10	7.20	0	0
2 March	7.25	7.10	7.20	0	0
3 March	7.26	7.11	7.26	49 938	355 996
4 March	8.98	7.26	8.98	106	942
7 March	8.98	7.26	8.98	0	0
8 March	8.74	8.00	8.01	2 904	24 564
9 March	8.74	8.00	8.01	0	0
10 March	8.74	8.00	8.01	0	0
11 March	8.74	8.00	8.01	0	0
14 March	8.74	8.00	8.01	0	0
15 March	8.01	8.00	8.01	12 144	97 216
16 March	8.00	7.50	7.60	10 722	85 775
17 March	8.00	7.99	8.00	19 393	155 129
18 March	8.00	7.99	8.00	0	0
22 March	8.74	7.82	7.82	3 948	31 619
23 March	8.74	7.82	7.82	0	0
24 March	8.74	7.82	7.82	0	0
25 March	7.99	7.62	7.62	38	303
28 March	7.99	7.62	7.62	0	0
29 March	7.90	7.62	7.62	1 492	11 740
30 March	7.63	7.63	7.63	22	168
31 March	7.64	7.63	7.64	11 050	84 422

Source: CapIQ

Note: Value traded has been calculated using daily VWAP times daily volume traded



## 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")

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### FORM OF ACCEPTANCE, SURRENDER AND TRANSFER ("FORM") (FOR CERTIFICATED SHAREHOLDERS ONLY)

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

This form should be read in conjunction with the circular.

**HOLDERS OF DEMATERIALISED SHARES MUST NOT COMPLETE THIS FORM.**

#### INSTRUCTIONS:

1. This form is for use only by certificated shareholders who are offer participants.
2. Offer participants must complete this form in BLOCK CAPITALS.
3. A separate form is required for each certificated shareholder who is an offer participant.
4. All acceptances of the mandatory offer received by the transfer secretaries, the offerors or the relevant CSDP or broker prior to the closing date will be irrevocable, save in circumstances where the condition precedent in paragraph 2.4 of the circular is not fulfilled.
5. **Part A** must be completed by all offer participants who return this form.
6. **Part B** must be completed by those shareholders who accept the mandatory offer.
7. **Part C** must be completed by all offer participants who are emigrants from or are non-residents of the Common Monetary Area.
8. **Part D** must be completed by all offer participants requiring payment of the offer consideration to be made by way of the electronic transfer of funds. It is expected that electronic funds transfers will be made on the payment date, namely Monday, 6 June 2022 only to those offer participants who have surrendered their documents of title prior to 12:00 on the offer record date.
9. Persons who have acquired enX shares after the date of the issue of the circular to which this form is attached, may obtain copies of the form and the circular from the transfer secretaries.
10. The offer consideration will not be paid to offer participants who hold certificated shares unless and until documents of title in respect of the repurchase shares have been surrendered to Computershare.

To: **Computershare Investor Services Proprietary Limited**  
**15 Biermann Avenue**  
**Rosebank Towers, Rosebank, 2196**  
**(Private Bag X3000, Saxonwold, 2132)**

Dear Sirs

**PART A: To be completed by all offer participants wishing to participate in the mandatory offer and who return this form**

I/We hereby surrender and enclose the share certificates, certified transfer deeds and/or other documents of title, details in respect of which are set out in the table below, in respect of my/our holding of certificated shares:

Name of registered holder (separate form for each holder)	Certificate number(s) (in numerical order)	Number of enX shares covered by each certificate(s) enclosed
<b>Total</b>		

Surname or name of corporate body: \_\_\_\_\_

First names (in full): \_\_\_\_\_

Title (Mr, Mrs, Miss, Ms, etc.): \_\_\_\_\_

Telephone number: \_\_\_\_\_

Cellphone number: \_\_\_\_\_

Email address: \_\_\_\_\_

Address: \_\_\_\_\_

Postal code

<b>Signature of certificated shareholder:</b>	<b>Stamp and address of agent lodging this form of surrender (if any)</b>
Assisted by me (if applicable):	
(State full name and capacity):	
Date:	
Telephone number:	
Cellphone number:	

*Signatories may be called upon for evidence of their authority or capacity to sign this form.*

In compliance with the Financial Intelligence Centre Act, 38 of 2001, the transfer secretaries will be unable to record any change of address unless the following documentation is delivered to the transfer secretaries:

- an original certified copy of your identity document;
- an original certified copy of a document issued by the South African Revenue Services to verify your tax number (if you do not have a tax number, please confirm this in writing and have the letter signed before a Commissioner of Oaths); and
- an original or an original certified copy of a service bill to verify your physical address.

Please note that copies of certified copies will not be accepted

**PART B: Acceptance of the mandatory offer**

**Shareholders who accept the mandatory offer must please complete Part B.**

I/We hereby accept the mandatory offer in respect of \_\_\_\_\_ enX shares held by me/us.

(Failure to state the number of shares shall be deemed to indicate acceptance of the mandatory offer in respect of all shares indicated by the documents of title surrendered by that shareholder or his/her representative.)

**PART C: To be completed by all emigrant offer participants from, and non-resident offer participants of, the Common Monetary Area (see notes 2 and 3 below)**

*In the case of offer participants who are emigrants:*

The offer consideration will be posted or transferred (at the risk of the offer participant) to the authorised dealer nominated by the offer participant below for its control and credited to the emigrant's blocked account. Accordingly, non-residents who are emigrants must provide the following information:

Name of authorised dealer: \_\_\_\_\_

Account number: \_\_\_\_\_

Address: \_\_\_\_\_

**In the case of all other non-resident offer participants:**

The offer consideration will be posted to the registered address of the non-resident concerned, unless written instructions to the contrary are received and a substitute address provided below (in each case at the risk of the offer participant):

Substitute address	Stamp and address of agent lodging this form (if any)
Signature of shareholder:	
Details of authorised dealer:	
Signature of authorised dealer	

**PART D: Submission of banking details (excluding third party accounts) in respect of offer participants wishing payment of the offer consideration to be made by way of the electronic transfer of funds**

**In terms of the Financial Intelligence Centre Act requirements, the transfer secretaries will only be able to record the banking details if the following documents are attached:**

- a certified copy of identity document; and
- a certified true copy of a bank statement.

Name of offer participant: \_\_\_\_\_

Name of bank: \_\_\_\_\_

Branch code: \_\_\_\_\_

Account number: \_\_\_\_\_

Contact person: \_\_\_\_\_

Telephone number: \_\_\_\_\_

Cellphone number: \_\_\_\_\_

**enX undertakes no responsibility for verification of the banking details provided above nor for the authenticity of the signature below. Offer participants warrant the correctness of the above banking details and indemnify and hold enX harmless against any loss for funds having been paid into the account, details of which have been provided above.**

Signature of shareholder:	Stamp and address of agent lodging this form (if any)

**Note:**

In order to comply with the requirements of the Financial Intelligence Act, 2001 (Act 38 of 2001), Computershare Investor Services Proprietary Limited will be unable to record any changes of address or payment mandates unless the following documentation is received from the relevant shareholder:

- A certified true copy of the original identification document (in respect of changes of address and payment mandate).
- A certified true copy of an original bank statement (in respect of bank mandate).

**Notes and instructions:**

1. All documents are posted at the risk of the offer participants. The offer consideration will be posted or transferred, as the case may be, at the risk of the offer participants.
2. Emigrants from the Common Monetary Area must complete **Part C**.
3. All other non-residents of the Common Monetary Area must complete **Part C** if they wish the relevant offer consideration to be paid to an authorised dealer in South Africa.
4. If **Part C** is not properly completed, the offer consideration (in the case of emigrants) will be paid by the Company to an authorised dealer of its choice to hold on behalf of the relevant emigrant pending receipt of the necessary nomination or instruction. No interest will accrue or be payable to the offer participant in respect of such monies.
5. Completed forms must be completed and returned, together with your documents of title, to the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196 (Private Bag X3000, Saxonwold, 2132) to be received by them by no later than 12:00 on the closing date.
6. The offer consideration will not be paid to or sent to offer participants unless and until the documents of title in respect of the repurchase shares have been surrendered to the transfer secretaries. If an offer participant produces evidence to the satisfaction of enX that documents of title in respect of shares have been lost or destroyed, surrender of such documents of title may be waived by enX, provided that enX, if it so requires, is provided with indemnity to its satisfaction in respect of such documents of title and any additional evidence or documents or undertakings (including insurance or a guarantee) as enX may require.
7. No receipts will be issued for documents lodged unless specifically requested. In compliance with the JSE Listings Requirements, lodging agents are requested to prepare special transaction receipts, if required. Signatories may be called upon for evidence of their authority or capacity to sign this form.
8. Any alteration to this form must be signed in full and not initialled.
9. If this form is signed under a power of attorney, then such power of attorney, or a notrially certified copy thereof, must be sent with this form for noting (unless it has already been noted by enX or the transfer secretaries). This does not apply in the event of this form bearing a JSE broker's stamp.
10. Where the offer participant is a company or a close corporation, unless it has already been registered with enX or the transfer secretaries, a certified copy of the directors' or members' resolution authorising the signing of this form must be submitted if so requested by enX.
11. If this form is not signed by the offer participant, such offer participant will be deemed to have irrevocably appointed the transfer secretaries to implement the obligations of the offer participant under the offer on his or her behalf.
12. Where there are any joint holders of any repurchase shares, only that holder whose name stands first in the register in respect of such shares need sign this form.
13. A minor must be assisted by his or her parent or guardian, unless the relevant documents establishing his or her legal capacity are produced or have been registered by the transfer secretaries.