THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 7 of this circular have, where appropriate, been used on this cover page.

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

Action required

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

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

Shareholders are referred to page 3 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, banker, legal advisor, accountant, investment dealer, CSDP 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

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

CIRCULAR TO ENX SHAREHOLDERS

relating to:

- **the divestment of Eqstra, constituting the disposal of the greater part of enX's assets in terms of section 112 of the Companies Act (read with section 115 of the Companies Act) and a category 1 transaction in terms of the JSE Listings Requirements,**

and enclosing:

- **a report prepared by the independent expert in terms of section 112 of the Companies Act (read with Regulation 90 of the Takeover Regulations);**
- **a notice of general meeting of enX shareholders; and**
- **a form of proxy *(green)* to attend and vote at the general meeting of enX shareholders, for use only by certificated shareholders and dematerialised shareholders who have elected own-name registration.**

Transaction sponsor

JAVACAPITAL

Legal advisors

WHITE & CASE

Independent expert

Valeo Capital

Independent auditor

KPMG

Independent auditor
(for the years ended 31 August 2022 and 2021)

Deloitte.

Date of issue: Friday, 9 February 2024

This circular is available in English only. Copies of this circular may be obtained from the registered address of the Company at the address set out in the Corporate Information section of this circular from the date of distribution of this circular until the date of the general meeting. The circular will also be available on enX's website www.enxgroup.co.za/circulars_/ from the date of distribution of the circular.

CORPORATE INFORMATION

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

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

Independent expert
Valeo Capital Proprietary Limited
(Registration number 2021/834806/07)
Unit 12, Paardevlei Specialist Centre
Somerset West, 7130
(Postal address same as physical address)

Independent auditor
(for the years ended 31 August 2022 and 2021)
Deloitte & Touche
(Practice number 902276)
Deloitte Place
5 Magwa Crescent
Waterfall City
Midrand, 2090
(Private Bag X6, Gallo Manor, 2052)

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)

Legal advisor
White & Case SA.
(Registration number 2013/220413/21)
1st Floor, Katherine Towers
1 Park Lane
Wierda Valley
Sandton, 2196
(PO Box 784440, Sandton 2146)

Independent auditor
KPMG Inc.
(Registration number 1999/021543/21)
KPMG Crescent
85 Empire Road
Parktown, 2193
(Private Bag X9, Parkview, 2122)

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

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The definitions and interpretations commencing on page 7 of this circular have, where appropriate, been used in the following table of contents.

ACTION REQUIRED BY ENX SHAREHOLDERS

The definitions and interpretations commencing on page 7 of this circular have, where appropriate, been used in this section.

1. **THE GENERAL MEETING**

A general meeting of enX shareholders will be held at 11:00 on Wednesday, 3 April 2024 or 5 minutes after the conclusion of the AGM, whichever is the later, at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196, as well as virtually via a remote interactive electronic platform, Microsoft Teams, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions required to be approved by shareholders in order to authorise and implement the transaction in terms of section 112 of the Companies Act (read with section 115 of the Companies Act) and section 9 of the JSE Listings Requirements. The notice of general meeting is attached to and forms part of this circular.

Certificated shareholders and own-name dematerialised shareholders who are unable to attend the general meeting but who wish to be represented thereat are requested to complete and return the attached form of proxy in accordance with the instructions contained therein. The duly completed forms of proxy are requested to be received by the transfer secretaries by no later than 11:00 on Thursday, 28 March 2024. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement thereof.

Dematerialised shareholders who have not elected own-name registration and who wish to attend the general meeting must instruct their CSDP or broker timeously in order that such CSDP or broker issues them with the necessary letter of representation.

Dematerialised shareholders who have not elected own-name registration and who do not wish to attend the general meeting but wish to vote thereat, must provide their CSDP or broker with their instruction for voting at the general meeting in the manner stipulated in the agreement governing the relationship between such shareholders and his/her CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature and/or as set out in the custody agreement concluded between such shareholders and their CSDP or broker. Such shareholders should **not** complete the form of proxy.

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

2. **ELECTRONIC PARTICIPATION**

Shareholders wishing to participate in the general meeting are requested, for administrative purposes, to submit notification of their intent (the **"electronic notice**") by e-mail to the company secretary, at *enx@acorim.co.za* as soon as possible and by no later than 11:00 on Thursday, 28 March 2024. The electronic notice should include relevant contact details including email address, mobile number and landline number, as well as full details of the shareholder's title to the shares and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated shareholders), and, in the case of dematerialised shareholders, written confirmation from the shareholder's CSDP confirming the shareholder's title to the dematerialised shares. The shareholder should also indicate whether the shareholder wishes to vote by proxy or wishes to exercise votes during the general meeting. Upon receipt of the required information, the shareholder concerned will be provided with a link to access the general meeting, which will take place via Microsoft Teams, together with any further instructions. The fact that shareholders are requested to submit an electronic notice to the company secretary before 11:00 on Thursday, 28 March 2024 will not in any way affect the rights of shareholders who submit an electronic notice after this date and who have been fully verified (as required in terms of section 63(1) of the Companies Act) to participate in and/or vote at the general meeting.

3. **VOTING PROCEDURE AND QUORUM FOR THE GENERAL MEETING**

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

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

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

4. COURT APPROVAL

4.1 enX shareholders are advised that, in terms of section 115(3) of the Companies Act, enX may, in certain circumstances, not proceed to implement the special resolution required to approve the transaction despite the fact that it has been adopted at the general meeting without the approval of the court.

4.2 A copy of section 115 of the Companies Act pertaining to the required approval for the transaction is set out in **Appendix A to Annexure 1** of this circular.

5. DISSENTING SHAREHOLDERS' APPRAISAL RIGHTS

5.1 At any time before the transaction resolution is to be voted on at the general meeting, a shareholder may give enX written notice objecting to the transaction resolution.

5.2 Within 10 business days after enX has adopted the transaction resolution, enX must send a notice that the transaction resolution has been adopted to each shareholder who gave enX written notice of objection and has neither withdrawn that notice nor voted in favour of the transaction resolution.

5.3 A shareholder who has given enX written notice in terms of section 164 of the Companies Act objecting to the transaction resolution and has complied with all of the procedural requirements set out in section 164 of the Companies Act may, if the transaction resolution has been adopted, make a demand in writing within:

5.3.1 20 business days after receipt of the notice referred to above; or

5.3.2 if the shareholder does not receive the notice from enX referred to above, 20 business days after learning that the transaction resolution has been adopted,

demanding that enX pay the shareholder the fair value (in terms of and subject to the requirements set out in section 164 of the Companies Act) for all the shares held by that shareholder.

5.4 If a shareholder exercises its appraisal rights in terms of section 164 of the Companies Act, such shareholder will have no further rights in respect of those shares other than to be paid the fair value of the shares.

5.5 If a shareholder has exercised its appraisal rights as set out above but has subsequently withdrawn its demand in terms of section 164(9) of the Companies Act, such shareholder's rights in respect of its shares will be reinstated without interruption.

5.6 A copy of section 164 of the Companies Act pertaining to the dissenting shareholders' appraisal rights is set out in Appendix B to Annexure 1 of this circular.

6. 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.

SALIENT DATES AND TIMES

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

	2024
Record date to receive the circular and notice of general meeting	Friday, 2 February
Circular and notice of general meeting issued	Friday, 9 February
Announcement relating to the issue of the circular and notice of general meeting released on SENS	Friday, 9 February
Announcement relating to the issue of the circular and notice of general meeting published in the press	Monday, 12 February
Last day to trade on the JSE in order to be eligible to participate in and vote at the general meeting	Monday, 18 March
Voting record date	Friday, 22 March
Last day to lodge forms of proxy for the general meeting with the transfer secretaries, by 11:00 (forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement thereof)	Thursday, 28 March
Last date and time for enX shareholders to give notice of their objections to the transaction resolution in terms of section 164(3) of the Companies Act by no later than 10:00 on	Wednesday, 3 April
General meeting held at 11:00 or 5 minutes after the conclusion of the AGM, whichever is the later	Wednesday, 3 April
Results of the general meeting released on SENS	Wednesday, 3 April
Results of the general meeting published in the press	Thursday, 4 April
Last date for shareholders who voted against the transaction to require enX to seek court approval for the transaction in terms of section 115(3)(a) of the Companies Act, if at least 15% of the total votes of shareholders at the general meeting were exercised against the transaction	Wednesday, 10 April
Last date on which enX shareholders can make application to the court in terms of section 115(3)(b) of the Companies Act on	Wednesday, 17 April
Last date for enX to give notice of adoption of the special resolution approving the transaction to enX shareholders who objected to such special resolution in terms of section 164(3) of the Companies Act on	Wednesday, 17 April
In respect of the transaction, if no enX shareholders exercise their rights in terms of section 115(3)(a) or section 115(3)(b) of the Companies Act:	
Date that all conditions precedent are expected to be fulfilled (see note 10 below)	Friday, 14 June
Announcement in respect of the transaction becoming unconditional expected to be released on SENS on (see note 10 below)	Tuesday, 18 June
Announcement in respect of the transaction becoming unconditional expected to be published in the press on (see note 10 below)	Wednesday, 19 June
Expected implementation date of the transaction (see note 10 below)	Friday, 28 June

Notes:

1. All times given in this document are local times in South Africa and may be changed by enX (subject to the approval of the TRP and JSE, if required). Any changes will be released on SENS and published in the press.
2. enX shareholders are referred to page 3 of this circular for information on the action required to be taken by them.
3. enX shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three business days after such trades. Therefore, enX shareholders who acquire enX shares after close of trade on Monday, 18 March 2024 will not be eligible to vote at the general meeting.
4. No dematerialisation and rematerialisation of enX shares may take place between Tuesday, 19 March 2024 and Friday, 22 March 2024, both days inclusive.

5. A form of proxy not lodged with the transfer secretaries may be handed to the chairperson of the general meeting at any time prior to the commencement of the general meeting or prior to voting on any resolution to be proposed at the general meeting.
6. If the general meeting is adjourned or postponed, a form of proxy submitted for the initial general meeting will remain valid in respect of any adjournment or postponement of the general meeting, unless it is withdrawn.
7. If the general meeting is adjourned or postponed then forms of proxy that have not yet been submitted should be lodged with the transfer secretaries by no later than two business days before the adjourned or postponed general meeting but may nonetheless be handed to the chairperson of the adjourned or postponed general meeting at any time prior to the commencement of the adjourned or postponed general meeting or prior to voting on any resolution to be proposed at the adjourned or postponed general meeting.
8. If the transaction is not approved by such number of enX shareholders at the general meeting so that an enX shareholder may require enX to obtain court approval of the transaction as contemplated in section 115(3)(a) of the Companies Act, and if an enX shareholder in fact delivers such a request, the dates and times set out above will require amendment. enX shareholders will be notified separately of the applicable dates and times under this process.
9. If any enX shareholder who votes against the transaction exercises its rights in terms of section 115(3)(b) of the Companies Act and applies to court for a review of the transaction, the dates and times set out above will require amendment. enX shareholders will be notified separately of the applicable dates and times under this process.
10. Shareholders should note that these dates are indicative only. Shareholders will be advised of any changes to these dates by way of a SENS announcement and press publication.

DEFINITIONS AND INTERPRETATIONS

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

"**African Group Lubricants**"	African Group Lubricants Proprietary Limited (Registration number 2014/176422/07), a private company incorporated and registered in accordance with the laws of South Africa and a 66% indirectly held subsidiary of enX (the balance of which is held by Abakhulu Energy Proprietary Limited, an unrelated minority shareholder);
"**African Phoenix**"	African Phoenix Investments Limited (Registration number 1946/021193/06), a public company incorporated and registered in accordance with the laws of South Africa;
"**AGM**"	the annual general meeting of shareholders of enX for the year ended 31 August 2023 to be held at 10:00 on Wednesday, 3 April 2024, at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196 in accordance with the notice of annual general meeting published on 1 December 2023;
"**Amasondo**"	Amasondo Fleet Services Proprietary Limited (Registration number 2000/015762/07), a private company incorporated and registered in accordance with the laws of South Africa and a 60%-owned subsidiary of Eqstra (the balance of which is held by Nozala Investments Proprietary Limited, an unrelated minority shareholder of Amasondo Fleet Services Proprietary Limited);
"**appraisal rights**"	the rights afforded to enX shareholders under section 164 of the Companies Act, as set out in **Appendix B** to **Annexure 1** of this circular;
"**board**" **or** "**board of directors**" **or "directors**"	the board of directors of enX as set out on page 13 of this circular;
"**broker**"	any person registered as a broking member (equities) in accordance with the provisions of the Financial Markets Act;
"**business day**"	any day other than a Saturday, Sunday or official public holiday in South Africa, and in the event that a day referred to in terms of this circular falls on a day which is not a business day, the relevant date will be extended to the next succeeding business day;
"**category 1 transaction**"	a transaction which is categorised as category 1 in terms of section 9.5 of the JSE Listings Requirements;
"**certificated shareholders**"	shareholders who hold certificated shares;
"**certificated shares**"	shares which have not been dematerialised into the Strate system, title to which is represented by physical documents of title;
"**circular**"	this circular dated Friday, 9 February 2024, including all annexures, and including the ancillary documents relevant to the transaction;
"**Companies Act**"	the Companies Act, No. 71 of 2008, as amended from time to time;
"**Compan**y" or "**enX**"	enX Group Limited (Registration number 2001/029771/06), a public company incorporated and registered in accordance with the laws of South Africa and listed on the JSE, full details of which are set out in the "Corporate Information" section;
"**company secretary**"	Acorim Proprietary Limited (Registration number 2013/087325/07), full details of which are set out in the "Corporate Information" section;

"**Competition Authorities**"	collectively: • the Competition Commission, the Competition Tribunal or the Competition Appeal Court, whichever has jurisdiction for the purposes of the transaction, as established by the Competition Act, No. 89 of 1998, as amended from time to time; • the Namibian Competition Commission; • the Competition and Consumer Authority of Botswana; and • the Eswatini Competition Commission;
"**court**"	any South African court with competent jurisdiction to approve the implementation of the transaction resolution set out in the notice convening the general meeting, pursuant to section 115 of the Companies Act and/or to determine the fair value of enX shares and make an order pursuant to section 164(14) of the Companies Act;
"**CSDP**"	a Central Securities Depositary Participant in South Africa, appointed to hold and administer dematerialised shares;
"**Deloitte**"	Deloitte & Touche (Practice number 902276), the independent auditor in respect of (i) the report of historical financial information of the Eqstra Group post the unbundling, as detailed in paragraph 6.3 of this circular, for the financial years ended 31 August 2022 and 31 August 2021; and (ii) the audited consolidated financial statements of enX for the financial years ended 31 August 2022 and 31 August 2021, full details of which are set out in the "Corporate Information" section;
"**dematerialised shareholder**"	shareholders who hold dematerialised shares;
"**dematerialised shares**"	shares which have been incorporated into the Strate system, title to which is not represented by physical documents of title;
"**dissenting shareholders**"	the enX shareholders who (i) validly exercise their appraisal rights by, among other things, objecting to the transaction resolution in terms of section 164(3) of the Companies Act and voting against the transaction resolution and demanding, in terms of section 164(5) to 164(8) of the Companies Act, that the Company pay to them the fair value of their enX shares; (ii) do not withdraw that demand before the Company makes an offer to them in accordance with the requirements of section 164(11) of the Companies Act; and (iii) do not, after an offer is made to them by enX in accordance with the requirements of section 164(11) of the Companies Act, withdraw the demand or allow such offer to lapse;
"**documents of title**"	share certificates, certified transfer deeds, balance receipts and any other documents of title to shares acceptable to the board;
"**effective date**"	the last day of the month in which the last of the suspensive conditions are fulfilled or waived, as the case may be;
"**enX Corporation**"	enX Corporation Limited (Registration number 1984/007045/06), a public, unlisted company incorporated and registered in accordance with the laws of South Africa and a wholly owned subsidiary of Eqstra;
"**enX Fleet Management**"	enX Fleet Management Botswana Proprietary Limited (Registration number 2001/1608), a company incorporated and registered in accordance with the laws of the Republic of Botswana and a wholly owned subsidiary of Eqstra;
"**enX Leasing**"	enX Leasing Investments Proprietary Limited (Registration number 2015/323818/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly owned subsidiary of enX;
"**enX Trading**"	enX Trading Investments Proprietary Limited (Registration number 2012/001052/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly owned subsidiary of enX;
"**Eqstra**"	Eqstra Investment Holdings Proprietary Limited (Registration number 2016/229947/07), a private company incorporated and registered in accordance with the laws of South Africa. Eqstra is a wholly owned subsidiary of enX and is the holding company of enX's fleet management business;

"**Eqstra Fleet Services**"	Eqstra Fleet Services Proprietary Limited (Registration number 1988/002850/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly owned subsidiary of Eqstra;
"**Eqstra Group**"	Eqstra and its subsidiaries. For ease of reference, as part of the transaction, Nedbank will indirectly acquire the following subsidiaries of Eqstra: • Eqstra Fleet Services; • Amasondo; • Kynite Solutions; • GPS Tracking Solutions; • enX Corporation; • enX Fleet Management; • Eqstra (Swaziland); and • Omatemba Fleet Services;
"**Eqstra NAV**"	net asset value, being consolidated equity attributable to the equity holders of Eqstra as determined in accordance with IFRS, and for the avoidance of doubt, includes stated capital, other reserves and accumulated profits of the Eqstra Group, but excludes the subsidiaries forming part of the unbundling;
"**Eqstra NH Equipment"**	Eqstra NH Equipment Property Limited (Registration number 1959/001953/07), a private company registered and incorporated in accordance with the company laws of South Africa and a wholly owned subsidiary of Eqstra;
"**Eqstra (Swaziland)**"	Eqstra (Swaziland) Proprietary Limited (Registration number 744/1999), a company incorporated and registered in accordance with the laws of Eswatini and a wholly owned subsidiary of Eqstra;
"**escrow agreement**"	the escrow agreement concluded amongst Eqstra, the Company, Nedbank and the escrow agent, being Werksmans Incorporated, which records the terms and conditions regulating the holding and release of the escrow amount as described in paragraph 8.7 of this circular;
"**eXtract**"	eXtract Group Proprietary Limited (Registration number 1998/011672/07), a private company incorporated and registered in accordance with the laws of South Africa;
"**fair and reasonable opinion**"	the report to the independent board prepared by the independent expert in compliance with section 114(3) of the Companies Act (read with Regulation 90) in respect of the transaction which report is set out in **Annexure 1** of this circular;
"**Financial Markets Act**"	the Financial Markets Act, No. 19 of 2012, as amended;
"**firm intention announcement**"	the announcement published by enX on 12 December 2023, setting out the terms of the transaction;
"**form of proxy**"	the form of proxy *(green)* attached to this circular for use by shareholders for appointment of a proxy to represent such shareholders at the general meeting;
"**general meeting**"	the general meeting of enX shareholders to be held at 11:00 on Wednesday, 3 April 2024 or 5 minutes after the conclusion of the AGM, whichever is the later, at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196, convened for the purpose of considering, and if deemed fit passing, with or without modification, the resolutions set out in the notice of general meeting which is attached to and forms part of this circular;
"**GPS Tracking Solutions**"	GPS Tracking Solutions Proprietary Limited (Registration number 2002/03133/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly owned subsidiary of Eqstra;
"**gross proceeds**"	the amount equal to the repurchase price, plus the shareholder loans repaid to enX as described in paragraph 5 of this circular;
"**Group**" or "**enX Group**"	the Company and its subsidiaries;

"**IFRS**"	International Financial Reporting Standards;
"**indemnity agreement**"	the indemnity agreement concluded between enX and Nedbank, which sets out the indemnities given by enX in favour of Nedbank;
"**independent board**"	the enX independent board comprising Khati Mokhobo (Chairperson), Nomahlubi Simamane and Kgosie Matthews, all of whom are independent non-executive directors of enX, which has been specifically constituted to appraise and manage the implementation of the transaction for the benefit of enX shareholders;
"**independent expert**" or "**Valeo Capital**"	Valeo Capital Proprietary Limited (Registration number 2021/834806/07), the independent expert appointed to provide external advice to the independent board in relation to the transaction in terms of section 114 of the Companies Act and Regulation 110(1) of the Takeover Regulations, full details of which are set out in the "Corporate Information" section;
"**Java Capital**" or "**transaction sponsor**"	Java Capital Trustees and Sponsors Proprietary Limited (Registration number 2006/005780/07), in its capacity as transaction sponsor to the Company, a private company incorporated and registered in accordance with the laws of South Africa, full details of which are set out in the "Corporate Information" section;
"**JSE**"	the exchange operated by the JSE Limited (Registration number 2005/022939/06), a public company incorporated and registered in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
"**JSE Listings Requirements**"	the Listings Requirements of the JSE, as amended from time to time;
"**KPMG**"	KPMG Inc. (Registration number 1999/021543/21), the independent auditor in respect of (i) the *pro forma* financial information contained in this circular; (ii) the report of historical financial information of the Eqstra Group post the unbundling, as detailed in paragraph 6.3 of this circular, for the financial year ended 31 August 2023; and (iii) the audited consolidated financial statements of enX for the financial year ended 31 August 2023, full details of which are set out in the "Corporate Information" section;
"**Kynite Solutions**"	Kynite Solutions Proprietary Limited (Registration number 2021/130054/07), a private company incorporated and registered in accordance with the laws of South Africa and a wholly owned subsidiary of Eqstra;
"**last practicable date**"	Tuesday, 30 January 2024, being the last practicable date prior to the finalisation of this circular;
"**legal advisor**" or "**White & Case**"	White & Case SA. (Registration number 2013/220413/21), full details of which are set out in the "Corporate Information" section;
"**longstop date**"	the last day by which the suspensive conditions must be fulfilled or, where appropriate, waived, being no later than the date falling 9 months following the signature date, or, to the extent that this longstop date is automatically extended in accordance with the provisions of the subscription agreement, 90 days thereafter;
"**material contracts**"	restrictive funding arrangements and/or a contract entered into otherwise than in the ordinary course of the business carried on, or proposed to be carried on, by the Company and (i) entered into within the two years prior to the date of this circular; or (ii) entered into at any time and containing an obligation or settlement that is material to the Company as at the date of this circular;
"**MCC Contracts**"	MCC Contracts Proprietary Limited (Registration number 1983/008084/07), a private company incorporated and registered in accordance with the laws of South Africa;
"**MOI**"	the memorandum of incorporation of the Company;
"**Nedbank**"	Nedbank Group Limited (Registration number 1966/010630/06), a public company incorporated and registered in accordance with the laws of South Africa and listed on the Main Board of the JSE;
"**New Way Power**"	New Way Power Proprietary Limited (Registration number 1983/003012/07), a private company incorporated and registered in accordance with the laws of South Africa and an indirect, wholly owned subsidiary of enX;

"**Omatemba Fleet Services**"	Omatemba Fleet Services Proprietary Limited (Registration number 2003/331), a company incorporated and registered in accordance with the laws of Namibia and a wholly owned subsidiary of Eqstra;
"**own-name dematerialised shareholders**"	dematerialised shareholders who have elected own-name registration;
"**own-name registration**"	dematerialised shareholders who have instructed their broker to hold their enX shares in their own name on the uncertificated securities register;
"**press**"	the Business Day newspaper;
"**Prudential Authority**"	the Prudential Authority of the South African Reserve Bank established in terms of the Financial Sector Regulation Act, 2017 in order to perform the duties and functions previously performed by the Registrar of Banks;
"**Rand**" or "**R**" or "**ZAR**"	South African Rand;
"**record date**"	the date on which enX shareholders are to be recorded in the register in order to be eligible to attend, participate in and vote at the general meeting (or any adjournment thereof), being Friday, 22 March 2024;
"**register**"	the securities register of enX (including the relevant sub-registers of the CSDP (as contemplated in the Financial Markets Act) administering the sub-registers of enX);
"**repurchase agreement**"	the share repurchase agreement concluded between Eqstra and enX in terms of which Eqstra will repurchase all of the ordinary shares in Eqstra held by enX for an amount equal to the repurchase price;
"**repurchase price**"	the repurchase price to be paid by Eqstra for the shares held by enX in Eqstra, which will be equal to an amount equal to the greater of (i) the subscription price, less certain agreed deductions and adjustments made in accordance with the terms of the repurchase agreement based on the audited accounts of Eqstra; and (ii) R379 million;
"**SENS**"	the Stock Exchange News Service operated by the JSE;
"**share**" or "**enX share**"	an ordinary share of no par value in the share capital of enX;
"**share repurchase**"	the repurchase by Eqstra of its own shares from enX in terms of the repurchase agreement;
"**share subscription**"	the subscription by Nedbank for the subscription shares in terms of the subscription agreement;
"**shareholder loans**"	in aggregate, the fixed amount due by enX Corporation to enX of R270 million and the variable amount due by enX Corporation to Eqstra NH Equipment, which at the last practicable date was R259 869 331;
"**shareholders**" or "**enX shareholders**"	the registered holders of enX shares;
"**signature date**"	11 December 2023, being the date of signature of the transaction agreements;
"**South Africa**"	the Republic of South Africa;
"**Strate**"	Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated and registered in accordance with the laws of South Africa, a registered central securities depositary responsible for the electronic settlement system used by the JSE;
"**subscription agreement**"	the subscription agreement concluded amongst Eqstra, the Company, enX Corporation and Nedbank in terms of which Nedbank will subscribe for the subscription shares for an amount equal to the subscription price;
"**subscription date**"	the fifth business day following the final determination of the unaudited accounts for purposes of determining the Eqstra NAV;
"**subscription price**"	the aggregate price to be paid by Nedbank for the subscription shares, determined as set out in paragraph 5 of the circular;

"**subscription shares**"	10 200 newly issued ordinary shares in Eqstra to be issued to Nedbank in terms of the subscription agreement, which will result in Nedbank holding 50.2% in the issued ordinary share capital of Eqstra;
"**subsidiary/ies**"	shall have the meaning ascribed thereto as set out in the Companies Act;
"**suspensive conditions**"	the suspensive conditions to the transaction as set out in paragraph 8 of this circular;
"**Takeover Regulations**"	Chapter 5 of the Regulations to the Companies Act, 2011, published in terms of the Companies Act;
"**transaction**"	the proposed divestment by enX of the Eqstra Group by way of a linked, indivisible and sequential implementation of a subscription for newly issued ordinary shares in Eqstra by Nedbank and a repurchase by Eqstra of all the shares in Eqstra held by enX, as more fully detailed in this circular;
"**transaction agreements**"	collectively, the linked and indivisible transaction agreements, comprising the subscription, repurchase, indemnity, escrow and transitional services agreements;
"**transaction resolution**"	the special resolution, as contemplated in section 115(2) of the Companies Act, in terms of which enX shareholders approve the transaction, which resolution also incorporates the approval for the category 1 transaction in terms of the JSE Listings Requirements;
"**transfer secretaries**" or "**Computershare**"	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company incorporated and registered in South Africa, full details of which are set out in the "Corporate Information" section;
"**transitional services agreement**"	the transitional services agreement concluded amongst enX Leasing, Kynite Solutions and enX Corporation, in terms of which Eqstra will, with effect from the subscription date, provide information technology, payroll, debt collection and certain corporate services to the remaining businesses of the enX Group for a period of 12 months after the subscription date;
"**TRP**"	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
"**unbundling**"	the unbundling by Eqstra to enX of certain of its subsidiaries that will not form part of the group companies being acquired by Nedbank, as fully described in paragraph 6.3 of this circular; and
"**VAT**"	value added tax as levied in terms of the Value-Added Tax Act No. 89 of 1991, as amended from time to time; and
"**West African International**"	West African International Proprietary Limited (Registration number 1995/008104/07), a private company incorporated and registered in accordance with the laws of South Africa and an indirect, wholly owned subsidiary of enX.

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

Directors

Paul Baloyi *(Non-executive chairman)*
Ramakhatela (Khati) Mokhobo *(Lead independent non-executive director)*
Nomahlubi Simamane *(Independent non-executive director)*
Zolani (Kgosie) Matthews *(Independent non-executive director)*
Warren Chapman *(Non-executive director)*
Andrew Hannington *(Chief executive officer)*
Robert Lumb *(Chief financial officer)*

CIRCULAR TO ENX SHAREHOLDERS PART I: THE TRANSACTION

1. INTRODUCTION

1.1 enX is a diversified industrial group listed on the Main Board of the JSE which, outside of Eqstra, blends and distributes oil lubricants and distributes quality branded power equipment and chemicals to a wide range of economic sectors in South Africa and Sub-Saharan Africa.

1.2 As announced on SENS on 12 December 2023, the Company has entered into the transaction agreements with Nedbank for the divestment of the Eqstra Group for an amount equal to the repurchase price and the repayment of the shareholder loans, as described in paragraph 5 below. The transaction is subject to the fulfilment or waiver, as the case may be, of the suspensive conditions set out in paragraph 8 below.

1.3 The transaction constitutes:

1.3.1 a disposal of the greater part of enX's assets or undertaking as contemplated in section 112 (read with section 115) of the Companies Act, requiring the approval of enX shareholders by way of a special resolution; and

1.3.2 a category 1 transaction in terms of section 9.5(b) of the JSE Listings Requirements, requiring the approval of enX shareholders by way of an ordinary resolution.

1.4 The resolutions referred to above will be combined into one transaction resolution. For the transaction to be implemented, at least 75% of the votes cast by enX shareholders in respect of the transaction resolution need to be in favour of the transaction.

1.5 The purpose of this circular is to:

1.5.1 provide enX shareholders with information relating to the transaction and the manner in which it will be implemented, so as to enable shareholders to make an informed decision as to whether or not they should vote in favour thereof; and

1.5.2 give notice convening the general meeting at which the resolutions necessary to approve and implement the transaction, as more fully detailed in this circular, will be considered and, if deemed fit, approved with or without modification. The notice convening the general meeting is attached to and forms part of this circular.

2. DESCRIPTION OF EQSTRA AND NEDBANK

2.1 Eqstra provides a full spectrum of commercial and passenger vehicle leasing services including fleet management, outsourcing solutions, maintenance, warranty management, remarketing and vehicle tracking solutions. Included in the Eqstra Group is Kynite Solutions, a Software-as-a-Service solution which digitises the full spectrum of vehicle services, with external customers now making use of this offering. Eqstra has a footprint that spans South and Southern Africa and is one of the larger players in the fleet management sector.

2.2 Nedbank is a bank controlling company that operates as one of the largest financial services groups in South Africa, through its principal banking subsidiary, Nedbank Limited. Nedbank Limited offers wholesale and retail banking services, as well as insurance, asset management and wealth management services and solutions to more than seven million clients. In South Africa, Nedbank has a strong franchise, which contributed 90% of the Nedbank group's R1.3 trillion in assets and 86% of the Nedbank group's R14 billion in headline earnings for the financial year ending 31 December 2022.

2.3 Nedbank operates in South Africa and the rest of Africa in the form of full banking commercial subsidiaries in Lesotho, Namibia, Eswatini, Mozambique and Zimbabwe, and has representative offices in Kenya and Ghana. Nedbank's major international businesses consist of its asset management, fiduciary, banking and related business services which operate through either subsidiaries or branches in the United Kingdom and/or Channel Islands. In addition, Nedbank holds a significant shareholding of approximately 21% in the pan-African banking group, Ecobank Transnational Incorporated. Nedbank's ordinary shares have been listed on the Main Board of the JSE since 1969.

2.4 Further information on Nedbank is available in its latest integrated report, which can be viewed on Nedbank's website at:
www.nedbank.co.za/content/nedbank/desktop/gt/en/investor-relations/information-hub/integrated-reporting.html

3. PROSPECTS OF THE COMPANY

3.1 For the remainder of fiscal 2024, enX Group maintains a positive outlook on the profitability of its remaining businesses (as set out in the in the organogram included in **Annexure 9** of the circular). Financial performance on a continuing basis for the first three months of the fiscal year is showing growth on the previous year. The most significant macro risks to the enX Group remain as potential social and financial market volatility around the 2024 national elections and the impact of generally higher global interest rates, although these may begin to decline as inflation risks subside. South Africa's infrastructure challenges continue to affect the enX Group businesses, but the enX Group's strong liquidity, bolstered by the transaction proceeds, and well-capitalised operations support growth initiatives and enhance risk management capabilities.

3.2 Conditions within the African Group Lubricants and West African International businesses have remained, and are expected to remain, stable. New Way Power continues to maintain its strong performance as loadshedding continues unabated and deliveries of generators for large contracts are made.

3.3 Based on the assessment of the prospects and cash flows for each of the remaining businesses within the enX Group, management believes that credit facilities in place, together with the additional capital realised from the divestment of Eqstra, provide sufficient liquidity for the businesses to continue trading for the foreseeable future. There are no term debt maturities within the next 12 months and no lender has indicated an intention to call for repayment or cancel any on-demand facility.

3.4 In December 2023, Eqstra increased its existing revolving credit facility by R200 million as reflected in **Annexure 8** of the circular. The credit margin on this facility increased by 10 basis points as part of the approval to increase facilities. Eqstra has no term debt maturities within the next 12 months. Management believes that these additional facilities are sufficient to enable Eqstra to fund the growth of its leasing book until the transaction is implemented.

3.5 The outlook information above has not been audited or reported on by the Company's external auditors.

4. RATIONALE

4.1 The board is of the view that the continued ownership of Eqstra by enX may limit Eqstra's growth prospects and constrain the returns that can be delivered to enX shareholders. This perspective is based on the following considerations:

4.1.1 enX may face challenges in securing the necessary capital at a scale that Eqstra requires for aggressive market growth, diversification of its asset base and an increase in its credit risk appetite.

4.1.2 As a non-banking entity, enX is at a disadvantage in raising funds at competitive rates, which is crucial for Eqstra to maintain sustainable competitiveness, particularly against South African banks.

4.1.3 Eqstra is maintaining equity levels in excess of what would be ideal, impacting its ability to yield returns above its equity cost of capital.

4.2 The board believes that Nedbank, addressing the concerns highlighted above, is well positioned to facilitate value-enhancing opportunities through access to significant capital resources at lower costs and enabling a more efficient capital structure. Furthermore, the board considers that proceeding with the transaction with Nedbank, a well-regarded institution with significant resources, reduces implementation risk.

4.3 The board foresees the following benefits of the transaction for enX and its shareholders:

4.3.1 A significant decrease in enX's debt profile, as Nedbank will assume all of Eqstra's financial obligations, which is where the majority of enX's interest bearing debt resides.

4.3.2 The transaction represents an attractive opportunity for enX to monetise its investment in Eqstra at a valuation that, in the view of the board, fairly reflects the future prospects and cash flows of Eqstra.

4.3.3 The monetary realisation of an asset at a value that exceeds what the board believes is currently reflected in enX's share price.

4.3.4 The distribution of surplus capital to enX shareholders as described in paragraph 7 below.

5. CALCULATION OF THE SUBSCRIPTION PRICE, REPURCHASE PRICE AND GROSS PROCEEDS

5.1 The subscription price to be paid by Nedbank will be an amount equal to the greater of:

5.1.1 the unaudited NAV of Eqstra on the subscription date; or

5.1.2 R379 million,

plus R16 million, less certain agreed transaction related costs.

5.2 The repurchase price will be an amount equal to the greater of (i) the subscription price, less certain agreed deductions and adjustments made in accordance with the terms of the repurchase agreement based on the audited accounts of Eqstra; or (ii) R379 million.

5.3 By way of example, if the transaction had closed on 31 August 2023, the repurchase price would have been equal to R534 million and the shareholder loans repaid to enX would have amounted to R511 million, resulting in gross proceeds received by enX before taxes and transaction costs of R1 045 million. On the effective date, the board expects the gross proceeds to change by approximately the net profit after tax of Eqstra between 1 September 2023 and the effective date. If the minimum repurchase price of R379 million was applicable, the gross proceeds would have been R890 million (i.e.: R379 million plus the value of the shareholder loans, being R511 million).

5.4 As at 31 August 2023, the interest bearing debt that Nedbank would have refinanced was R1 474 million, bringing the enterprise value of the transaction, determined as at 31 August 2023, to R2 519 million.

6. TERMS OF THE TRANSACTION

6.1 On 11 December 2023, enX entered into the transaction agreements with Nedbank for the divestment of the Eqstra Group.

6.2 The transaction will be effected by way of a linked, indivisible and sequential implementation of a subscription for ordinary shares by Nedbank in Eqstra and a repurchase by Eqstra of all the shares in Eqstra held by enX.

6.3 Immediately prior to implementation of the transaction, Eqstra will unbundle certain of its subsidiaries that will not form part of the group companies being acquired by Nedbank, to enX. These companies are mostly dormant, and all but Eqstra NH Equipment are in the process of being wound down and deregistered. A list of these companies is contained in the organogram depicting the enX Group structure both before and after the implementation of the transaction, which has been included in **Annexure 9** of the circular. The unbundling is exempt from categorisation per paragraph 9.1(c)(iii) of the JSE Listings Requirements.

6.4 Immediately following the unbundling described above and in terms of the transaction agreements, the transaction will be implemented by way of a series of linked, indivisible and sequential transaction steps as set out below:

6.4.1 a subscription for ordinary shares by Nedbank in Eqstra, in terms of which Nedbank will subscribe for, and Eqstra will allot and issue to Nedbank, 10 200 shares in the share capital of Eqstra against payment of the subscription price which will result in Nedbank holding 50.2% of the issued ordinary shares in Eqstra; and

6.4.2 a repurchase by Eqstra of all of the ordinary shares held by enX on the subscription date in consideration for the repurchase price, such that enX will thereafter cease to be a shareholder in Eqstra and Nedbank will hold 100% of the issued ordinary share capital of Eqstra.

6.5 The Eqstra NAV on which the subscription price is based will be subject to an audit by KPMG, which is to be completed no later than 30 business days following the subscription date. The repurchase price will be adjusted by any difference between the unaudited and audited Eqstra NAV.

6.6 As part of the transaction, Nedbank will, or procure that Nedbank Limited will, advance sufficient funds to Eqstra to settle (i) the shareholder loans; and (ii) all third party interest bearing debt of the Eqstra Group.

6.7 Receipts of all amounts due from accounts receivable which are outstanding for 90 days and longer on the subscription date and the date on which the audit of the Eqstra NAV is completed (the "**excluded accounts receivable**") will be for the benefit of enX. The excluded accounts receivable not collected within 90 days after the effective date will be ceded and assigned, as an out and out cession, to enX.

6.8 enX has undertaken not to compete with the business carried on by Eqstra for a period of five years from the subscription date, save for:

6.8.1 any passive investment of not more than 5% of the shares of any company listed on the JSE; or

6.8.2 the existing generator rental business conducted by New Way Power.

6.9 In terms of the transitional services agreement, subsidiaries of Eqstra will continue to provide, *inter alia*, information technology and payroll services to the enX Group for a period of up to 12 months after the subscription date. A subsidiary of Eqstra will also continue to provide debt collection services to the enX Group for a period of 90 days after the subscription date in respect of the excluded accounts receivable. enX will pay an estimated monthly amount of R500 000 for the aforementioned services, the majority of which relates to IT services, for the duration of provision of these services.

7. USE OF PROCEEDS

7.1 As required in terms of the subscription agreement, R100 million of the repurchase price payable to enX will be deposited in an escrow deposit account on the repurchase date which is required to be held in escrow for a period of three years post the subscription date as restricted cash collateral for any claims that may arise in relation to any uninsured warranties and indemnities, or for such longer period in the event that there are unresolved claims that arose prior to the expiry of the aforementioned three year period, as detailed in paragraph 8.7 below.

7.2 The board anticipates that the remainder of the gross proceeds received by enX following implementation of the transaction will be applied as follows:

7.2.1 c.R912 million towards a return of capital to enX shareholders of R5.00 per share, the timing of which will be dependent on the subscription date (full details of which are included in note 3.6 of the *pro forma* statement of financial position set out in **Annexure 2** of the circular); and

7.2.2 the remaining balance for general corporate purposes.

8. SUSPENSIVE CONDITIONS

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

8.1.1 approval of the transaction by enX shareholders as a category 1 transaction in terms of the JSE Listings Requirements and in terms of the applicable provisions of the Companies Act by way of a special resolution;

8.1.2 if a shareholder who voted against the transaction has called upon enX in terms of section 115(3) of the Companies Act to seek court approval of the implementation of the transaction, such approval is duly obtained;

8.1.3 approval of the transaction by the Competition Authorities (as required);

8.1.4 written consent from the debt funding providers (the "**lenders**") of enX Corporation, being a wholly owned subsidiary of Eqstra, to facilitate the early repayment of enX Corporation's external bank facilities;

8.1.5 to the extent required, receipt of written confirmation from the lenders that enX, Eqstra and each member of the Eqstra Group, as required, will, with effect from the subscription date, be released as guarantors and obligors under the applicable bank facilities;

8.1.6 to the extent required, the consent from certain counterparties, including the lenders, for the change of control in Eqstra that will occur as a result of the implementation of the transaction;

8.1.7 the completion of the acquisition by Eqstra of Nozala Investments Proprietary Limited's shareholding in Amasondo (which is not a categorizable transaction per section 9 of the JSE Listings Requirements) such that Eqstra will become the sole shareholder of Amasondo;

8.1.8 by not later than 29 February 2024, enX delivers to Nedbank a copy of a tax opinion regarding the tax implications of the transaction; and

8.1.9 approval by the Prudential Authority in terms of section 52 of the Banks Act No. 94 of 1990.

8.2 Once all of the suspensive conditions have been fulfilled or waived, as the case may be, enX will apply to the TRP for the issuance of a compliance certificate as contemplated in section 121(b) of the Companies Act. The transaction will not be implemented until the compliance certificate is received from the TRP.

8.3 The longstop date will automatically be extended by an additional 90 days should certain of the regulatory conditions precedent not be fulfilled or waived, as the case may be, by then.

8.4 Nedbank is entitled to terminate the transaction prior to the subscription date if (i) one or more of the customer(s) of Eqstra, constituting more than 10% (calculated with reference to Eqstra's net leasing book value) ("**lost net book value**"), send a notice informing Eqstra that they are terminating, or intend terminating their contract(s) with Eqstra and Eqstra has not, in place of the terminated contract(s), signed new contracts with other customers who are *bona fide* and appear to have sufficient substance and creditworthiness to meet their obligations under such contract(s), such that the lost net book value (taking account of such new contracts) is less than 10% (calculated with reference to Eqstra's net leasing book value); or (ii) the Eqstra NAV is determined to be less than R429 million.

8.5 In addition, on the subscription date, enX has the obligation to deliver to Nedbank a supplementary disclosure letter. To the extent that any matters, facts or circumstances disclosed in the supplementary disclosure letter give rise to a claim in respect of any insured warranty which (i) would otherwise have given rise to an insured claim pursuant to the warranty and indemnity insurance policy ("**W&I policy**"), but by virtue of such disclosure, Nedbank is not able to enforce such insured claim under the W&I policy; and (ii) such claim exceeds R50 million, then Nedbank and enX shall each have the election to terminate the transaction agreements before implementation of the transaction. For the avoidance of doubt, enX's aforementioned right to terminate the transaction agreements will only arise on the subscription date (and accordingly, after shareholder approval has been obtained), but before implementation of the transaction.

8.6 The transaction is subject to warranties and indemnities that are customary for transactions of this nature.

8.7 Nedbank has obtained the W&I policy which covers the majority of warranty claims. The aggregate liability cover in respect of all insured claims under the W&I policy is limited to and capped at an amount of R980 000 000. enX has provided certain warranties and indemnities which are not covered by the W&I policy and are therefore uninsured (the "**uninsured warranties and indemnities**"). enX will be liable for these for periods of either 36 or 60 months after the subscription date. The uninsured warranties and indemnities will be secured by a R100 million escrow deposit made immediately on the closing date for a period of 36 months or such longer period, subject to certain terms and conditions as more fully set out in the transaction agreements, in the event that there are unresolved claims and until such time that any unresolved claim is finalised. enX's maximum liability, other than a breach of a fundamental warranty, in respect of all claims brought by Nedbank against enX in terms of the transaction agreements is R200 000 000. enX's maximum liability in respect of any breach of a fundamental warranty, where losses are in excess of those covered by the W&I policy, shall be limited to and shall at no time exceed a maximum amount equal to the repurchase price.

8.8 In the event that the transaction is not implemented as the result of an occurrence of a relevant event as described in the subscription agreement, enX has agreed to pay Nedbank a break fee of R12 000 000.

9. ENX SHAREHOLDER SUPPORT

9.1 Irrevocable undertakings to vote in favour of the resolutions to be proposed at the general meeting have been received by Nedbank from the following enX shareholders holding in aggregate 91 012 657 enX shares, representing 49.93% of the enX shares in issue:

Shareholder	Number of enX shares held	% of issued share capital of enX
MCC Contracts	61 305 360	33.63
Samvenice Trading Proprietary Limited	12 785 271	7.01
African Phoenix	8 158 592	4.48
Eric Ellerine Trust Proprietary Limited	4 467 329	2.45
Seaview Global Investments	4 296 105	2.36
Total	**91 012 657**	**49.93**

9.2 There have been no dealings in enX shares by the shareholders set out in paragraph 9.1 above during the period commencing six months before the date of the firm intention announcement, being 12 December 2023, and ending on the last practicable date, save for:

9.2.1 the transfer by Seaview Global Investments of 2 148 052 shares on 29 August 2023 pursuant to a restructure of the Ellerine family's holdings; and

9.2.2 the acquisition by African Phoenix of 495 846 shares at a price of R6.41 per share on 15 September 2023 for an aggregate consideration of R3 178 372.86 pursuant to the closing of a mandatory offer to enX shareholders.

10. ABILITY TO PROCEED WITH THE TRANSACTION

10.1 Nedbank has confirmed to the board that it has sufficient funds to fully satisfy the subscription price. Nedbank Limited has delivered to the TRP an irrevocable unconditional cash confirmation in accordance with Regulations 111(4) and 111(5) of the Takeover Regulations confirming that Nedbank Limited has sufficient cash resources specifically allocated to enable Nedbank to settle the share subscription, which will in turn enable Eqstra to meet its payment obligations in relation to the share repurchase on the subscription date.

10.2 Each of the subscription price payable by Nedbank in respect of the share subscription, and the repurchase price payable by Eqstra in relation to the share repurchase shall not be less than R379 million and is not expected to be more than R600 million.

11. REQUIRED APPROVAL FOR THE TRANSACTION

11.1 Pursuant to section 115(2) of the Companies Act, the transaction must be approved by a special resolution adopted by shareholders entitled to exercise voting rights on such a matter, at a meeting called for that purpose. At least 25% of the voting rights that are entitled to be exercised must be present at the meeting.

11.2 The transaction also constitutes a category 1 transaction in terms of section 9.5 of the JSE Listings Requirements and must be approved by shareholders by way of ordinary resolution in terms of section 9.20 of the JSE Listings Requirements.

11.3 The resolutions referred to above will be combined into one transaction resolution. For the transaction to be implemented, at least 75% of the votes cast by enX shareholders in respect of the transaction resolution need to be in favour of the transaction.

11.4 In the event that at least 15% of the voting rights oppose the transaction resolution, the Company may not proceed to implement the resolution unless a court of competent jurisdiction approves the transaction, provided that a shareholder who voted against the resolution requires, within five business days after the vote, that the Company seek court approval for the transaction. If the transaction requires court approval, the Company must either apply to court for approval within ten business days after the vote and bear the costs of the application or treat the transaction as a nullity.

11.5 Alternatively, the resolution may only be implemented where any person who voted against the resolution, applies to court within ten business days of the vote for leave to review the transaction. A court may grant leave only if the applicant is acting in good faith, appears to be able to sustain proceedings and alleges facts that support the order being sought. A court may only set aside a resolution that is manifestly unfair to shareholders or if the vote was materially tainted by a conflict of interest, for inadequate disclosure, failure to comply with the Companies Act or MOI or if there is a significant and material irregularity.

12. THE GENERAL MEETING

12.1 A general meeting of enX shareholders will be held at 11:00 on Wednesday, 3 April 2024 or 5 minutes after the conclusion of the AGM, whichever is the later, at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196, as well as virtually via a remote interactive electronic platform, Microsoft Teams, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions required to be approved by shareholders in order to authorise and implement the transaction. The notice of general meeting is attached to and forms part of this circular.

12.2 Details of the actions required by enX shareholders are set out on page 3 of this circular.

13. DISSENTING SHAREHOLDERS' APPRAISAL RIGHTS

enX shareholders are advised of their appraisal rights under section 164 of the Companies Act:

13.1 enX shareholders who wish to exercise their rights in terms of the aforementioned section of the Companies Act are required, before the transaction resolution to approve the transaction is voted on at the general meeting, to give notice to the Company in writing objecting to the transaction resolution in accordance with the requirements of section 164(3) of the Companies Act.

13.2 If the transaction resolution is adopted by the Company, the Company is required, in accordance with section 164(4) of the Companies Act, within ten business days after the adoption the transaction resolution, to send a notice to enX shareholders who gave written notice to the Company objecting to the transaction resolution and did not withdraw such written notice or vote in support of the transaction resolution, notifying them that the transaction resolution has been adopted.

13.3 enX shareholders who gave written notice to the Company in accordance with the requirements of section 164(3) of the Companies Act (and have not withdrawn that notice), who voted against the transaction resolution and who have complied with all the procedural requirements set out in section 164 of the Companies Act may, in accordance with sections 164(5) to 164(8) of the Companies Act, demand that the Company pay them the fair value of the enX shares held by them and in respect of which they have given written notice.

13.4 If enX receives a demand in terms of sections 164(5) to 164(8) of the Companies Act and such demand is not withdrawn by the subscription date, the Company will, in accordance with section 164(11) of the Companies Act, within five business days of the subscription date, make an offer to those shareholders to purchase their enX shares at fair value.

13.5 A dissenting shareholder who has sent a demand in accordance with the requirements of sections 164(5) to 164(8) may withdraw that demand before enX makes an offer in accordance with section 164(11) of the Companies Act, or if enX fails to make such an offer. If a dissenting shareholder voluntarily withdraws the demand made in accordance with the requirements of sections 164(5) to 164(8) of the Companies Act, such shareholder will cease to be a dissenting shareholder and such shareholder's rights in respect of its shares will be reinstated without interruption.

13.6 A dissenting shareholder who has sent a demand in accordance with the requirements of sections 164(5) to 164(8) has no further rights in respect of the enX shares in respect of which it has made such demand, other than to be paid the fair value of such shares, unless:

13.6.1 that dissenting shareholder withdraws that demand before enX makes an offer in accordance with section 164(11) of the Companies Act;

13.6.2 enX fails to make an offer in accordance with section 164(11) of the Companies Act and that dissenting shareholder withdraws its demand;

13.6.3 enX makes an offer in accordance with section 164(11) of the Companies Act and the dissenting shareholder allows such offer to lapse; or

13.6.4 enX revokes the transaction resolution, by means of a subsequent special resolution, in which case that enX shareholder's rights will, in accordance with section 164(10) of the Companies Act, be reinstated without interruption.

13.7 The offer made in accordance with section 164(11) of the Companies Act will, in accordance with the requirements of section 164(12)(b) of the Companies Act, lapse if it is not accepted by the dissenting shareholder within 30 business days after it was made. If the dissenting shareholder allows the offer to lapse, it will cease to be a dissenting shareholder and such shareholder's rights in respect of its shares will be reinstated without interruption.

13.8 A dissenting shareholder who accepts an offer made in accordance with the requirements of section 164(11) of the Companies Act must thereafter, if it (i) holds certificated shares, tender the documents of title in respect of such certificated shares to enX or the transfer secretaries; or (ii) holds dematerialised shares, instruct its broker to transfer those enX shares to enX or the transfer secretaries. enX must pay that shareholder the agreed amount within ten business days after the shareholder has accepted the offer and tendered the documents of title or directed the transfer to enX or the transfer secretaries of the dematerialised shares.

13.9 A dissenting shareholder who considers the offer made by enX in accordance with section 164(11) of the Companies Act to be inadequate, may, in accordance with section 164(14) of the Companies Act, apply to a court to determine a fair value in respect of the enX shares that were the subject of that demand, and an order requiring enX to pay the dissenting shareholder the fair value so determined. The court will, in accordance with section 164(15)(v) of the Companies Act, be obliged to make an order requiring:

13.9.1 the dissenting shareholders to either withdraw their respective demands or to tender their enX shares as contemplated in paragraph 13.8 above; or

13.9.2 enX to pay the fair value in respect of the enX shares (as determined by the court) to each dissenting shareholder who tenders its enX shares, subject to any conditions the court considers necessary to ensure that enX fulfils its obligations under section 164 of the Companies Act.

13.10 If, pursuant to the order of the court, any dissenting shareholder withdraws its demand, the dissenting shareholder will cease to be a dissenting shareholder and such shareholder's rights in respect of its shares will be reinstated without interruption.

13.11 If, pursuant to the order of the court in terms of section 164(5) of the Companies Act, a dissenting shareholder tenders its enX shares to enX, such dissenting shareholder must thereafter, if it (i) holds certificated shares, tender the documents of title in respect of such certificated shares to enX or the transfer secretaries; or (ii) holds dematerialised shares, instruct its broker to transfer those enX shares to enX or the transfer secretaries. enX must pay that dissenting shareholder the fair value determined by the court within 10 business days after the dissenting shareholder has accepted the offer and tendered the documents of title or directed the transfer to enX or the transfer secretaries of the dematerialised shares.

13.12 A copy of section 164 of the Companies Act, which sets out the appraisal rights, is included in **Appendix B** to **Annexure 1**.

13.13 Any shareholder that is in doubt as to what action to take should consult its legal or professional advisor.

13.14 Before exercising their rights under section 164 of the Companies Act, shareholders should have regard to the following:

13.14.1 the report of the independent expert set out in **Annexure 1** of this circular concluding that the terms of the transaction are **fair** and **reasonable** to enX shareholders; and

13.14.2 the court is empowered to grant a costs order in favour of, or against, a dissenting shareholder, as may be applicable.

13.15 In the event that any of the circumstances contemplated in section 164(9) of the Companies Act occur, dissenting shareholders' rights in respect of their enX shares shall be reinstated without interruption.

PART II: FINANCIAL INFORMATION

14. *PRO FORMA* FINANCIAL INFORMATION

14.1 The *pro forma* consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income of enX, showing the *pro forma* effects of the transaction (the "***pro forma* financial information**"), is set out in **Annexure 2** of this circular.

14.2 The *pro forma* financial information has been provided for illustrative purposes only, to provide information on how the enX Group distribution declared and paid, settlement of inter-company interest bearing debt, acquisition of an Eqstra non-controlling interest, disposal of the Eqstra Group post the unbundling, use of proceeds, and reclassification of valuation reserves (together, the "**collective transactions**") may have affected the consolidated financial position of enX, assuming they were implemented on 31 August 2023 and the consolidated statement of profit or loss and other comprehensive income, assuming they were implemented on 1 September 2022, because of its nature, the *pro forma* financial information may not fairly represent enX's financial position, changes in equity, or profit and loss after the collective transactions.

14.3 The *pro forma* financial information, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the board of directors. The *pro forma* financial information has been prepared in accordance with enX's accounting policies and in compliance with IFRS and are consistent with those applied in the audited group annual financial statements of enX for the year ended 31 August 2023. The *pro forma* financial information is presented in accordance with the JSE Listings Requirements, the Guide on *pro forma* financial information issued by the South African Institute of Chartered Accountants ("**SAICA**") and regulation 106(7)(c)(ii) of the Takeover Regulations.

14.4 Extracts from the *pro forma* financial information of enX are set out below:

	Before the collective transactions (cents)	***Pro forma* after the collective transactions (cents)**	**Percentage change (%)**	***Pro forma* financial effects on enX's shareholders after the collective transactions***	**Percentage change (%)**
Basic earnings per share (cents)	163.1	72.7	(55.4)	72.7*	(55.4)
Diluted earnings per share (cents)	163.1	72.7	(55.4)	72.7*	(55.4)
Headline earnings per share (cents)	164.3	88.4	(46.2)	88.4	(46.2)
Net asset value per share (cents)	1 391	770	(44.7)	1 270**	(8.7)
Net tangible asset value per share (cents)	1 364	743	(45.5)	1 243**	(8.9)
Number of shares in issue	182 312 650	182 312 650	–	182 312 650	–
Weighted number of shares in issue (net of treasury shares)	181 366 763	181 366 763	–	181 366 763	–

* The total benefit of the collective transactions for an enX shareholder includes the return of capital to enX shareholders amounting to R912 million, being R5.00 per share. No adjustments have been made to the *pro forma* basic earnings per share, diluted earnings per share, headline earning per share or diluted headline earnings per share in respect of the return of capital as the benefit will be the return each enX shareholder earns by investing the return of capital received.

** The *pro forma* net asset value per share and net tangible asset value per share for a shareholder includes the benefit of the return of capital to enX shareholders of R912 million, being R5.00 per share, and has been calculated as the per share amounts set out in the *"Pro forma financial effects on enX's shareholders after the collective transactions"* column plus the benefit of the return of capital to a shareholder.

14.5 Detailed notes and assumptions regarding the *pro forma* financial information are set out in **Annexure 2** of this circular. The *pro forma* financial information should be read in conjunction with the auditor's assurance report thereon, as contained in **Annexure 3** of this circular.

15. HISTORICAL FINANCIAL INFORMATION OF THE EQSTRA GROUP POST THE UNBUNDLING

15.1 The historical financial information of the Eqstra Group post the unbundling, which has been prepared in accordance with the basis of preparation detailed in the report of historical financial information of the Eqstra Group post the unbundling for the financial years ended 31 August 2023, 31 August 2022 and 31 August 2021, has been incorporated by reference in terms of paragraph 11.61 of the JSE Listings Requirements and is available on the Company's website at the following link:

www.enxgroup.co.za/sens/circulars_/.

15.2 The report of historical financial information of the Eqstra Group, post the unbundling detailed in paragraph 6.3 of this circular, is the responsibility of the board of directors.

15.3 KPMG's auditor's report on the report of historical financial information of the Eqstra Group subsequent to the unbundling in respect of the financial year ended 31 August 2023 is presented in **Annexure 4** of this circular.

15.4 Deloitte's auditor's report on the report of historical financial information of the Eqstra Group subsequent to the unbundling in respect of the financial years ended 31 August 2022 and 31 August 2021 is presented in **Annexure 5** of this circular.

16. AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF ENX

Extracts from the audited consolidated financial statements of enX for the financial years ended 31 August 2023, 31 August 2022 and 31 August 2021 are set out in **Annexure 6** of this circular. The audited consolidated financial statements are the responsibility of the directors of enX.

PART III: GENERAL

17. OPINIONS AND RECOMMENDATIONS

17.1 Appointment of an independent expert

The independent board has appointed the independent expert to provide an opinion regarding the transaction, and to make appropriate recommendations to the independent board in the form of a fair and reasonable opinion in respect of the transaction in compliance with the requirements of the Companies Act and the Takeover Regulations.

17.2 Report of the independent expert

17.2.1 The independent expert has:

17.2.1.1 performed a valuation of Eqstra as contemplated in Regulation 110(10) of the Takeover Regulations; and

17.2.1.2 prepared a report, which constitutes a fair and reasonable opinion as contemplated in section 114(3) of the Companies Act (as read with regulation 90 of the Takeover Regulations).

17.2.2 The independent expert determined a fair value range for the transaction, inclusive of the shareholder loans to be repaid to enX, of between R919.2 million and R1 221.9 million. The gross proceeds of R1 045 million calculated as at 31 August 2023 fall within this value range.

17.2.3 The independent expert considered the following significant qualitative factors in respect of the transaction to determine whether the transaction consideration is reasonable to enX shareholders:

17.2.3.1 upon analysis of the Eqstra return on equity, it was evident that when comparing same to its cost of equity, the spread is negative;

17.2.3.2 Eqstra's return on equity has decreased historically and is forecasted to continue to decrease. enX management is of the view that to improve Eqstra's return on equity, it requires access to cheaper capital to fund the business;

17.2.3.3 Nedbank Limited is a financial institution that has significantly higher capacity to raise capital compared to enX and can access capital at lower rates; and

17.2.3.4 the derived transaction price to book multiple relative to enX's price to book multiple is positive, indicating that enX is able to unlock value for shareholders through selling Eqstra at a higher price than what is implicit in enX's current trading price on the JSE.

17.2.4 Taking into consideration the terms and conditions of the transaction, the independent expert is of the opinion that such terms and conditions are fair and reasonable to enX shareholders.

17.2.5 enX shareholders are referred to **Annexure 1** of this circular which sets out the full text of the report of the independent expert regarding the transaction.

17.3 Opinions and considerations of the independent board

17.3.1 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.

17.3.2 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.

17.3.3 For the purposes of this circular, in determining whether the transaction may generally be considered to be "fair" and "reasonable", the meanings ascribed to the words "fair" and "reasonable" in the Takeover Regulations are applied. In this regard it is noted that:

17.3.3.1 fairness is primarily based on a quantitative assessment. Therefore, the subscription price may be considered to be fair if it falls within or is higher than the fair value range of the subscription shares to be issued to Nedbank, as determined in accordance with an accepted valuation approach, or unfair if the opposite would hold true; and

17.3.3.2 reasonableness, in this case, is based on the consideration of the significant qualitative factors in respect of the transaction.

17.3.4 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 transaction, as contemplated in Regulation 110(3)(b) of the Takeover Regulations.

17.3.5 The independent board has considered the factors set out in paragraph 4 above, as well as the factors presented by the independent expert in paragraph 17.2.3 above, which are difficult to quantify or are unquantifiable (as contemplated in Regulation 110(6) of the Takeover Regulations), in forming its opinion.

17.3.6 Based on its assessment of:

17.3.6.1 the value of the subscription price relative to the value of Eqstra shares;

17.3.6.2 the unquantifiable factors as outlined in paragraph 17.3.5 above; and

17.3.6.3 the report of the independent expert,

the independent board has concluded that the transaction is fair and reasonable to enX shareholders.

17.4 **Opinions and considerations of the independent board**

Considering that the independent board has concluded that the transaction is fair and reasonable to enX shareholders, the independent board recommends that shareholders vote in favour of the resolutions to be proposed at the general meeting.

17.5 **Recommendation of the enX board**

The board has considered the transaction as a whole and believes that the transaction is in the best interests of enX shareholders. Accordingly, the board recommends that shareholders vote in favour of the resolutions to be proposed at the general meeting.

17.6 **Voting of the enX board**

The directors of enX that hold a beneficial interest in enX shares intend voting in favour of the resolutions to be proposed at the general meeting.

18. MAJOR SHAREHOLDERS

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

Shareholder	Direct beneficial	Indirect beneficial	Total shares	% of issued share capital
MCC Contracts	61 305 360	–	61 305 360	33.63
PSG Group Limited	–	19 482 634	19 482 634	10.69
Samvenice Trading Proprietary Limited	12 785 271	–	12 785 271	7.01
M&G Investments Southern Africa Proprietary Limited	–	11 512 836	11 512 836	6.31
Total	**74 090 631**	**30 995 470**	**105 086 101**	**57.64**

19. INTERESTS OF ENX AND ITS DIRECTORS IN NEDBANK AND ENX

19.1 **Interests of enX in Nedbank**

19.1.1 As at the last practicable date, enX held no interest in any shares of Nedbank.

19.1.2 There have been no dealings in Nedbank shares by enX in the period commencing six months before the date of the firm intention announcement, being 12 December 2023, and ending on the last practicable date.

19.2 **Interests of the directors of enX in Nedbank**

19.2.1 As at the last practicable date, the directors of enX held no interest in any shares of Nedbank.

19.2.2 There have been no dealings in Nedbank shares by the directors of enX in the period commencing six months before the date of the firm intention announcement, being 12 December 2023, and ending on the last practicable date.

19.3 **Interests of the directors of enX in enX**

19.3.1 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.

Director	Direct beneficial	Indirect beneficial	Held by associates	Total shares	% of total shares
A Hannington[1]	–	10 937 107	–	10 937 107	6.00
R Lumb	91 224	–	–	91 224	0.05
P Baloyi[2]	–	9 669 395	–	9 669 395	5.30
W Chapman[3]	–	29 369 002	–	29 369 002	16.11
Total	**91 224**	**49 975 504**	**–**	**50 066 728**	**27.46**

Notes:

1. A Hannington indirectly holds shares in enX by virtue of a 17.9% indirect shareholding in MCC Contracts.
2. P Baloyi indirectly holds shares in enX by virtue of a 45% shareholding in Capleverage Propriety Limited, a 2.74% indirect shareholding in MCC Contracts and a 5.55% indirect shareholding in African Phoenix.
3. W Chapman indirectly holds shares in enX by virtue of a 42.61% indirect shareholding in MCC Contracts and a 39.78% indirect shareholding in African Phoenix.

19.3.2 There have been no dealings in enX shares by the directors of enX in the period commencing six months before the date of the firm intention announcement, being 12 December 2023, and ending on the last practicable date, save for the acquisition by African Phoenix of 495 846 shares at a price of R6.41 per share on 15 September 2023 for an aggregate consideration of R3 178 372.86 pursuant to the closing of a mandatory offer to enX shareholders. P Baloyi has an indirect non-beneficial interest in African Phoenix. W Chapman has an indirect beneficial interest in African Phoenix and is a director of African Phoenix.

19.4 **Management and directors' service contracts**

19.4.1 There will be no change to the enX board following the implementation of the transaction.

19.4.2 It is not anticipated that the emoluments of the current enX directors will be affected by the transaction.

19.4.3 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 transaction.

19.4.4 The executive directors of enX have entered into standard contracts of employment with enX. There will be no change to these contracts of employment of the directors of enX pursuant to the transaction.

19.4.5 No service contracts have been entered into or amended within six months before the date of the transaction announcement.

19.5 **Directors' interests in the transaction**

Save as otherwise disclosed in this paragraph 19, no directors of enX will benefit directly or indirectly, in any manner, as a consequence of the implementation of the transaction.

19.6 **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.

20. DIRECTORS' EMOLUMENTS

20.1 The emoluments of the directors of enX for the year ended 31 August 2023 were as follows:

	Director fees R'000	Salary R'000	Incentives R'000	Retirement contributions R'000	Other benefits R'000	Total R'000
Executive directors						
A Hannington[1]	–	3 822	3 822	–	–	7 644
R Lumb[2]	–	2 960	2 960	391	253	6 487
Non-executive directors						
P Baloyi	1 013	–	–	–	–	1 013
L Molefe[3]	223	–	–	–	–	223
B Ngonyama[4]	81	–	–	–	–	81
K Matthews	608	–	–	–	–	608
W Chapman	419	–	–	–	–	419
V Jarana[5]	389	–	–	–	–	389
K Mokhobo[6]	568	–	–	–	–	568
N Simamane[7]	375	–	–	–	–	375
Total	**3 676**	**6 782**	**6 705**	**391**	**253**	**17 807**

Notes:

1. At 31 August 2023, a total of 1 637 908 shares had been issued to A Hannington as a long-term share appreciation rights incentive. The intrinsic value of these shares was R4.9 million at this date. None of the long-term incentives in issue vested in the year ended 31 August 2023.
2. At 31 August 2023, a total of 1 126 318 shares had been issued to R Lumb as a long-term share appreciation rights incentive. The intrinsic value of these shares was R3.4 million at this date. None of the long-term incentives in issue vested in the year ended 31 August 2023.
3. Resigned as non-executive director effective 31 January 2023.
4. Resigned as non-executive director effective 30 January 2023.
5. Resigned as non-executive director effective 30 April 2023.
6. Appointed as non-executive director effective 3 January 2023.
7. Appointed as non-executive director effective 8 February 2023.

20.2 Save as set out in paragraph 20.1 above, no director of enX received any emoluments for the last financial period, being the year ended 31 August 2023, in the form of:

20.2.1 fees for services as a director;

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

20.2.3 basic salaries;

20.2.4 bonuses and performance-related payments;

20.2.5 sums paid by way of expense allowance;

20.2.6 any other material benefits;

20.2.7 contributions paid under any pension scheme; or

20.2.8 any commission, gain or profit-sharing arrangements.

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

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

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

20.6 Save as set out in this paragraph 20, the Company has not entered into any contracts relating to directors' and managerial remuneration, secretarial and technical fees or restraint payments. Contracts of employment with executive directors of enX were concluded on terms and conditions that are standard for such appointments and contain normal terms of employment. The contracts of employment are available for inspection as described in paragraph 30 of this circular. There are no service contracts in place in respect of non-executive directors of enX.

20.7 The remuneration of directors of enX will not be varied as a consequence of the transaction.

21. ARRANGEMENTS IN RELATION TO THE TRANSACTION

21.1 Save for the transaction agreements, no agreement exists between Nedbank and enX which could be considered material to a decision regarding the transaction to be taken by enX shareholders.

21.2 Save for the transaction agreements, no arrangements, agreements or understandings which have any connection with or dependence on the transaction exist between enX and Nedbank, the directors of Nedbank, or any persons who were directors of Nedbank within the 12 months preceding the last practicable date, the shareholders of Nedbank or any persons who were holders of Nedbank's shares within the 12 months preceding the last practicable date.

22. MATERIAL CONTRACTS

Save for:

22.1 the transaction agreements, the salient features of which are set out in paragraph 6;

22.2 the material contracts, the salient features of which are set out in **Annexure 7** of this circular; and

22.3 the loan agreements detailed in **Annexure 8** of this circular,

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

23. MATERIAL CHANGES

There has been no material change in the financial or trading position of the enX Group between 31 August 2023, being the latest reported period, and the date of this circular, save for:

23.1 the declaration and payment of a special distribution of R1.00 per enX share, or R182 million in aggregate, implemented by way of a reduction of contributed tax capital, as defined in the Income Tax Act, No. 58 of 1962 (as amended), to enX shareholders that were recorded as such on Friday, 24 November 2023;

23.2 the settlement of the interest-bearing loan of R330 million between enX Corporation and enX on 5 December 2023, prior to the execution of the transaction agreements. The settlement of the loan has been allocated to liabilities associated with assets held for sale in the *pro forma* statement of financial position included in **Annexure 2** to the circular; and

23.3 the conclusion of agreements resulting in Eqstra increasing its existing revolving credit facility by R200 million as reflected in **Annexure 8** of the circular. The credit margin on this facility increased by 10 basis points as part of the approval to increase the facilities. As at the last practicable date, these new credit facilities have been fully drawn.

24. MATERIAL BORROWINGS

Details of all material loans made to enX and/or to its subsidiaries that remain outstanding as at the last practicable date, and that will remain outstanding following implementation of the transaction, are set out in **Annexure 8** of this circular.

25. STATEMENT AS TO WORKING CAPITAL

Having considered the effects of the transaction, the anticipated use of proceeds and based on enX management's calculations of the enX Group's working capital position and requirements as at 9 February 2024, being the date of issue of the circular, the directors are of the opinion that:

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

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

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

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

26. LITIGATION

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

26.1 Powerforce vs. enX, enX Trading, New Way Power and PO2

In March 2023, Powerforce Holdings Proprietary Limited ("**Powerforce**") initiated arbitration proceedings against enX, enX Trading, New Way Power and PO2 Proprietary Limited ("**PO2**"), claiming the transfer of the enX Group's share in New Way Power and PO2 to Powerforce for R45 million, together with all sales claims and cost of the legal proceedings. enX claims that the suspensive conditions included in the share purchase agreement ("**SPA**") of 3 August 2022 were not fulfilled or waived on or before the long stop date specified in the SPA, and that the transaction was never completed. The arbitration is set down for hearing in March 2024.

26.2 enX vs. Jacoba

New Way Power and PO2 lease their premises at Jacoba Street from the landlord, being 30-38 Jacoba Alberton North Proprietary Limited (the "**landlord**"). There has been ongoing litigation by enX against the landlord. On 14 February 2022, enX instituted a counter application in case 21/57653 seeking to declare the lease agreement in relation to the premises to be invalid and null and void *ab initio* since 2009 due to the non-fulfilment of the conditions precedent as set out in the lease agreement. An order is being sought that the landlord pays to enX the aggregate rentals and other charges paid to the landlord, plus interest on the amount from the date that they arose. The landlord is free to pursue relief in the reduction of the claim for the market related rentals over the same period of occupation of the property.

26.3 C Butters vs. TRP and others

Shareholders are referred to the notice published by the TRP on SENS on 13 April 2023, wherein it was announced that the TRP had agreed to settle its investigation (the **"settlement**") into certain affected transactions involving enX, eXtract, Zarclear Holdings Limited and African Phoenix and others.

The Company was notified that a notice of motion, dated 21 November 2023, has been made to the High Court of South Africa (Western Cape Division, Cape Town) in terms of which the applicant, C Butters, is seeking, *inter alia*, that (i) the report of the Deputy Executive Director of the TRP and the settlement be reviewed and set aside; and (ii) the Deputy Executive Director of the TRP complete his investigation and thereafter compile and present a full report setting out his findings to the TRP.

Although no relief is sought directly against enX, enX has been named as a respondent to the notice of motion, has an interest in the outcome of the application, and has given notice of its intention to oppose the application.

27. RESPONSIBILITY STATEMENTS

27.1 Independent board responsibility statement

The independent board:

27.1.1 confirms that this circular contains all information required by the TRP and the JSE Listings Requirements;

27.1.2 accepts, individually and collectively, full responsibility for the accuracy of the information provided in this circular relating to enX;

27.1.3 has considered all statements of fact and opinion in this circular and accepts full responsibility for the information contained in this circular relating to enX;

27.1.4 certifies that, to the best of its knowledge and belief, the information contained in this circular relating to enX is true and correct;

27.1.5 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

27.1.6 has made all reasonable enquiries in this regard.

27.2 **Board responsibility statement**

The directors, whose names are given on page 13 of this circular, collectively and individually accept full responsibility for the accuracy of the information contained in this circular and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the circular contains all information required by the JSE Listings Requirements.

28. CONSENTS

28.1 All the parties listed in the "Corporate Information" section of this circular 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.

28.2 Valeo Capital, KPMG and Deloitte have each consented to the inclusion of their reports in this circular in the form and context in which they have been reproduced in this circular in **Annexure 1**, **Annexure 3**, **Annexure 4** and **Annexure 5**, which consent has not been withdrawn prior to the issue of this circular. Valeo Capital, KPMG and Deloitte have confirmed that the contents of the circular are not contradictory to the information contained in their report.

29. PRELIMINARY AND ISSUE EXPENSES

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

Fees incurred by enX	Recipient	Rands
Transaction sponsor fees	Java Capital	850 000
Legal fees – Transaction counsel[1]	White & Case	10 000 000
Legal fees – Competition counsel[1]	Bowmans	2 000 000
Independent expert's fees	Valeo Capital	275 000
Independent auditor's fees	Deloitte	615 000
Independent auditor's fees	KPMG	1 150 000
Competition Authority filing fee	Competition Authorities	830 000
Printing and typesetting costs	Ince	160 000
TRP documentation fees	TRP	60 000
JSE documentation fees	JSE	84 500
Breakage costs[2]	Lenders	3 200 000
Contingency costs[1]		2 495 500
Total		**21 720 000**

Notes

1. These represent estimated costs only. The remaining costs represent actual costs.
2. Breakage costs represent an estimate of the maximum costs payable for early settlement of Eqstra's credit facilities. The costs actually paid may be less than this amount.

30. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the documents below will be available for inspection at the registered address of the Company from the date of issue of this circular up to and including the date of the general meeting. Copies of the documents will also be available for inspection electronically and may be obtained from the Company by sending a request to info@enxgroup.co.za from the date of issue of this circular up to and including the date of the general meeting:

30.1 this circular;

30.2 the memoranda of incorporation of enX and its respective major subsidiaries;

30.3 the transaction agreements;

30.4 the irrevocable undertakings referenced in paragraph 9;

30.5 the material contracts referenced in paragraph 22;

30.6 the loan agreements referenced in paragraph 24;

30.7 the employment contracts of the executive directors;

30.8 the fair and reasonable opinion of the independent expert in respect of the transaction, as set out in **Annexure 1** of this circular;

30.9 the signed reports by KPMG and Deloitte as set out in **Annexure 3, Annexure 4** and **Annexure 5** of this circular;

30.10 the audited financial statements of the Company for the financial years ended 31 August 2023, 31 August 2022 and 31 August 2021;

30.11 the report of historical financial information of the Eqstra Group post the unbundling, prepared in accordance with the basis of preparation detailed in the report of historical financial information of the Eqstra Group post the unbundling, for the years ended 31 August 2023, 31 August 2022 and 31 August 2021;

30.12 the written consents referenced in paragraph 28; and

30.13 the letter issued by the TRP approving this circular in terms of regulation 117 of the Takeover Regulations.

31. DOCUMENTS INCORPORATED BY REFERENCE

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

31.1 The historical financial information of the Eqstra Group post the unbundling, prepared in accordance with the basis of preparation set out in the report of historical financial information of the Eqstra Group post the unbundling for the years ended 31 August 2023, 31 August 2022 and 31 August 2021.

Signed at Johannesburg on behalf of the independent board and enX board in terms of resolutions passed by the independent board and enX board.

By order of independent board and the board

enX Group Limited

K Mokhobo
Chairperson of the independent board
30 January 2024

Z Matthews
Independent non-executive director
30 January 2024

FAIR AND REASONABLE OPINION OF THE INDEPENDENT EXPERT

1 February 2024

The Independent Board
enX Group Limited ("**enX**" or the "**Company**")
9th Floor,
Kathryn Towers,
1 Park Lane,
Sandton

Dear Sirs and Madams,

INDEPENDENT EXPERT REPORT IN RESPECT OF THE DISPOSAL OF EQSTRA INVESTMENT HOLDINGS PROPRIETARY LIMITED ("Eqstra")

1. **Introduction**

As announced on the Stock Exchange News Service ("**SENS**") of the JSE Limited ("**JSE**") on 12 December 2023, enX shareholders were advised that the Company has entered into transaction agreements with Nedbank Group Limited ("**Nedbank**") for the divestment of Eqstra (and its subsidiaries) ("**Transaction Agreements**"), the holding company for the enX fleet management business at the subscription price, based on the audited net asset value of Eqstra on the subscription date ("**NAV**"), plus R16 million, less certain agreed transaction related costs ("**Subscription Price**") In addition, certain amounts on loan account due by enX Corporation Limited ("**enX Corporation**") to enX and enX Corporation to Eqstra NH Equipment Proprietary Limited, will be repaid. (the "**Transaction**").

The Transaction will be affected by way of a linked indivisible and sequential implementation of a subscription for newly issued ordinary shares in Eqstra by Nedbank and a share repurchase by Eqstra of all the shares in Eqstra held by enX.

In terms of section 112 of the Companies Act, No. 71 of 2008 (the "**Companies Act**"), read together with section 115 of the Companies Act, the Transaction is considered a disposal of the greater part of enX's assets or undertaking. Furthermore, in terms of section 9 of the JSE Listings Requirements the Transaction constitutes a Category 1 transaction.

Full details of the Transaction are contained in the circular to enX shareholders dated 9 February 2024 ("**Circular**").

2. **Scope**

In terms of section 112 of the Companies Act, read together with section 115 of the Companies Act and regulation 90 of the Takeover Regulations promulgated thereunder ("**Takeover Regulations"**), enX is required to appoint an independent expert ("**Independent Expert**") in order to opine on the fairness and reasonableness of the transaction (the "**Opinion**").

Valeo Capital Proprietary Limited ("**Valeo Capital**") has been appointed by the independent board of directors of enX (the "**Independent Board**") as the Independent Expert to advise on whether the terms of the Transaction are fair and reasonable to enX shareholders.

3. **Responsibility**

Compliance with the Companies Act is the responsibility of the Independent Board. Valeo Capital's responsibility is to report on the terms of the Transaction in compliance with the Companies Act and the Takeover Regulations.

We confirm that this Opinion will be provided to the Independent Board for the sole purpose of assisting them in forming and expressing an opinion for the benefit of shareholders pertaining to the Transaction. The Opinion will be distributed to shareholders prior to the relevant resolutions required to approve the Transaction being tabled for consideration by shareholders.

4. **Definition of the terms "fair" and "reasonable"**

A transaction will generally be considered fair to a company's shareholders if the benefits received by shareholders, as a result of a transaction, are equal to or greater than the value surrendered by a company or its shareholders.

The assessment of fairness is primarily based on quantitative considerations. Accordingly, the transaction may be considered fair if the subscription price is higher than or equal to the value attributable to Eqstra shares, or unfair if the subscription price is lower than the value attributable to Eqstra shares.

In terms of Takeover Regulation 110(9), a transaction will generally be considered reasonable if the value received by the shareholders in terms of the transaction is higher than the market price of the company's securities at the time that the transaction was announced. In addition, the assessment of reasonableness is also based on qualitative considerations surrounding a transaction. Even though a transaction may be unfair based on quantitative considerations, a transaction may still be reasonable after considering other significant qualitative factors.

We have applied the aforementioned principles in preparing our Opinion. The Opinion does not purport to cater for an individual shareholder's position but rather the general body of shareholders. An individual shareholder's decision regarding the terms of a transaction may be influenced by its particular circumstances (such as taxation and the original price paid for the shares).

5. **Sources of information**

In the course of our work, we relied upon information obtained from enX management ("**Management**") and from various public sources. Our conclusion is dependent on such information being complete and accurate in all material respects.

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

- Eqstra historic financial information for the 2018 to 2023 financial years;
- Eqstra forecast financial information for the 2024 to 2027 financial years;
- the Eqstra *pro-forma* consolidation balance sheet as set out in Annexure 2 of the Circular;
- the draft Circular;
- the draft Transaction Agreements;
- discussions with Management on prevailing market, economic, legal and other conditions which may affect the underlying value and the rationale for the Transaction;
- comparative, publicly available financial and market information on appropriate global peer issuers; and
- online and subscription databases covering financial markets, share prices, volumes traded and news.

6. **Assumptions**

We have arrived at our Opinion based on the following assumptions:

- that the terms of the Transaction are legally enforceable with no material amendments;
- that reliance can be placed on the historical and forecast financial information of Eqstra;
- the structure of the Transaction will not give rise to any undisclosed tax liabilities;
- that Eqstra is not involved in any material legal proceedings or disputes with regulatory bodies;
- there are no undisclosed contingencies that could affect the value of the relevant securities;
- reliance can be placed on management representations made; and
- the current regulatory and market conditions will not change materially.

7. **Procedures**

In arriving at our Opinion, we have undertaken the following procedures in evaluating the fairness and reasonableness of the Transaction:

- considered the rationale for the Transaction, as presented by Management;
- reviewed the terms of the Transaction;
- analysed the historical and forecasted information as provided by Management;
- where relevant, corroborated representations made by Management to source documents or other corroborating evidence;
- performed a valuation of Eqstra as detailed below;
- reviewed relevant publicly available information relating to Eqstra;
- performed an analysis of other information considered pertinent to our valuation and Opinion;
- obtained letters of representation from Management confirming that Valeo Capital have been provided with all relevant material information and that all such information provided to us is accurate and complete in all material respects; and

- we determined the fairness and reasonableness of the Transaction based on the results of the procedures mentioned above. We believe that these considerations justify the Opinion outlined below.

8. **Valuation approach**

In considering the Transaction, Valeo Capital performed an independent valuation of Eqstra in accordance with generally accepted valuation approaches and methods used in the market from time to time. Accordingly, for the purpose of our valuation, the following valuations methodologies were applied:

- Income approach – being a discounted cash flow valuation ("**DCF**") on Eqstra;
- Market approach – whereby Eqstra has been valued based on its peers' current and historic trading multiples after taking into account relevant premiums and/or discounts ("**Multiple Valuation**")

Valeo Capital performed sensitivity analyses on the valuation methodologies applied which included, *inter alia*:

- a change of 1.0% on the profit after tax margin applied, which analyses resulted in a variance range of c. 8.3% on the midpoint DCF value calculated for Eqstra; and
- a change of 0.25x on the exit price to book multiple applied, which analyses resulted in a variance range of c. 31.9% on the midpoint DCF value calculated for Eqstra.

Key external value drivers affecting the value attributable to Eqstra include:

- Key macro-economic parameters, such as GDP growth, the current interest rate environment / interest rates that Eqstra incurs, and prevailing market and industry conditions that were considered in assessing the forecast cash flows and risk profile of Eqstra.

Key internal value drivers affecting the value attributable to Eqstra include:

- Forecasted free cash flow to Eqstra, largely impacted by, *inter alia*, revenue growth and after tax profit margin, the forecasted lease book replacement expenditure, cash movement in loans and the required working capital investment;
- the discount rate (represented by the cost of equity, determined by applying the capital asset pricing model methodology) at which forecasted free cash flows attributable to holders of equity have been discounted in the DCF valuation. An increase in discount rate would result in a lower value attributable to Eqstra; and
- the exit price to book multiple applied in the DCF valuation. An increase in the exit price to book multiple would result in a higher value attributable to Eqstra.

9. **Reasonableness**

In arriving at our Opinion with respect to the reasonability of the Transaction, we considered, *inter alia*, the following:

- On analysis of the Eqstra return on equity, it was evident that when comparing same to the cost of equity, the spread is negative;
- Furthermore, Eqstra's return on equity has decreased historically and is forecasted to continue to decrease. Management is of the view that to improve Eqstra's return on equity it requires access to cheaper capital to fund the business;
- The material effect that the Transaction will have on enX is that enX will no longer be a shareholder in Eqstra;
- We have identified no material adverse effect of the Transaction on enX and its prospects given that:
  - the compensation received by enX is within the fair value range of Eqstra; and
  - Nedbank is a financial institution that has significantly better funding capacity compared to enX (as the sole shareholder of Eqstra) and can access capital at lower rates which will be beneficial to Eqstra; an
- The derived transaction price to book multiple relative to enX's price to book multiple is positive. This indicates that Management is able to unlock value for shareholders through selling Eqstra at a higher price than what is implicit in enX's current trading price on the JSE

Based on the above, Valeo Capital is therefore of the opinion that the Transaction is reasonable to shareholders.

10. **Opinion**

As the ordinary shares in the capital of the Company comprise of the sole class of shares in the issued share capital of the Company, ordinary shareholders are the only persons who may be affected by the Transaction.

We have considered the terms and conditions of the Transaction and, based on the aforementioned, we are of the opinion, subject to the limiting conditions as set out below, that the indicative fair value range of the Transaction, inclusive of the repayment of the shareholder loans, as at 31 August 2023 ("**Aug Balance Sheet**") amounts to between R919.2 million and R1 221.9 million ("**Value Range**"). On a per share basis the Value Range, based on the Aug Balance Sheet, equates

to between R90 116.59 per share and R119 795.55 per share with the likely core value of R104 956.07 per share being the midpoint of the Value Range. We have compared the Value Range to the Transaction's gross proceeds, calculated on the Aug Balance sheet amounting to R1 045.00 million (R102 450.98 per share), which falls within the Value Range.

Based on the Aug Balance Sheet, the Value Range, exclusive of the repayment of shareholder loans, amounts to between R408.6 million and R711.3 million, with the likely core value of R559.9 million ("**Subscription Range**"). On a per share basis this equates to between R40 055.66 per share and R69 734.61 per share with the likely core value of R54 895.13 per share being the midpoint. We have compared the Subscription Range to the Transaction's subscription price of R534 million (R52 352.94 per share) based on the Aug Balance Sheet, and it falls within the Subscription Range.

Finally, we have noted that the Subscription Price may change based on changes in the Eqstra NAV. Given that the NAV is a material value driver to the valuations performed and the determined Value Range, a change in NAV as determined on the effective date should have a similar change in the value range.

In summary, subject to the conditions set out herein, we are of the opinion that the Transaction's gross proceeds and subscription price is fair and reasonable to shareholders.

11. **Limiting conditions**

This Opinion is provided to the Independent Board in connection with and for the purpose of the Transaction, for the sole purpose of assisting the Independent Board in forming and expressing an opinion for the benefit of shareholders. This Opinion is prepared solely for the Independent Board and therefore should not be regarded as suitable for use by any other party or give rise to third party rights.

We have relied upon and assumed the accuracy of the information provided to and obtained by us in determining our Opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of reaching our Opinion, whether in writing or obtained in discussion with Management, with reference to publicly available or independently obtained information.

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

The forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the relevant period. Consequently, this information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely actual results will correspond to Management forecasts.

This Opinion is provided in terms of the Companies Act. It does not constitute a recommendation to any shareholder as to how to vote at any shareholders' meeting relating to the Transaction or on any matter relating to it. It should not, therefore, be relied upon for any other purpose. We assume no responsibility to anyone if this Opinion is used or relied upon for anything other than its intended purpose. Should an individual shareholder have any doubts as to what action to take, such shareholder should consult an independent advisor.

Subsequent developments may affect our Opinion and we are under no obligation to update, review or re-affirm it based on such developments. We have assumed that all suspensive conditions referred to in the Circular, including any material regulatory and other approvals, if any, will be properly fulfilled/obtained.

12. **Sections 115 and 164 of the Companies Act**

Section 115 of the Companies Act has been included in Appendix A to Annexure 1 in the Circular and section 164 included as annexure A to this Opinion.

13. **Material interest of enX directors**

The shareholding of directors of enX, directly and indirectly, is set out in paragraph 19 of the Circular.

14. **Independence and additional regulatory disclosures**

We confirm that Valeo Capital has no direct or indirect interest in any transacting party or the Transaction, nor do we have any relationship with enX or, to the best of our knowledge, to any person related to the Company such as would lead a reasonable and informed third party to conclude that our integrity, impartiality or objectivity has been compromised by such relationship. We also confirm that we have the necessary competence and experience to provide this Opinion. Furthermore, we confirm that our professional fee of R275 000 (excluding VAT) is not contingent upon the outcome of the Transaction.

The directors, employees or consultants of Valeo Capital allocated to this assignment have the necessary qualifications, expertise and competencies to (i) understand the Transaction; (ii) evaluate the Transaction; and (iii) determine the effect of the Transaction on the value of the shares and on the rights and interests of shareholders, or a creditor, of enX and are able to express opinions, exercise judgement and make decisions impartially in carrying out this assignment.

15. **Consent**

We hereby consent to the inclusion of this Opinion and references thereto, in whole or in part, in the form and context in which they appear to be included in any required regulatory announcement or documentation regarding the Transaction.

Yours faithfully

Riaan van Heerden
Valeo Capital Proprietary Limited

APPENDIX A

115. Required approval for transactions contemplated in Part

(1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless -

(a) The disposal, amalgamation or merger, or scheme of arrangement -

(i) has been approved in terms of this section; or

(ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and

(b) to the extent that Parts B and C of this Chapter, and the Takeover Regulations, apply to a company that proposes to:

(i) dispose of all or the greater part of its assets or undertaking;

(ii) amalgamate or merge with another company; or

(iii) implement a scheme of arrangement,

the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4)(b), or exempted the transaction in terms of section 119(6).

[Para. (b) substituted by s. 71 of Act 3/2011]

(2) A proposed transaction contemplated in subsection (1) must be approved -

(a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that arc entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64(2); and

[Para. (a) substituted by s. 71 of Act 3/2011]

(b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if:

(i) the holding company is a company or an external company;

(ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and

(iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and

[Subpara. (iii) substituted by s. 71 of Act 3/2011]

(c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).

(3) Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if -

(a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or

[Para. (a) substituted by s. 71 of Act 3/2011]

(b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).

[Para. (b) substituted by s. 71 of Act 3/2011]

(4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights -

(a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or

(b) required to be voted in support of a resolution, or actually voted in support of the resolution.

[Subs. (4) substituted by s. 71 of Act 3/2011]

(4A) In subsection (4), "act in concert" has the meaning set out in section 117(1)(b).

[Subs. (4A) inserted by s. 71 of Act 3/2011]

(5) If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either -

(a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or

[Para. (a) substituted by s. 71 of Act 3/2011]

(b) treat the resolution as a nullity.

(6) On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant -

(a) is acting in good faith;

(b) appears prepared and able to sustain the proceedings; and

(c) has alleged facts which, if proved, would support an order in terms of subsection (7).

(7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if -

(a) the resolution is manifestly unfair to any class of holders of the company's securities; or

(b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.

(8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person -

(a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and

(b) was present at the meeting and voted against that special resolution.

(9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect -

(a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;

(b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;

(c) the transfer of shares from one person to another;

(d) the dissolution, without winding-up, of a company, as contemplated in the transaction;

(e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or

(f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

APPENDIX B

164. Dissenting shareholders appraisal rights

(1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.

(2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to -

(a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or

(b) enter into a transaction contemplated in section 112, 113, or 114, that notice must include a statement informing shareholders of their rights under this section.

(3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.

(4) Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who -

(a) gave the company a written notice of objection in terms of subsection (3); and

(b) has neither:

(i) withdrawn that notice; or

(ii) voted in support of the resolution.

(5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if: -

(a) the shareholder -

(i) sent the company a notice of objection, subject to subsection (6); and

(ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;

(b) the company has adopted the resolution contemplated in subsection (2); and

(c) the shareholder -

(i) voted against that resolution; and

(ii) has complied with all of the procedural requirements of this section.

(6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting, or failed to include in that notice a statement of the shareholders rights under this section.

(7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within -

(a) 20 business days after receiving a notice under subsection (4); or

(b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.

(8) A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state -

[Words preceding para. (a) substituted by s. 103 of Act 3/2011]

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder seeks payment; and

(c) a demand for payment of the fair value of those shares.

(9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless -

(a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);

(b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or

(c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.

[Para. (c) substituted by s. 103 of Act 3/2011]

(10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.

(11) Within five business days after the later of -

(a) the day on which the action approved by the resolution is effective;

(b) the last day for the receipt of demands in terms of subsection (7)(a); or

(c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.

(12) Every offer made under subsection (11) -

(a) in respect of shares of the same class or series must be on the same terms; and

(b) lapses if it has not been accepted within 30 business days after it was made.

(13) If a shareholder accepts an offer made under subsection (12) -

(a) the shareholder must either in the case of -

(i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or

(ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and

(b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and -

(i) tendered the share certificates; or

(ii) directed the transfer to the company of uncertificated shares.

(14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has -

(a) failed to make an offer under subsection (11); or

(b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.

(15) On an application to the court under subsection (14) -

(a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;

(b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and

(c) the court:

(i) may determine whether any other person is a dissenting shareholder who should be joined as a party;

(ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);

(iii) in its discretion may -

(aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or

(bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;

(iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and

(v) must make an order requiring -

(aa) the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13)(a); and

[Item (aa) substituted by s. 103 of Act 3/2011]

(bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.

(15A) At any time before the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case -

(a) that shareholder must comply with the requirements of subsection 13(a); and

(b) the company must comply with the requirements of subsection 13(b).

[Subs. (15A) inserted by s. 103 of Act 3/2011]

(16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.

(17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pays its debts as they fall due and payable for the ensuing 12 months -

(a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and

(b) the court may make an order that -

(i) is just and equitable, having regard to the financial circumstances of the company; and

(ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.

(18) If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.

(19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to -

(a) the provisions of that section; or

(b) the application by the company of the solvency and liquidity test set out in section 4.

(20) Except to the extent -

(a) expressly provided in this section; or

(b) that the Panel rules otherwise in a particular case,

a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.

[Subs. (20) inserted by s. 103 of Act 3/2011]

PRO FORMA FINANCIAL INFORMATION REGARDING ENX AND THE IMPACT ON AN ENX SHAREHOLDER

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

The *pro forma* financial information has been provided for illustrative purposes only, to provide information on how the enX Group distribution declared and paid, settlement of inter-company interest bearing debt, acquisition of Eqstra non-controlling interest, disposal of the Eqstra Group post the unbundling, use of proceeds, and reclassification of valuation reserves (together, the "*collective transaction*s") may have affected the financial position of enX, assuming they were implemented on 31 August 2023 and the statement of comprehensive income assuming they were implemented on 1 September 2022. Because of its nature, the *pro forma* financial information may not fairly represent enX's financial position, changes in equity, or profit and loss after the collective transactions.

The *pro forma* financial information, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the board of directors. The *pro forma* financial information has been prepared in accordance with enX's accounting policies and in compliance with IFRS and are consistent with those applied in the audited annual financial statements of enX for the year ended 31 August 2023. The *pro forma* financial information is presented in accordance with the JSE Listings Requirements and the Guide on *pro form*a financial information issued by SAICA and regulation 106(7)(c)(ii) of the Takeover Regulations.

The *pro forma* financial information should be read in conjunction with the auditor's assurance report thereon, which is presented in **Annexure 3** of this circular.

Pro forma consolidated statement of financial position

	enX last published results	enX Group distribution declared and paid	Settlement of inter-company interest bearing debt	Acquisition of Eqstra non-controlling interest	Disposal of Eqstra & receipt of purchase consideration after transaction costs	Use of proceeds	Reclassification of valuation reserve	enX after *pro forma* adjustments
	Audited	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*
	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000
	Note 1	Note 2.1 & 5	Note 2.2	Note 2.3 & 5	Note 3.2, 3.3, 3.4, 3.5 & 5	Note 3.5, 3.6 & 5	Note 4 & 5	Note 3, 4 & 5
ASSETS								
Non-current assets	**376 250**	**–**	**–**	**–**	**–**	**100 000**	**–**	**476 250**
Property, plant, equipment and right of use assets	**177 493**	**–**	**–**	**–**	**–**	**–**	**–**	**177 493**
Intangible assets	**48 811**	**–**	**–**	**–**	**–**	**–**	**–**	**48 811**
Investment in associate	**114 607**	**–**	**–**	**–**	**–**	**–**	**–**	**114 607**
Unlisted investments and other receivables	**2 475**	**–**	**–**	**–**	**–**	**100 000**	**–**	**102 475**
Deferred taxation	**32 864**	**–**	**–**	**–**	**–**	**–**	**–**	**32 864**
Current assets	**2 146 411**	**(182 313)**	**330 000**	**–**	**1 009 265**	**(1 011 563)**	**–**	**2 291 800**
Trade, other receivables and derivatives	**841 142**	**–**	**–**	**–**	**–**	**–**	**–**	**841 142**
Inventories	**866 725**	**–**	**–**	**–**	**–**	**–**	**–**	**866 725**
Unlisted investments and other receivables	**135 240**	**–**		**–**		**–**	**–**	**135 240**
Taxation receivable	**324**	**–**	**–**	**–**	**–**	**–**	**–**	**324**
Bank and cash balances	**302 980**	**(182 313)**	**330 000**	**–**	**1 009 265**	**(1 011 563)**	**–**	**448 369**
Disposal group held for sale (note 3.2)	**3 049 317**	**–**	**–**	**(28 637)**	**(3 020 680)**	**–**	**–**	**–**
Total assets	**5 571 978**	**(182 313)**	**330 000**	**(28 637)**	**(2 011 415)**	**(911 563)**	**–**	**2 768 050**

	enX last published results	enX Group distribution declared and paid	Settlement of inter-company interest bearing debt	Acquisition of Eqstra non-controlling interest	Disposal of Eqstra & receipt of purchase consideration after transaction costs	Use of proceeds	Reclassification of valuation reserve	enX after *pro forma* adjustments
	Audited	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*
	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000
	Note 1	Note 2.1 & 5	Note 2.2	Note 2.3 & 5	Note 3.2, 3.3, 3.4, 3.5 & 5	Note 3.5, 3.6 & 5	Note 4 & 5	Note 3, 4 & 5
EQUITY AND LIABILITIES								
Capital and reserves	**2 582 916**	**(182 313)**	**–**	**(28 637)**	**(32 778)**	**(911 563)**	**–**	**1 427 625**
Stated capital	**2 495 999**	**(182 313)**	**–**	**–**	**–**	**(911 563)**	**–**	**1 402 123**
Other reserves	**(714 022)**	**–**	**–**	**–**	**(6 436)**	**–**	**736 563**	**16 105**
Accumulated profits/accumulated deficit	**740 986**	**–**	**–**	**–**	**(26 342)**	**–**	**(736 563)**	**(21 919)**
Equity attributable to equity holders of the parent	**2 522 963**	**(182 313)**	**–**	**–**	**(32 778)**	**(911 563)**	**–**	**1 396 309**
Non-controlling interests	**59 953**	**–**	**–**	**(28 637)**	**–**	**–**	**–**	**31 316**
Non-current liabilities	**108 489**	**–**	**–**	**–**	**–**	**–**	**–**	**108 489**
Interest-bearing liabilities	**37 061**	**–**	**–**	**–**	**–**	**–**	**–**	**37 061**
Lease liabilities	**11 696**	**–**	**–**	**–**	**–**	**–**	**–**	**11 696**
Cash settled and option liabilities	**59 732**	**–**	**–**	**–**	**–**	**–**	**–**	**59 732**
Deferred taxation	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Current liabilities	**1 231 936**	**–**	**–**	**–**	**–**	**–**	**–**	**1 231 936**
Interest-bearing liabilities	**228 216**	**–**	**–**	**–**	**–**	**–**	**–**	**228 216**
Lease liabilities	**4 620**	**–**	**–**	**–**	**–**	**–**	**–**	**4 620**
Cash settled and option liabilities	**11 900**	**–**	**–**	**–**	**–**	**–**	**–**	**11 900**
Trade, other payables, provisions and derivatives	**961 867**	**–**	**–**	**–**	**–**	**–**	**–**	**961 867**
Taxation payable	**25 333**	**–**	**–**	**–**	**–**	**–**	**–**	**25 333**

	enX last published results	enX Group distribution declared and paid	Settlement of inter-company interest bearing debt	Acquisition of Eqstra non-controlling interest	Disposal of Eqstra & receipt of purchase consideration after transaction costs	Use of proceeds	Reclassification of valuation reserve	enX after *pro forma* adjustments
	Audited	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*
	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000
	Note 1	Note 2.1 & 5	Note 2.2	Note 2.3 & 5	Note 3.2, 3.3, 3.4, 3.5 & 5	Note 3.5, 3.6 & 5	Note 4 & 5	Note 3, 4 & 5
Liabilities associated with disposal group held for sale (note 3.2)	**1 648 637**	–	**330 000**		**(1 978 637)**	–	–	–
Total equity and liabilities	**5 571 978**	**(182 313)**	**330 000**	**(28 637)**	**(2 011 415)**	**(911 563)**	–	**2 768 050**
Supplementary information:								
Number of ordinary shares in issue	**182 312 650**							**182 312 650**
Weighted number of shares in issue (net of treasury shares)	**181 366 763**							**181 366 763**
Net asset value per share (cents)	**1 391**							**770**
Net tangible asset value per share (cents)	**1 364**							**743**
Net asset value per share, *pro forma* financial effects on enX shareholder (cents)*	**1 391**							**1 270**
Net tangible asset value per share, *pro forma* financial effects on enX shareholder (cents)*	**1 364**							**1 243**

* *The amounts set out have been prepared by adjusting for the pro forma financial effects after the collective transactions, in respect of shareholders' net asset value per share and net tangible asset per share and the benefit of the return of capital to enX shareholders of R912 million, being R5.00 per share. This represents the pro forma financial effects for enX shareholders.*

Notes and assumptions:

1. Extracted without adjustment from the summarised consolidated financial results of enX for the year ended 31 August 2023. The summarised consolidated financial results were prepared based on the audited group financial statements of enX Group for the year ended 31 August 2023, in respect of which an unmodified audit opinion was issued.
2. The figures in the "enX after *pro forma* adjustments" column reflect the *pro forma* effects on the "enX last published results" of the collective transactions that have and will take place before the disposal of Eqstra:
   2.1 On 6 November 2023, the directors declared a special distribution out of contributed tax capital of R1.00 per share to enX shareholders, resulting in a R182 million distribution to shareholders on 27 November 2023, a material subsequent event.
   2.2 The interest-bearing loan of R330 million between enX Corporation and enX at 31 August 2023 was settled in full on 5 December 2023. As a result of enX group consolidation entries, this inter-company loan was not included in the disposal group held for sale in the group financial statements (column 1). The settlement of the loan was funded from Eqstra's debt facilities and has been allocated to liabilities associated with the disposal group held for sale.
   2.3 A suspensive condition to the transaction is the completion of the acquisition by Eqstra of Nozala Investments Proprietary Limited's 40% shareholding in Amasondo such that Eqstra will become the sole shareholder of Amasondo. For the purposes of the *pro forma*s it has been assumed that this acquisition is completed at the net asset value of the non-controlling interest. The acquisition will be funded from Eqstra's cash on hand as at 31 August 2023 and has hence been allocated to the disposal group held for sale.
3. The figures in the "enX after *pro forma* adjustments" column above reflect the *pro forma* effects on the "enX last published results" resulting from the collective transactions after taking into account the following transaction assumptions:
   3.1 The collective transactions are assumed to have been implemented on 31 August 2023 for the *pro forma* consolidated statement of financial position, net asset value per share and net tangible value per share purposes.
   3.2 The Eqstra figures have been extracted from the audited consolidated financial statements of enX for the year ended 31 August 2023. The table below is a reconciliation of the assets and liabilities to be disposed (disposal group held for sale), reconciling the amounts per the Eqstra historical information to the amounts as disclosed in note 12 to the audited financial statements of enX Group:

	Eqstra historical information	Consolidation adjustments at an enX Group level	enX last published results	Settlement of inter-company interest bearing debt (Note 2.2)	Acquisition of Eqstra non-controlling interest (Note 2.3)	Eqstra final disposal group
Disposal group held for sale – Eqstra	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Assets						
Property, plant and equipment	47 431	1 656	49 087	–	–	49 087
Leasing assets	2 615 003	–	2 615 003	–	–	2 615 003
Intangible assets	19 606	–	19 606	–	–	19 606
Deferred taxation	874	–	874	–	–	874
Trade and other receivables	214 626	(1 917)	212 709	–	–	212 709
Inventories	40 524	1 563	42 087	–	–	42 087
Other investments and loans	5 124	(4 284)	840	–	–	840
Taxation receivable	1 005	–	1 005	–	–	1 005
Bank and cash balances	108 058	48	108 106	–	(28 637)	79 469
Total assets	**3 052 251**	**(2 934)**	**3 049 317**	**–**	**(28 637)**	**3 020 680**
Liabilities						
Interest-bearing liabilities	1 144 302	–	1 144 302	330 000	–	1 474 302
Lease liabilities	3 543	1 695	5 238	–	–	5 238
Inter-company loans payable	618 670	(618 670)	–	–	–	–
Deferred taxation	172 229	–	172 229	–	–	172 229
Trade, other payables, contingent liabilities and provisions	320 128	2 887	323 015	–	–	323 015
Taxation payable	3 696	157	3 853	–	–	3 853
Total liabilities	**2 262 568**	**(613 931)**	**1 648 637**	**330 000**	**–**	**1 978 637**

   3.3 The assets and associated liabilities forming part of the disposal group held for sale as disclosed in the enX last published results include consolidation eliminations that take place at an enX group level, namely, inter-group trade receivables and trade payables and loans between Eqstra and the larger enX Group.
   3.4 These numbers exclude the stated capital of Eqstra as this is eliminated at an enX group consolidation level.
   3.5 The assumed gross proceeds arising from the transaction amount to R1 058.0 million ("**gross proceeds"**). This has been reduced by the estimated costs associated with the collective transactions amounting to R21.7 million (as set out in paragraph 29 of the circular), warranty and indemnity insurance premium costs of R10.6 million and estimated capital gains tax of R16.5 million. The proceeds to be paid by Nedbank will be based on the audited net asset value of Eqstra (the "**Eqstra NAV**") on the date on which the share subscription takes place, plus R16 million, less certain agreed transaction related costs (the "**subscription price**"). The effective date will be the last day of the month in which the last of the conditions precedent to the collective transaction is fulfilled or waived and the date on which the share subscription will be implemented will be the fifth business day following the final determination of the audited accounts for purposes of determining the Eqstra NAV ("**closing date**"). The actual

proceeds will change based on the Eqstra NAV on the effective date. The Eqstra NH Equipment loan balance assumed to be repaid for the calculation of gross proceeds and net cash proceeds is the balance as at 31 August 2023. The calculation of gross proceeds and net cash proceeds for the purposes of the *pro forma* accounts is shown below.

The net cash proceeds used to determine the use of proceeds has been determined as follows:

	R'000
Gross proceeds	**1 058 043**
Net asset value excluding inter-group loan	531 428
Premium to net asset value	16 000
Repurchase Price	547 428
Repayment of interest free loan to enX Group Ltd	270 000
Repayment of loan due to Eqstra NH Equipment Pty Ltd	240 615
est. Transaction costs	(21 720)
est. Warranty and indemnity insurance premium	(10 600)
est. Capital gains tax	(16 459)
Net cash proceeds	**1 009 265**

3.6 The net cash proceeds are applied towards (1) a return of capital to enX shareholders of R912 million, being R5.00 per share; and (2) R100 million to be held in escrow for a period of 36 months post-closing as restricted cash collateral for claims in relation to the uninsured warranties and indemnities ("escrow amount"). The c.R2.3 million shortfall between the net cash proceeds and the application of the proceeds is funded from existing cash resources.

3.7 The once-off net loss of the transaction, after estimated transaction costs, taxation and the release of the foreign currency translation reserve associated to enX Fleet Management, is R32.8 million. This loss is calculated based on the net cash proceeds of R1 009.0 million less the net of the disposal group held for sale of Eqstra as at 31 August 2023, being R1 042.0 million, after having adjusted for the loans repaid to group of R330 million, and the repurchase of the Eqstra non-controlling interest.

4. The valuation reserve relates to fair value adjustments that were recognised in 2017 to ensure that the eXtract shares were valued at the closing JSE share price at 31 August 2017 and the loans receivable and preference shares in the MCC division of eXtract were fair valued on the basis of the estimated cash flows expected to be received from the restructure agreement with eXtract. These arose as part of the acquisition of Eqstra and the fair value adjustments were recognised through profit or loss and subsequently reclassified from retained earnings to other reserves. Subsequent to the disposal of Eqstra, this valuation reserves is no longer required and will be reclassified from other reserve back to accumulated profits.

5. The statement of changes in equity figures have been extracted from the audited financial statements of enX for the year ended 31 August 2023. The breakdown of the *pro forma* adjustments to the statement of changes in equity are as follows:

Summarised consolidated statement of changes in equity movements

		31 August 2023
	Note	**R'000**
Stated capital		1 402 123
Balance as per enX last published results		2 495 999
Capital distribution	2.1	(182 313)
Use of proceeds, capital distribution	3.6	(911 563)
Other reserves		16 105
Balance as per enX Last published results		(714 022)
Release of foreign currency translation reserve on disposal of subsidiary	5.1	(6 436)
Reclassification of valuation reserve	4	736 563
Accumulated profits/accumulated deficit		(21 919)
Balance as per enX last published results		740 986
Disposal of Eqstra and receipt of purchase consideration after transaction costs	3.2, 3.3, 3.4 & 3.5	(26 342)
Reclassification of valuation reserve	4	(736 563)
Non-controlling interest		31 316
Balance as per enX Last published results		59 953
Acquisition of Eqstra non-controlling interests	3.2, 3.3 & 3.4	(28 637)
Total shareholders' interests		1 427 625

5.1 The release of foreign currency translation reserve on disposal of subsidiary relates to the release of the foreign currency translation reserve associated enX Fleet Management.

6. The *pro forma* financial information under note 3 (after the adjustments included as described in notes 3.2 to 3.6) represents the summarised consolidated statement of financial position of enX after the implementation of the collective transactions.

7. There are no other post-balance sheet events which require adjustment to the *pro forma* statement of financial position.

***Pro forma* consolidated statement of profit or loss and other comprehensive income**

	enX last published results	Interest income forgone	Disposal of Eqstra	Once off net loss on disposal of Eqstra	Income based on use of proceeds	enX after *pro forma* adjustments
	Audited	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*	*Pro forma*
	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000	31 August 2023 R'000
	Note 1	Note 2	Note 3.2	Notes 3.5 and 3.6	Note 3.7	Note 4
Revenue	**4 194 783**	–	–	–	–	**4 194 783**
Cost of sales	**(3 636 394)**	–	–	–	–	**(3 636 394)**
Gross profit	**558 389**	–	–	–	–	**558 389**
Expected credit losses	**6 162**	–	–	–	–	**6 162**
Operating expenses	**(316 825)**	–	–	–	–	**(316 825)**
Operating profit before the items listed below	**247 726**	–	–	–	–	**247 726**
Impairment of leasing assets, intangible assets and property, plant and equipment	**(1 821)**	–	–	–	–	**(1 821)**
Loss on sale of the Eqstra business	**–**	–	–	(9 883)	–	**(9 883)**
Operating profit before net finance costs and earnings from associate	**245 905**		–	(9 883)	–	**236 022**
Net finance costs	**(4 087)**	(15 925)	–	–	8 549	**(11 463)**
Interest received	**31 187**	(15 925)	–	–	8 549	**23 811**
Interest expense	**(35 274)**	–	–	–	–	**(35 274)**
Share of profits from associate	**18 509**	–	–	–	–	**18 509**
Profit before taxation	**260 327**	(15 925)	–	(9 883)	8 549	**243 068**
Taxation	**(69 482)**	4 300	–	(16 459)	(2 394)	**(84 035)**
Profit after taxation	**190 845**	(11 625)	–	(26 342)	6 155	**159 033**
Discontinued operations						
Profit for the year from discontinued operations	**132 190**	**–**	(132 190)	**–**	**–**	**–**
Net profit after taxation ("PAT")	**323 035**	(11 625)	(132 190)	(26 342)	6 155	**159 033**
Attributable to:						
Equity holders of the parent	**295 862**	(11 625)	(132 190)	(26 342)	6 155	**131 860**
Continuing operations	**163 672**	(11 625)		(26 342)	6 155	**131 860**
Discontinuing operations	**132 190**	–	(132 190)	–	–	**–**
Non-controlling interests	**27 173**		–	–	–	**27 173**
Net profit after taxation ("PAT")	**323 035**	(11 625)	(132 190)	(26 342)	6 155	**159 033**

	enX last published results	Interest income forgone	Disposal of Eqstra	Once off net loss on disposal of Eqstra	Income based on use of proceeds	enX after *pro forma* adjustments
	Audited	***Pro forma***	***Pro forma***	***Pro forma***	***Pro forma***	***Pro forma***
	31 August 2023 R'000	**31 August 2023 R'000**	**31 August 2023 R'000**	**31 August 2023 R'000**	**31 August 2023 R'000**	**31 August 2023 R'000**
	Note 1	**Note 2**	**Note 3.2**	**Notes 3.5 and 3.6**	**Note 3.7**	**Note 4**
Other comprehensive income net of taxation:						
Profit after taxation	**323 035**	(11 625)	(132 190)	(26 342)	6 155	**159 033**
Items that may be reclassified subsequently to profit or loss:						
– Foreign currency translation reserve	**11 178**	–	–	–	–	**11 178**
Total comprehensive income	**334 213**	(11 625)	(132 190)	(26 342)	6 155	**170 211**
Attributable to:						
Equity holders of the parent	**307 040**	(11 625)	(132 190)	(26 342)	6 155	**143 038**
Non-controlling interests	**27 173**	–	–	–	–	**27 173**
Total comprehensive income	**334 213**	(11 625)	(132 190)	(26 342)	6 155	**170 211**
Profit per share						
Basic earnings per share (cents)*	**163.1**					**72.7**
Diluted earnings per share (cents)	**163.1**					**72.7**
Headline earnings per share (cents)*	**164.3**					**88.4**
Number of shares in issue	**182 312 650**					**182 312 650**
Weighted number of shares in issue (net of treasury shares)	**181 366 763**					**181 366 763**
Headline earnings reconciliation						
Net profit after taxation attributable to equity holders of the parent	**295 862**	(11 625)	(132 190)	(26 342)	6 155	**131 860**
Adjusted for:						
Profit on disposal of property, plant and equipment	**7 814**	–	–	–	–	**7 814**
Impairment of leasing assets, intangible assets and property, plant and equipment	**(946)**	–	–	–	–	**(946)**
Loss on disposal of subsidiary	**–**	–	–	26 342	–	**26 342**
Profit on purchase of investment	**(1 471)**	–	–	–	–	**(1 471)**
Taxation effect thereon	**(3 348)**	–	–	–	–	**(3 348)**
Headline earnings attributable to ordinary shareholders	**297 911**	(11 625)	(132 190)	–	6 155	**160 251**

* *The amounts set out have been prepared by adjusting for the pro forma financial effects after the collective transactions. The benefit that a shareholder receives, in addition to the earnings per share and headline earnings per share, is the return earned from the investment of the capital returned to enX shareholders of R912 million (or R5.00 per share).*

Notes and assumptions:

1. Extracted without adjustment from the summarised consolidated financial results of enX for the year ended 31 August 2023. The summarised consolidated financial results were prepared based on the audited group financial statements of enX Group Limited for the year ended 31 August 2023.
2. A subsequent event, being the return of capital to enX shareholders of R182 million, took place on 27 November 2023. Interest foregone has been determined at an average rate of 8.75% as if this distribution took place on 1 September 2022. The interest rate is based on the current interest earned by enX on cash invested in money market accounts.
3. The figures in the "enX after *pro forma* adjustments" column reflect the *pro forma* effects on the "enX last published results" arising from the collective transactions after taking into account the following assumptions:
   3.1 The collective transactions were implemented on 1 September 2022 for the *pro forma* statement of profit or loss and other comprehensive income, earnings per share, diluted earnings per share, headline earning per share and diluted headline earning per share purposes.
   3.2 The Eqstra figures have been extracted from the audited consolidated financial statements of Eqstra for the year ended 31 August 2023.

	Eqstra historical information	Consolidation adjustments at an enX Group level	enX last published results
	R'000	R'000	R'000
Discontinued operations			
Consolidated discontinued statement of profit or loss and comprehensive income			
Revenue	**1 755 347**	**–**	**1 755 347**
Cost of sales	(881 071)	–	(881 071)
Gross profit	**874 276**	**–**	**874 276**
Expected credit losses	26 910	–	26 910
Operating expenses	(610 872)	(2 450)	(613 322)
Operating profit before the items mentioned below	**290 314**	**(2 450)**	**287 864**
Impairment of leasing assets, intangible assets and property, plant and equipment	2 767	–	2 767
Profit on purchase of investment	1 471	–	1 471
Operating profit before net finance costs	**294 552**	**(2 450)**	**292 102**
Net finance costs	(128 485)	13 202	(115 283)
Interest received	10 592	–	10 592
Interest expense	(139 077)	13 202	(125 875)
Net profit before tax	**166 067**	**10 752**	**176 819**
Attributable taxation expense	(44 629)	–	(44 629)
Net profit after taxation from discontinued operations	**121 438**	**10 752**	**132 190**

   3.3 The discontinued operating results of Eqstra take into account consolidation eliminations of transactions between Eqstra and the larger enX group, except for the continuing services. The continuing services are IT and fleet rental services that Eqstra offers to companies within the group. These services will continue post the disposal and have been included in operating expenses. The gross proceeds on the disposal have been determined as per note 3.5.

   3.4 The assumed gross proceeds of the transaction, being R1 058.0 million ("gross proceeds"), is received on 1 September 2022 as though the transaction happened on that day.

   3.5 The gross proceeds have been reduced by the estimated costs associated with the transaction of R21.7 million, as set out in paragraph 29 of the circular, warranty and indemnity insurance premium costs of R10.6 million, and estimated capital gains tax of R16.5 million. Accordingly, the net cash proceeds are R1 009.0million ("net cash proceeds").

   3.6. The once-off net loss after tax on the sale of the Eqstra business is R26.3 million. This loss is based on the net cash proceeds less the net asset value of Eqstra as at 31 August 2023, being R1 042.0 million, which takes into account the loan repaid to the group of R330 million, the repurchase of the Eqstra non-controlling interest and the release of the foreign currency translation reserve associated with enX Fleet Management.

   3.7. The net cash proceeds have been applied towards (1) a return of capital to enX shareholders of R912 million, being R5.00 per share; and (2) R100 million to be held in escrow for a period of 36 months post-closing as restricted cash collateral for claims in relation to the uninsured warranties and indemnities ("escrow amount"). For full details on the group's exposure on the uninsured warranties and indemnities, refer to paragraph 8.7 of the circular. The escrow amount has been invested in medium-term deposits with banks with strong credit ratings to earn interest for the 12 months ended 31 August 2023 of R8.55 million at an average interest rate of 8.75%. This adjustment will have a continuing impact.

4. The *pro forma* financial information under note 3 represents the summarised consolidated statement of profit or loss and other comprehensive income of enX after the implementation of the transaction and taking into account the transaction assumptions described in notes 3.2 to 3.7.
5. There are no other subsequent events that require adjustments to the *pro forma* financial information.
6. All adjustments are non-recurring unless otherwise indicated.

AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF THE *PRO FORMA* FINANCIAL INFORMATION REGARDING ENX AND THE IMPACT ON AN ENX SHAREHOLDER

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF THE *PRO FORMA* FINANCIAL INFORMATION OF enX GROUP AND AN enX SHAREHOLDER POST THE PROPOSED DISPOSAL

To the independent board of enX Group Limited and the board of directors of enX Group Limited

Introduction

The definitions and interpretations set out on pages 11-18 of the Circular to which this letter is attached apply mutatis mutandis to this independent auditor's assurance report on the compilation of the *Pro forma* financial information of the enX Group and an enX shareholder post the proposed disposal ("**Report**").

We have completed our assurance engagement to report on the compilation of the *Pro forma* financial information of the enX Group and an enX shareholder by the independent directors of enX ("**Directors**").

The *Pro forma* financial information consists of:

a. the *Pro forma* consolidated statement of profit or loss and other comprehensive income, *Pro forma* basic earnings per enX Group share, *Pro forma* diluted earnings per enX Group share, and *Pro forma* headline earnings per enX Group share after the proposed enX Group distribution declared and paid, settlement of inter-company interest bearing debt, acquisition of Eqstra non-controlling interest, disposal of the Eqstra Group post the unbundling, use of proceeds, and reclassification of valuation reserves ("**Collective Transactions**"), set out in section 14 of Part II: Financial Information to the Circular, and Annexure 2 of the Circular, (collectively the "***Pro forma* SOCI Information**"), as if the Collective Transactions had taken place on 1 September 2022;

b. the *Pro forma* consolidated statement of financial position, *Pro forma* net asset value per share (NAV) and *Pro forma* net tangible asset value per share (NTAV) of the enX Group after the Collective Transactions, set out in section 14 of Part II: Financial Information to the Circular, and Annexure 2 of the Circular, (collectively the "***Pro forma* SOFP Information**"), as if the Collective Transactions had taken place on 31 August 2023; and

c. the *Pro forma* NAV and *Pro forma* NTAV attributable to an enX Group shareholder after the Collective Transactions, set out in section 14 of Part II: Financial Information to the Circular and Annexure 2 of the Circular, as if the Collective Transactions had taken place on 31 August 2023 (collectively the "***Pro forma Financial Effect***s").

The applicable criteria on the basis of which the Directors have compiled the *Pro forma* SOCI Information and *Pro forma* SOFP Information, and the *Pro forma* Financial Effects, is specified in paragraphs 8.15 to 8.33 of the JSE Listings Requirements, as applicable, and Regulation 106 (7)(c)(ii) of the Companies Act and as described in the basis of preparation paragraph of Annexure 2 of the Circular and Section 14 of Part II: Financial Information of the Circular, respectively.

The purpose of the *Pro forma* SOCI Information and *Pro forma* SOFP Information, and the *Pro forma* Financial Effects included in the Circular, is solely to illustrate the impact of the Collective Transactions on the unadjusted audited consolidated financial information of the enX Group as at 31 August 2023 and for the year then ended and on an enX shareholder post the Collective Transactions, as if the Collective Transactions had been undertaken on 1 September 2022 for purposes of the *Pro forma* SOCI Information, and on 31 August 2023 for purposes of the *Pro forma* SOFP Information and the attributable *Pro forma* NAV and attributable *Pro forma* NTAV per enX Group shareholder. Accordingly, we do not provide any assurance that the actual outcome of the Collective Transactions, subsequent to its implementation, will be as presented in the *Pro forma* SOCI Information and *Pro forma* SOFP Information, and *Pro forma* Financial Effects.

As part of this process,As part of this process, *Pro forma* consolidated statement of financial position, the *Pro forma* consolidated statement of profit or loss and other comprehensive income, *Pro forma* basic earnings per enX Group share, *Pro forma* diluted earnings per enX Group share and *Pro forma* headline earnings per enX Group share have been extracted by the Directors from the enX Group's audited consolidated financial statements as at 31 August 2023 and for the year then ended. The *Pro forma* NAV per enX Group share, *Pro forma* NTAV per enX Group share, the attributable *Pro forma* NAV per enX Group shareholder and attributable *Pro forma* NTAV per enX Group shareholder have been calculated from the enX Group's audited consolidated financial statements as at 31 August 2023 ("**enX Group Audited Financial Information**").

Directors' Responsibility for the Pro forma SOCI Information and Pro forma SOFP Information and Pro forma Financial Effects

The Directors are responsible for compiling the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects on the basis of the applicable criteria specified in paragraphs 8.15 to 8.33 the JSE Listings Requirements, as applicable, and Regulation 106 (7)(c)(ii), and as described in the Basis of Preparation paragraph of Annexure 2 of the Circular and Section 14 of Part II: Financial Information of the Circular, respectively ("**Applicable Criteria**").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors* issued by the Independent Regulatory Board for Auditors ("**IRBA Code**") which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

KPMG Inc. applies the International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Auditor's Responsibilities

Our responsibility is to express an opinion, based on our procedures performed, about whether the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects have been compiled, in all material respects, by the Directors on the basis specified in paragraphs 8.15 to 8.33 the JSE Listings Requirements, as applicable, and Regulation 106 (7)(c)(ii) and as described in the Basis of Preparation paragraph of Annexure 2 of the Circular and Section 14 of Part II: Financial Information of the Circular, respectively.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects have been compiled, in all material respects, on the basis specified in paragraphs 8.15 to 8.33 of the JSE Listings Requirements, as applicable, and Regulation 106 (7)(c)(ii) and as described in the Basis of Preparation paragraph of Annexure 2 of the Circular and Section 14 of Part II: Financial Information of the Circular, respectively.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects although the enX Group Audited Financial Information was previously audited.

The purpose of the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects included in the Circular is solely to illustrate the impact of the Collective Transactions on the unadjusted audited consolidated financial information of the enX Group as at 31 August 2023 and for the year then ended, and on an enX shareholder post the Collective Transactions, as if the Collective Transactions had been undertaken on 1 September 2022 for purposes of the *Pro forma* SOCI Information, and on 31 August 2023 for purposes of the *Pro forma* SOFP Information and the attributable *Pro forma* NAV per enX Group shareholder and attributable *Pro forma* NTAV per enX Group shareholder after the Collective Transactions. Accordingly, we do not provide any assurance that the actual outcome of the Collective Transactions, subsequent to its implementation, will be as presented in the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects.

A reasonable assurance engagement to report on whether the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects have been properly compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Directors in the compilation of the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects provides a reasonable basis for presenting the significant effects directly attributable to the proposed scheme and to obtain sufficient appropriate evidence about whether:

- The related *Pro forma* adjustments give appropriate effect to the Applicable Criteria; and
- The *Pro forma* SOCI Information and *Pro forma* SOFP Information reflect the proper application of those *Pro forma* adjustments to the unadjusted enX Group Audited Financial Information.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the enX Group, the Collective Transactions in respect of which the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects have been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *Pro forma* SOCI Information and *Pro forma* SOFP Information and *Pro forma* Financial Effects.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *Pro forma* SOCI Information and Pro forma SOFP Information and *Pro forma Pro forma* Financial Effects has been compiled, in all material respects, on the basis of the Applicable Criteria.

Restriction on use

This Report has been prepared for the purpose of satisfying the requirements of the JSE Listings Requirements, and for no other purpose.

KPMG Inc.
Registered Auditor

Per J Oertli
Chartered Accountant (SA)
Registered Auditor
Director

Date: 1 February 2024

KPMG Crescent
85 Empire Road
Parktown
2193

AUDITOR'S REPORT ON THE REPORT OF HISTORICAL FINANCIAL INFORMATION OF THE EQSTRA GROUP POST THE UNBUNDLING FOR THE YEAR ENDED 31 AUGUST 2023

INDEPENDENT AUDITOR'S REPORT ON THE REPORT OF HISTORICAL FINANCIAL INFORMATION OF THE EQSTRA GROUP POST THE UNBUNDLING FOR THE YEAR ENDED 31 AUGUST 2023

To the board of directors of enX Group Limited

Introduction

The definitions and interpretations section to this Circular, to which this letter is attached, apply mutatis mutandis to this Report of Historical Financial Information of Eqstra and its subsidiaries post the Unbundling described in paragraph 6.3 of the Circular ("Eqstra Group post the Unbundling") for the year ended 31 August 2023. The Report of Historical Financial Information of the Eqstra Group post the Unbundling is incorporated by reference in the Circular as detailed in paragraphs 15 and 31 of the Circular (the "Report").

Opinion

At your request, and for the purposes of the Circular, we have audited the report of historical financial information of the Eqstra Group post the Unbundling for the year ended 31 August 2023, comprising of the consolidated statements of financial position as at 31 August 2023, the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year ended 31 August 2023, and notes thereto, including a summary of significant accounting policies (collectively the "Report of Historical Financial Information of the Eqstra Group post the Unbundling"), incorporated by reference in the Circular as detailed in paragraphs 15 and 31 of the Circular.

In our opinion, the Report of Historical Financial Information of the Eqstra Group post the Unbundling, incorporated by reference to the Circular as detailed in paragraphs 15 and 31 of the Circular, presents fairly, in all material respects the consolidated financial position of the Eqstra Group post the Unbundling as at 31 August 2023 and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS"), the requirements of the Companies Act of South Africa and the JSE Listing Requirements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Report of Historical Financial Information of the Eqstra Group post the Unbundling* section of our report. We are independent of the Eqstra Group post the Unbundling in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditor*s ("IRBA Code") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Report of Historical Financial Information of the Eqstra Group post the Unbundling

The directors of enX Group are responsible for the preparation and fair presentation of the Report of Historical Financial Information of the Eqstra Group post the Unbundling as at and for the year ended 31 August 2023 in accordance with IFRS, the requirements of the Companies Act of South Africa and the JSE Listing Requirements, and for such internal control as the directors of enX Group determine is necessary to enable the preparation of the Report of Historical Financial Information of the Eqstra Group post the Unbundling as at and for the year ended 31 August 2023 that is free from material misstatement, whether due to fraud or error.

The directors of enX Group are also responsible for the compilation, contents and preparation of the Circular including the Report of Historical Financial Information of the Eqstra Group post the Unbundling for the year ended 31 August 2023, in accordance with IFRS, the requirements of the Companies Act of South Africa and the JSE Listings Requirements. The Report of Historical Financial Information of the Eqstra Group post the Unbundling for the year ended 31 August 2023 has been incorporated by reference into the Circular as detailed in paragraphs 15 and 31 of the Circular.

In preparing the Report of Historical Financial Information of the Eqstra Group post the Unbundling, the directors of enX Group are responsible for assessing the ability of the Eqstra Group post the Unbundling to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of enX Group either intend to liquidate the Eqstra Group post the Unbundling or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Report of Historical Financial Information of the Eqstra Group post the Unbundling

Our objectives are to obtain reasonable assurance about whether the Report of Historical Financial Information of the Eqstra Group post the Unbundling as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Report of Historical Financial Information of the Eqstra Group post the Unbundling.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Report of Historical Financial Information of the Eqstra Group post the Unbundling, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Eqstra Group post the Unbundling's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of enX Group.
- Conclude on the appropriateness of the directors of enX Group's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Eqstra Group post the Unbundling's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Report of Historical Financial Information of the Eqstra Group post the Unbundling or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Eqstra Group post the Unbundling to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Report of Historical Financial Information of the Eqstra Group post the Unbundling, including the disclosures, and whether the Report of Historical Financial Information of the Eqstra Group post the Unbundling represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Eqstra Group post the Unbundling to express an opinion on Report of Historical Financial Information of the Eqstra Group post the Unbundling. We are responsible for the direction, supervision and performance of the Eqstra Group post the Unbundling audit. We remain solely responsible for our audit opinion.

We communicate with the directors of enX Group regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Inc.
Registered Auditor

Per J Oertli
Chartered Accountant (SA)
Registered Auditor
Director

Date: 1 February 2024

KPMG Crescent
85 Empire Road
Parktown
2193

AUDITOR'S REPORT ON THE REPORT OF HISTORICAL FINANCIAL INFORMATION OF THE EQSTRA GROUP POST THE UNBUNDLING FOR THE YEARS ENDED 31 AUGUST 2022 AND 31 AUGUST 2021

The Board of Directors
enX Group Limited
9th Floor
Kathryn Towers,
1 Park Lane, Sandton

Dear Sirs/Madams

INDEPENDENT AUDITOR'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF THE EQSTRA GROUP POST THE UNBUNDLING FOR THE YEAR ENDED 31 AUGUST 2022 AND 31 AUGUST 2021 HERE AFTER REFERRED TO AS THE CONSOLIDATED HISTORICAL FINANCIAL INFORMATION

We have reviewed the consolidated historical financial information of the Group in respect of the years ended 31 August 2022 and 31 August 2021 incorporated by reference per paragraphs 15 and 31 of this Circular, comprising the consolidated statement of financial position, and the consolidated statements of comprehensive income, changes in equity and cash flows, including a summary of significant accounting policies and selected explanatory notes.

Directors' Responsibility for the Consolidated Historical Financial Information

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

Auditor's Responsibility for the Review of the Consolidated Historical Financial Information for the years ended 31 August 2022 and 31 August 2021

Our responsibility is to express conclusions on the consolidated historical financial information for the years ended 31 August 2022 and 31 August 2021. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity (ISRE 2410), which applies to a review of historical financial information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated financial information is not prepared, in all material respects, in accordance with International Financial Reporting Standards and the JSE Listings Requirements. This standard also requires us to comply with relevant ethical requirements.

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

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the consolidated historical financial information.

Conclusion on the Consolidated Historical Financial Information

Based on our review, nothing has come to our attention that causes us to believe that the consolidated historical financial information of the Eqstra Group for the years ended 31 August 2022 and 31 August 2021 do not present fairly, in all material respects, the consolidated statement of financial position of the Group as at 31 August 2022 and 31 August 2021 , and its consolidated financial performance and consolidated cash flows for the years then ended, in accordance with the International Financial Reporting Standards and the JSE Listing requirements.

Emphasis of Matter – Basis of Preparation

We draw attention to the basis of preparation section to the historical consolidated financial Information, which describes the basis of preparation and presentation of the historical consolidated financial information including the approach to and the purpose for preparing the financial information. Consequently, the historical consolidated financial Information may not necessarily be indicative of the financial performance that would have been achieved had Eqstra group operated as an independent group, nor may it be indicative of the results of operations of the Eqstra group for any future period. Our opinion is not modified in respect of this matter.

Deloitte & Touche
Registered Auditor
Per: T. Lavhengwa
Partner

Date: 1 February 2024

5 Magwa Crescent
Waterfall City Waterfall
Gauteng
2090

EXTRACTS FROM THE ANNUAL FINANCIAL STATEMENTS OF ENX FOR THE YEARS ENDED 31 AUGUST 2023, 31 AUGUST 2022 AND 31 AUGUST 2021

Extracts from the consolidated financial statements of enX for the years ended 31 August 2023, 31 August 2022 and 31 August 2021 are set out below. The notes to the consolidated financial statements of enX for the years ended 31 August 2023, 31 August 2022 and 31 August 2021 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 the audited consolidated financial statements of enX used in the preparation of this **Annexure 6**.

Consolidated and separate statements of financial position

as at

	Group			Company		
	31 August 2023 R'000	Restated* 31 August 2022 R'000	31 August 2021 R'000	31 August 2023 R'000	31 August 2022 R'000	31 August 2021 R'000
Assets						
Non-current assets	376 250	2 896 734	3 185 840	1 469 167	2 497 352	2 089 879
Property, plant, equipment and right of use assets	177 493	198 511	259 561	94	1 006	1 072
Leasing assets	–	2 350 086	2 769 789	–	–	–
Intangible assets	48 811	77 452	33 375	–	–	–
Investment in associate	114 607	118 668	103 852	–	–	–
Unlisted investments and other receivables	2 475	141 464	851	–	–	–
Investment in subsidiaries	–	–	–	686 907	1 775 428	1 775 428
Loans to group companies	–	–	–	782 166	585 676	313 379
Deferred taxation	32 864	10 553	18 412	–	–	–
Proceeds receivables	–	–	–	–	135 240	–
Current assets	2 146 411	2 991 923	2 334 733	234 609	277 288	6 497
Trade and other receivables	836 379	1 034 567	810 665	19 116	10 698	4 868
Inventories	866 725	854 188	665 356	–	–	–
Derivative financial instruments	4 763	22 139	32	–	–	–
Unlisted investments and other receivables	135 240	–	–	–	–	–
Taxation receivable	324	26 942	2 663	–	–	–
Bank and cash balances	302 980	1 054 087	856 017	80 253	266 590	1 629
Proceeds receivable	–	–	–	135 240	–	–
Disposal group held for sale	3 049 317	–	2 794 679		–	–
Total assets	**5 571 978**	**5 888 657**	**8 315 252**	**2 792 297**	**2 774 640**	**2 096 376**

	Group			Company		
	31 August 2023 R'000	Restated* 31 August 2022 R'000	31 August 2021 R'000	31 August 2023 R'000	31 August 2022 R'000	31 August 2021 R'000
Equity and liabilities						
Capital and reserves	2 582 916	2 264 961	2 661 950	2 740 857	2 489 161	1 240 692
Stated Capital	2 495 999	2 495 999	3 134 092	2 513 612	2 513 612	3 151 707
Other reserves	(714 022)	(725 200)	(733 554)	(773 654)	(773 654)	(773 654)
Accumulated profit/(loss)	740 986	445 124	224 597	1 000 899	749 203	(1 137 361)
Equity attributable to equity holders of the parent	2 522 963	2 215 923	2 625 135	2 740 857	2 489161	1 240 692
Non-controlling interests	59 953	49 038	36 815	–	–	–
Non-current liabilities	108 489	1 186 125	2 046 164	–	–	–
Interest-bearing liabilities	37 061	895 171	1 700 071	–	–	–
Lease liabilities	11 696	45 909	93 415	–	–	–
Cash settled and option liabilities	59 732	61 033	1 179	–	–	–
Deferred taxation	–	184 012	251 499	–	–	–
Current liabilities	1 231 936	2 437 571	1 493 253	51 440	285 479	855 684
Interest-bearing liabilities	228 216	790 837	359 556	–	–	–
Loans from group companies	–	–	–	47 766	7 480	854 463
Lease liabilities	4 620	12 516	30 584	–	–	–
Trade and other payables**	914 340	1 266 025	1 082 828	1 022	827	598
Provisions**	47 527	62 957		–	–	–
Shareholder for dividend	–	273 661	–	–	273 661	–
Cash settled liabilities	11 900	–	–	–	–	–
Derivative financial instruments	–	–	1 054	–	–	–
Taxation payable	25 333	31 575	19 231	2 652	3 511	623
Liabilities associated with disposal group held for sale	1 648 637	–	2 113 885		–	–
Total equity and liabilities	**5 571 978**	**5 888 657**	**8 315 252**	**2 792 297**	**2 774 640**	**2 096 376**

* *The comparative information has also been restated to correct an error relating to the deferred tax liability raised on initial recognition of the right to buy intangible asset during the year ended 31 August 2022 (refer to note 4.). During the current reporting period the group determined that the recognition of the deferred tax liability does not comply with the initial recognition criteria of IAS 12 Income Taxes. The group concluded that the prior year statement of financial position had to be restated to reverse the deferred tax liability incorrectly recognised and the corresponding gross up of the intangible asset. The restatement has no effect on the prior year earnings nor net asset value. Refer to note 1.11.*

** *Provisions has been presented separately on the face of the statement of financial position in the current year. Previously it was grouped together with trade and other payables in note 17.*

Consolidated and separate statements of profit or loss and other comprehensive income

for the years

	Group			Company		
	31 August 2023 R'000	Restated* 31 August 2022 R'000	Restated# 31 August 2021 R'000	31 August 2023 R'000	31 August 2022 R'000	31 August 2021 R'000
Continuing operations						
Revenue	**4 194 783**	**3 330 535**	**4 210 281**	**236 181**	**1 407 383**	**3 892**
Cost of sales	(3 636 394)	(2 946 120)	(2 853 157)	–	–	–
Gross profit	**558 389**	**384 415**	**1 357 124**	**236 181**	**1 407 383**	**3 892**
Expected credit release	6 162	1 153	30 085	–	–	–
Other income	–	–	–	–	480 284	484
Operating expenses	(316 825)	(195 946)	(1 046 649)	(6 498)	(13 399)	(5 649)
Operating profit/(loss) before items listed below	**247 726**	**189 622**	**340 560**	**229 683**	**1 874 268**	**(1 273)**
Impairment of leasing assets, intangible assets and property, plant and equipment	(1 821)	(15 881)	(1 721)	–	–	–
Operating profit before net finance costs and earnings from associate	**245 905**	**173 741**	**338 839**	**229 683**	**1 874 268**	**(1 273)**
Net finance income/(costs)	(4 087)	(992)	(152 495)	30 339	17 903	2 344
Interest received	31 187	23 102	5 455	30 541	17 903	2 344
Interest expense	(35 274)	(24 094)	(157 950)	(202)	–	–
Share of profits from associate	18 509	26 655	32 936	–	–	–
Profit before taxation	**260 327**	**199 404**	**219 280**	**260 022**	**1 892 171**	**627**
Taxation	(69 482)	(51 558)	(55 593)	(8 326)	(5 607)	–
Profit after taxation	**190 845**	**147 846**	**163 687**	**251 696**	**1 886 564**	**627**
Attributable to:						
Equity holders of the parent	163 672	144 436	161 355			
Non-controlling interests	27 173	3 410	2 332			
Net profit after taxation	**190 845**	**147 846**	**163 687**			
Discontinued operations						
Profit for the year from discontinued operations	132 190	84 904	138 503			
Net profit after taxation	**323 035**	**232 750**	**302 190**			

	Group			Company		
	31 August 2023 R'000	Restated* 31 August 2022 R'000	Restated# 31 August 2021 R'000	31 August 2023 R'000	31 August 2022 R'000	31 August 2021 R'000
Attributable to:						
Equity holders of the parent	295 862	229 340	299 858			
Continuing operations	163 672	144 436	161 355			
Discontinued operations	132 190	84 904	138 503			
Non-controlling interests	27 173	3 410	2 332			
Net profit after taxation	**323 035**	**232 750**	**302 190**			
Other comprehensive income net of taxation:						
Profit after taxation	323 035	232 750	302 190			
Items that may be reclassified subsequently to profit or loss:						
– Foreign currency translation reserve	11 178	8 354	(95 870)			
Total comprehensive income	**334 213**	**241 104**	**206 320**	**251 696**	**1 886 564**	**627**
Attributable to:						
Equity holders of the parent	307 040	237 694	203 988			
Non-controlling interests	27 173	3 410	2 332			
Total comprehensive income	**334 213**	**241 104**	**206 320**			
Earnings per share from continuing operations						
Basic earnings per share (cents)	90.2	79.6	89.0			
Diluted earnings per share (cents)	90.2	79.6	89.0			
Earnings per share from discontinued operations						
Basic earnings per share (cents)	72.9	46.8	76.4			
Diluted earnings per share (cents)	72.9	46.8	76.4			

* *Eqstra has been classified as a disposal group held for sale and a discontinued operation. Therefore, the discontinued operations for 2022 has been represented in accordance with IFRS 5 to take into account this additional discontinued operation. Refer to note 1.11.*

\# *During the year, the group entered into an agreement with Highest Mountain to divest its ownership in Austro. This divestment was effective 30 June 2022 and resulted in Austro being recognised as a discontinued operation in 2022. Therefore, the statement of profit or loss and other comprehensive income for 2021 has been represented in accordance with IFRS 5 to take into account the additional disposal.*

Consolidated and separate statements 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
Balances as at 1 September 2020	3 134 092	(595 867)	(75 261)	2 462 964	34 483	2 497 447	3 151 707	(773 654)	(1 137 988)	1 240 065
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)	–	–	–	–
Balances as at 31 August 2021	**3 134 092**	**(733 554)**	**224 597**	**2 625 135**	**36 815**	**2 661 950**	**3 151 707**	**(773 654)**	**(1 137 361)**	**1 240 692**
Reclassification to non-controlling interests	–	–	(8 813)	(8 813)	8 813	–	–	–	–	–
Profit for the year	–	–	229 340	229 340	3 410	232 750	–	–	1 886 564	1 886 564
Other comprehensive income for the year	–	8 354	–	8 354	–	8 354	–	–	–	–
Capital distributions	(638 093)	–	–	(638 093)	–	(638 093)	(638 093)	–	–	(638 093)
Balances as at 31 August 2022	**2 495 999**	**(725 200)**	**445 124**	**2 215 923**	**49 038**	**2 264 961**	**2 513 612**	**(773 654)**	**749 203**	**2 489 161**
Profit for the year	–	–	295 862	295 862	27 173	323 035			251 696	251 696
Other comprehensive income for the year	–	11 178	–	11 178	–	11 178	–	–	–	–
Repurchase of non-controlling interest	–	–	–	–	(3 671)	(3 671)	–	–	–	–
Dividends paid	–	–	–	–	(12 587)	(12 587)	–	–	–	–
Balances as at 31 August 2023	**2 495 999**	**(714 022)**	**740 986**	**2 522 963**	**59 953**	**2 582 916**	**2 513 612**	**(773 654)**	**1 000 899**	**2 740 857**

Consolidated and separate statements of cash flows

for the years ended

	Group			Company		
	31 August 2023	31 August 2022	Restated* 31 August 2021	31 August 2023	31 August 2022	Restated* 31 August 2021
	R'000	R'000	R'000	R'000	R'000	R'000
Cash flows from operating activities	**24 564**	**519 058**	**611 621**	**243 526**	**358 044**	**1 875**
Cash generated from/(utilised in) operations	284 150	817 919	946 923	407	(4 730)	2 553
Dividend received	–	–	–	234 183	350 000	–
Interest received	28 561	32 104	9 323	17 323	15 493	57
Interest paid	(161 149)	(204 939)	(307 717)	(202)	–	–
Taxation paid	(126 998)	(126 026)	(36 908)	(9 185)	(2 719)	(735)
Cash flows from investing activities	**(109 263)**	**500 147**	**391 788**	**(153 202)**	**271 357**	**(250)**
Additions to property, plant and equipment	(111 761)	(18 365)	(56 120)	–	(118)	–
Additions to intangible assets	(8 222)	(25 144)	(24 639)	–	–	–
Proceeds on disposal of property, plant and equipment	737	14 465	10 857	–	–	–
Acquisition of business	–	–	(12 947)	–	–	–
Net proceeds on disposal of subsidiaries	–	517 352	474 637	–	541 359	–
Dividend paid to non-controlling interests	(12 587)	–		–	–	
Dividend received from associate	22 570	11 839	–	–	–	–
Cash movements in loans from group companies	–	–	–	40 286	–	
Cash movements in loans to group companies	–	–	–	(196 488)	(269 840)	(250)

	Group			Company		
	31 August 2023	31 August 2022	Restated* 31 August 2021	31 August 2023	31 August 2022	Restated* 31 August 2021
	R'000	R'000	R'000	R'000	R'000	R'000
Cash flows from financing activities	**(561 100)**	**(817 098)**	**(1 005 191)**	**(273 661)**	**(364 434)**	**–**
Proceeds from interest-bearing liabilities	3 490 202	2 160 857	3 360 712	–	–	–
Repayment of interest-bearing liabilities	(3 766 631)	(2 568 226)	(4 322 382)	–	–	–
Deferred vendor consideration paid	–	–	(30 319)	–	–	–
Acquisition of non-controlling interest	(2 200)	–		–		
Repayment of lease liabilities	(8 810)	(45 297)	(13 202)	–	–	–
Capital distribution	(273 661)	(364 432)	–	(273 661)	(364 434)	–
Net (decrease)/increase in cash and cash equivalents	**(645 799)**	**202 107**	**(1 782)**	**(186 337)**	**264 961**	**1 625**
Effects of exchange rate changes on cash and cash equivalents	2 798	249	(27 019)	–	–	–
Cash and cash equivalents at beginning of year	1 054 087	851 731	880 532	266 590	1 629	4
Cash and cash equivalents at end of year	**411 086**	**1 054 087**	**851 731**	**80 253**	**266 590**	**1 629**
Cash and cash equivalents consist of:						
Bank and cash balances	302 980	1 054 087	866 653	80 253	266 590	1 629
Bank overdrafts	108 106	–	(14 922)	–	–	–
	411 086	**1 054 087**	**851 731**	**80 253**	**266 590**	**1 629**

* The comparative information has been restated on account of the correction of a classification error in respect of the cash flow arising from the acquisition of leasing assets. During the current reporting period the group determined that the classification of the cash outflow arising from the acquisition of leasing assets should be classified under operating activities instead of investing activities. Refer to note 1.11.

MATERIAL CONTRACTS

In addition to the transaction agreements, the salient features of which are set out in paragraph 6 of the circular, and the loan agreements described in **Annexure 8** of this circular, the following are details of the Company's material contracts:

1. **Disposal of EIE Group Proprietary Limited**

   1.1 On 30 November 2021, enX and its wholly owned subsidiary, EIE Group Proprietary Limited ("**EIE**") entered into an agreement with CFAO Holdings South Africa Proprietary Limited ("**CFAO**") in respect of the divestment of 100% of the issued share capital of EIE for a base consideration of R700 000 000 subject to customary leakage adjustments (the "**EIE transaction**").

   1.2 In terms of the EIE transaction agreements, CFAO subscribed for newly issued ordinary shares in EIE for an amount equivalent to the final subscription price, payable to EIE. On the subscription date, and immediately upon payment of the final subscription price by CFAO, EIE repurchased the EIE shares held by enX for an amount equivalent to the final subscription price. Following the share subscription and the share repurchase, CFAO became the sole shareholder of EIE.

   1.3 The EIE transaction closed on 1 April 2021 (the "**EIE subscription date**"). The final subscription price was R676 million, being the EIE transaction value of R700 million less calculated leakage of R24 million. R135 million was placed in escrow, being 20% of the final subscription price, for a period of two years, in terms of the EIE transaction agreements.

   1.4 enX has undertaken in favour of CFAO not to compete with and not to solicit any customer of, suppliers to, or employees of the business carried on by EIE and its subsidiaries as at the EIE subscription date for a period of three years from the EIE subscription date in any territory in which EIE and its subsidiaries operate. However, all of enX's remaining businesses, including Eqstra, are excluded from the competition restriction as they are not deemed to constitute a competing business.

   1.5 The EIE transaction is subject to warranties, representations and indemnities ("**WR&I**") that are customary for transactions of this nature. enX is liable for the WR&I for periods of either 30 or 60 months after the EIE subscription date depending on the nature thereof. The WR&I is secured by an amount of R135 million held in escrow in terms of an escrow agreement. WR&I claims are subject to a *de-minimis* provision and threshold and are capped in aggregate by the final subscription price.

2. **Agreement with the Eqstra lending syndicate**

   2.1 On 31 October 2022, an agreement was concluded with the facility agent representing the Eqstra lending syndicate, comprising Nedbank, RMB, Standard Bank, ABSA and HSBC, to reduce the amounts due to the lenders and consent to a dividend.

   2.2 In this regard, proceeds from the termination of a large contract of Eqstra's, amounting to R522.6 million, were applied as follows:

      2.2.1 R235.2 million towards the payment of a dividend to enX; and

      2.2.2 the remainder, being R287.5 million, towards the repayment of amounts due to the lending syndicate in the proportions agreed to.

3. **Acquisition of lubricant blending plant**

   3.1 On 22 February 2022, Ingwe Lubricants Proprietary Limited ("**Ingwe**"), an indirect wholly owned subsidiary of enX, and Relta 25 Proprietary Limited ("**Relta**") entered into an agreement whereby Ingwe acquired:

      3.1.1 Portion 171 (a Portion of Portion 89) of the Farm Klipfontein No. 83, Registration Division IR, Province of Gauteng, measuring 2,0215 hectares, and held by Relta in terms of Deed of Transfer No. T17/69138 ("**Portion 171**"); and

      3.1.2 Portion 271 (a Portion of Portion 89) of the Farm Klipfontein No. 83, Registration Division IR, Province of Gauteng, measuring 2,0215 hectares, and held by Relta in terms of Deed of Transfer No. T17/69138 ("**Portion 172**"),

      (together, the "**properties**");

3.2 The purchase prices for Portion 171 and Portion 172 were R68 877 670 and R15 000 000, respectively.

3.3 The properties were purchased *voetstoots* as they stand, with all legally entitled benefits, whether contained in the title deed of the properties or otherwise.

3.4 Title to the properties transferred in December 2022.

4. **Disposal and option agreement relating to a 34% interest and associated shareholder claims on loan account in Centlube Proprietary Limited**

4.1 A sale and purchase of shares and option agreement was entered into between Abakhulu Energy Proprietary Limited ("**Abakhulu**") and enX Trading in relation to Centlube Proprietary Limited ("**Centlube**") dated 17 February 2022 ("**share sale and option agreement**"), as amended by various addenda. The share sale and option agreement provided for the sale of a 34% interest in Centlube and granted Abakhulu an option to acquire the associated claim on loan account between enX Trading and Centlube, which amounts to c.R57 million, each for a nominal amount.

4.2 The right, but not the obligation, to acquire R57 million of the receivable due by Centlube to enX Trading may be exercised on the occurrence of the following events:

4.2.1 disposal by enX Trading of all or part of its interest in Centlube;

4.2.2 disposal of the underlying business and/or assets of Centlube;

4.2.3 a disposal by Abakhulu of all or part of its interest in Centlube; or

4.2.4 an application for business rescue or liquidation, or a repayment of all or part of the receivables.

As at the last practicable date, the option has not been exercised.

4.3 In exchange for the 34% shareholding, Centlube and its subsidiaries will purchase Exxon Mobil base oil, its primary raw material input, at a price which incorporates a pre-agreed US Dollar price support for each ton of base oil delivered during this period, and which is locked in for a six-year period commencing February 2022. This price support was valued at the time the transaction was agreed, at a present value of R57 million. In addition, Abakhulu is a 100% black owned entity, thereby assisting Centlube to meet its empowerment obligations to towards its key supplier, Exxon Mobil, and key customer, Barloworld.

4.4 The share sale and option agreement became effective on 30 June 2022 (the "**closing date**").

4.5 Abakhulu has undertaken in favour of enX Trading not to compete with the business carried on by Centlube and its subsidiaries in any territory in which Centlube and its subsidiaries operate for so long as it is a shareholder of Centlube and for 12 months thereafter. In addition, Abakhulu has agreed not to solicit any customer, suppliers, or employees of Centlube for so long as it is a shareholder of Centlube and for a 36 month period thereafter.

4.6 The transaction is subject to, *inter alia***,** title and capacity warranties provided by enX Trading that are customary for transactions of this nature for a period of 12 months after the closing date. Any warranty claims are subject to a *de-minimis* provision and threshold and are capped in aggregate at R57 million. No warranty claims have been made.

MATERIAL BORROWINGS

Set out below are details of all material loans made to enX and/or to any of its subsidiaries, that remain outstanding as at the last practicable date and will remain in the enX Group following the implementation of the transaction unless otherwise stated. All amounts exclude interest accrued for the month of January 2024. There are no conversion or redemption rights applicable to any of these borrowings:

Amounts owing by African Group Lubricants Proprietary Limited ("AGL") and Ingwe Lubricants Proprietary Limited ("Ingwe"):

Details as to how loan arose	Counterparty	Remaining term	Facility (R)	Base rate	Credit margin over base rate	Current variable interest rate	Amount utilised/ outstanding (R)	Advance date	Maturity date	Notes
Repayment of amounts due to enX Trading Proprietary Limited and enX Leasing Proprietary Limited, which funding was employed to finance AGL's property, plant, equipment and working capital and Ingwe's land and buildings	Investec	4.1 years	26 000 000	Prime	0,15%	11.9%	20 441 836	27 March 2023	26 March 2028	Amortising term loan
	Investec	2.1 years	22 000 000	Prime	0,15%	11.9%	16 698 308	27 March 2023	26 March 2026	Amortising term loan
	Investec	On-Demand	200 000 000	Prime	None	11.75%	88 404 214	17 December 2023	Evergreen	Borrowing base facility
Total			**248 000 000**				**125 544 358**			

Notes:

1. No portions of these loans are contracted to be repaid over the next 12 months.
2. The amounts due to Investec are secured by:
   - 2.1 Cross company guarantees provided by AGL, Ingwe and Centlube Proprietary Limited ("**Centlube**") and AGL DRC Limited ("**AGL DRC**").
   - 2.2 Cession in security over the book debts of the AGL, Ingwe, Centlube and AGL DRC.
   - 2.3 Cession in security of the proceeds of insurance policies held by AGL, Ingwe and Centlube.
   - 2.4 Limited general and special notarial bonds over the movable assets of AGL, Ingwe and Centlube.
   - 2.5 Limited mortgage bond over the land and building of Ingwe.
   - 2.6 Cession in security of the bank accounts of AGL, Ingwe, Centlube and AGL DRC.
   - 2.7 Subordination of all inter-company payables due by AGL, Ingwe, Centlube and AGL DRC.
   - 2.8 Pledge and cession of Centlube's shares in AGL.
   - 2.9 Pledge and cession of enX Trading Proprietary Limited's shares in Centlube.

AGL and Ingwe consolidated default financial covenants

As at 31 December 2023, the most recent measurement date prior to the last practicable date, the consolidated AGL and Ingwe credit metrics were at the levels set out below:

Financial covenant ratio	Calculated value	Required covenant level	Compliance (Yes/No)
Equity level	R280 million	> R150 million	Yes
Debt service cover	3.3x	≥ 1.25x	Yes
90 day + debtors : Total Debtors	1.0%	≤ 10%	Yes
Credit notes : Revenue	3.2%	≤ 15%	Yes

Amounts owing by West Africa International Proprietary Limited ("WAI"):

Details as to how loan arose	Counterparty	Original term	Facility (R)	Base rate	Margin over base rate	Current variable interest rate	Amount utilised (R)	Advance date	Maturity date	Notes
Repayment of amounts due to enX Trading Proprietary Limited, which funding was employed to fund WAI's working capital	FNB	On-Demand	260 000 000	Prime	Zero	11.75%	100 899 606	1 July 2023	N/A	Direct Debtor Finance Lite Facility
Total			**260 000 000**				**100 899 606**			

Notes:

1. No portions of these loans are contracted to be repaid over the next 12 months.
2. The amounts due to FNB are secured by:
   - 2.1 Cross-sureties from WAI and WAG Chemicals Proprietary Limited ("**WAG Chemicals**").
   - 2.2 Limited general notarial bonds over the movable assets of WAI and WAG Chemicals.
   - 2.3 Cession in security over the book debts of WAI and WAG Chemicals.
   - 2.4 Cession in security of the South African bank accounts of WAI and WAG Chemicals.
   - 2.5 Cession in security of the domestic debtor credit insurance policies held WAI and WAG Chemicals.

WAI and WAG Chemicals consolidated default financial covenants

As at 31 December 2023, the most recent measurement date prior to the last practicable date, the consolidated WAI and WAG Chemicals credit metrics were at the levels set out below:

Financial covenant ratio	Calculated value	Required covenant level	Compliance (Yes/No)
Equity Levels	R266 million	>R190million	Yes

Set out below are details of all material loans made to Eqstra, that remain outstanding as at the last practicable date and will be refinanced by Nedbank following the implementation of the transaction. For clarity, these material loans will no longer be an obligation of the enX Group following the implementation of the transaction:

Amounts owing by enX Corporation Limited to the Eqstra lenders[1]:

Details as to how loan arose	Counterparty	Remaining term	Facility (ZAR)	Base Rate	Credit margin over base rate	Current variable weighted average interest rate	Amount utilised (ZAR)	Advance date	Extended Maturity date	Notes
Refinance of bank loans and debt capital market notes, which funding was employed to fund Eqstra's assets, primarily its fleet lease book	Absa/Nedbank/ RMB/SBSA	2.9 years	726 365 500	3m Jibar	3.22%	11.6%	726 365 500	17 December 2020	17 December 2026	Bullet payment on maturity
	Absa/Nedbank/ RMB/SBSA	1.9 years	936 188 235	1m/3m Jibar	2.96% - 3.06%	11.4%	936 188 588[2]	17 December 2020	17 December 2025	Revolving credit facility. Outstanding balance due on maturity
	Absa/Nedbank/ RMB/SBSA	90 days-notice	185 000 000	Prime	-0.475%[3]	11.2%	47 260 000	17 December 2020	Evergreen	Repayable in 90 days if called
Total			**1 847 553 735**				**1 709 814 088**			

Notes

1. No portions of these loans are contracted to be repaid over the next 12 months.
2. The amounts due to the Eqstra lenders are secured primarily by guarantees from a debt guarantor which in turn has received (i) counter-indemnities; (ii) pledges and cessions in *securitatem debiti* over receivables, proceeds from insurance policies, and bank accounts; and (iii) general notarial bonds over moveable assets. Security items 2,3 and 4 are in combination granted by enX Corporation Limited, Eqstra NH Equipment Proprietary Limited, GPS Tracking Solutions Proprietary Limited, Eqstra Fleet Services Proprietary Limited, Omatemba Fleet Services Proprietary Ltd (Namibia), Amasondo Fleet Services Proprietary Limited and enX Fleet Management Botswana Proprietary Ltd (Botswana). Eqstra Investment Holdings Proprietary Limited is a guarantor of the facilities and enX Group Limited has provided a limited recourse causa guarantee in respect of the shares that it owns in Eqstra Investment Holdings Proprietary Limited.
3. Weighted average margin relative to the prime rate of interest, calculated with references to the facility size made available by each Eqstra lender.

Eqstra consolidated default financial covenants

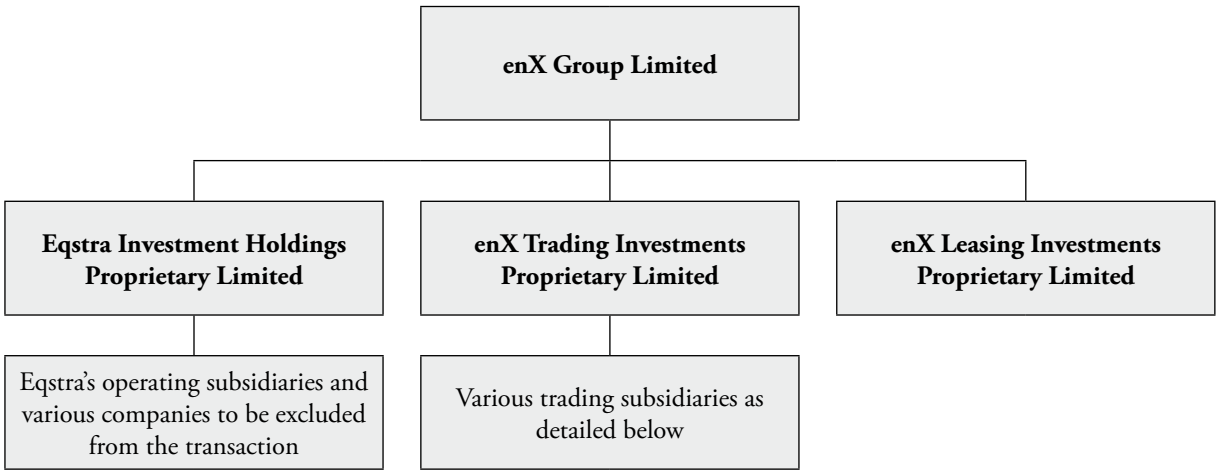
As at 31 November 2023, the most recent measurement date prior to the last practicable date, Eqstra's credit metrics were at the levels set out below:

Financial covenant ratio	Calculated value	Required covenant level	Compliance (Yes/No)
Net total debt : EBITDA	1.9x	≤ 3.0x	Yes
EBITDA : Net finance charges	2.2x	≥ 1.5x	Yes
Net total debt : Equity	1.4x	≤ 2.5x	Yes
Loan to value	48%	≤ 65%	Yes

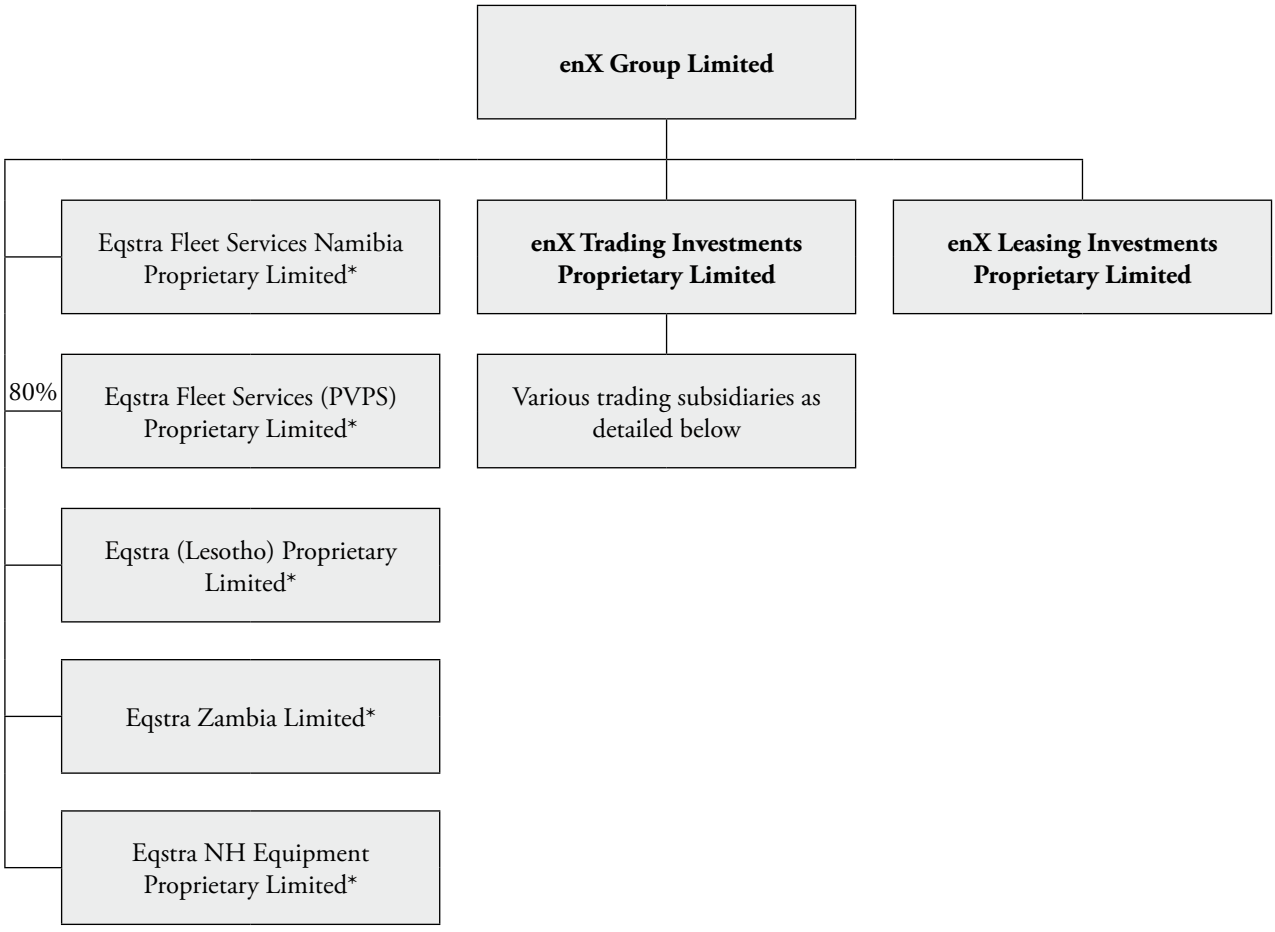
ENX GROUP STRUCTURE

Note that all subsidiaries are wholly owned unless otherwise stated.

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

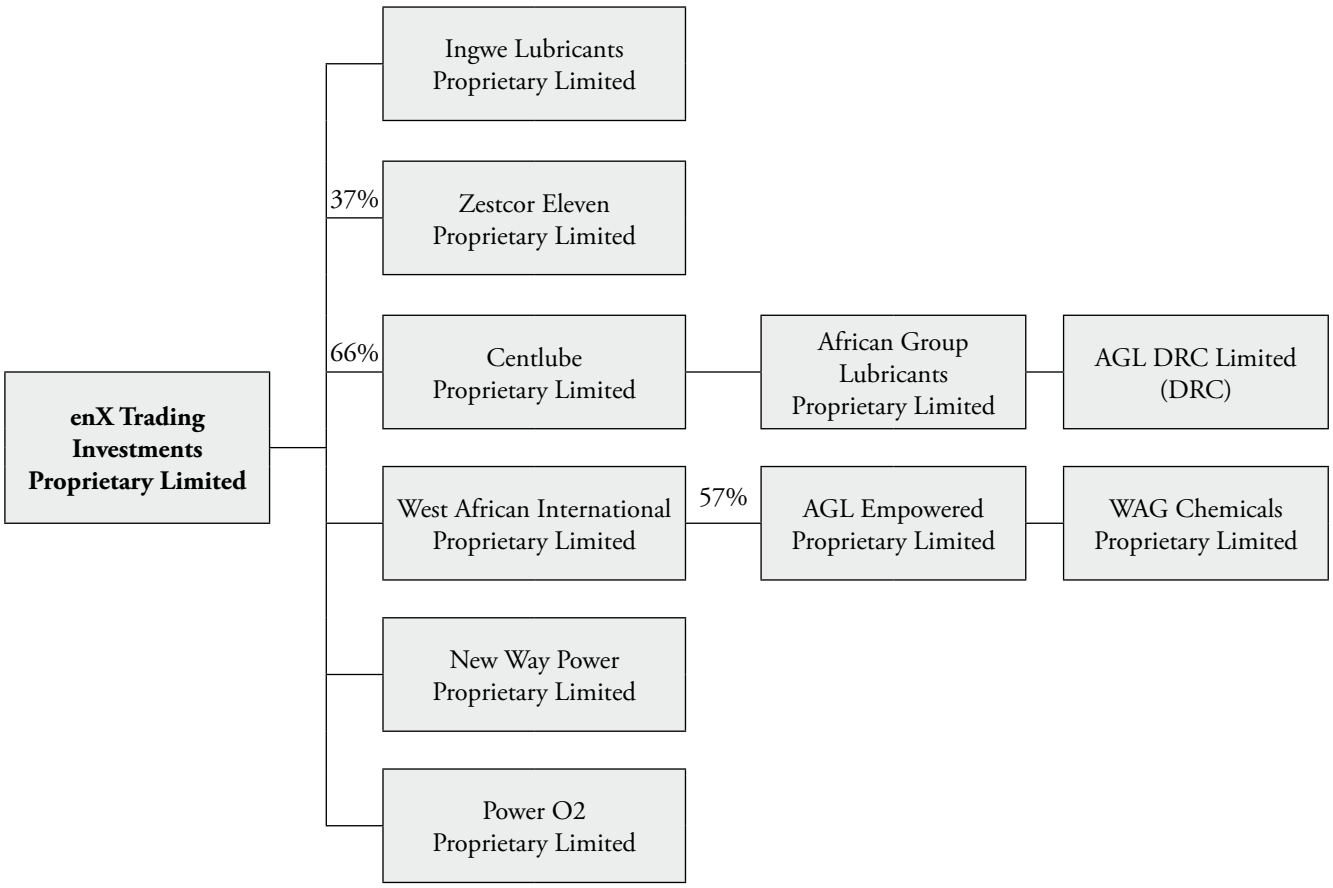


The enX Group structure immediately following the completion of the transaction will be as follows:



** Subsidiaries of Eqstra that will not be acquired by Nedbank as part of the transaction. These will be unbundled to enX immediately prior to executing the transaction.*

The trading subsidiaries of enX Trading Investments Proprietary Limited are as follows:



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

NOTICE OF GENERAL MEETING OF SHAREHOLDERS

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

Notice is hereby given that a general meeting of enX shareholders will be held at 11:00 on Wednesday, 3 April 2024 or 5 minutes after the conclusion of the AGM, whichever is the later, at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196, as well as virtually via a remote interactive electronic platform, Microsoft Teams, for the purpose of considering and, if deemed fit, passing with or without modification, the resolutions set out below.

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

In terms of section 62(3)(e) of the Companies Act:

- a shareholder who is entitled to attend and vote at the general meeting is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the general meeting in the place of the shareholder;
- a proxy need not be a shareholder of the Company; and
- shareholders recorded in the register of the Company on the voting record date (including shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the general meeting. In this regard, all shareholders recorded in the register on the voting record date will be required to provide identification satisfactory to the chairperson of the general meeting. Forms of identification include valid identity documents, drivers' licenses and passports.

Salient dates and times

	2024
Record date to receive the circular and notice of general meeting	Friday, 2 February
Circular together with the accompanying ancillary documents posted to enX shareholders on	Friday, 9 February
Last day to trade on the JSE in order to be eligible to participate in and vote at the general meeting	Monday, 18 March
Voting record date	Friday, 22 March
Last day to lodge forms of proxy for the general meeting with the transfer secretaries, by 11:00 (forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement thereof)	Thursday, 28 March
Last date and time for enX shareholders to give notice of their objections to the special resolution approving the transaction in terms of section 164(3) of the Companies Act by no later than 11:00 on	Wednesday, 3 April
General meeting held at 11:00 or 5 minutes after the conclusion of the AGM, whichever is the later	Wednesday, 3 April
Results of the general meeting released on SENS	Wednesday, 3 April
Results of the general meeting released in the press	Thursday, 4 April

Notes:

1. *All times given in this document are local times in South Africa and may be changed by enX (subject to the approval of the TRP and JSE, if required). Any changes will be released on SENS and published in the press.*
2. *A form of proxy not lodged with the transfer secretaries may be handed to the chairperson of the general meeting at any time prior to the commencement of the general meeting or prior to voting on any resolution to be proposed at the general meeting.*
3. *If the general meeting is adjourned or postponed, a form of proxy submitted for the initial general meeting will remain valid in respect of any adjournment or postponement of the general meeting, unless it is withdrawn.*
4. *If the general meeting is adjourned or postponed then forms of proxy that have not yet been submitted should be lodged with the transfer secretaries by no later than two business days before the adjourned or postponed general meeting but may nonetheless be handed to the chairperson of the adjourned or postponed general meeting at any time prior to the commencement of the adjourned or postponed general meeting or prior to voting on any resolution to be proposed at the adjourned or postponed general meeting.*
5. *enX shareholders are referred to page 3 of this circular for information on the action required to be taken by them.*
6. *enX shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three business days after such trades. Therefore, enX shareholders who acquire enX shares after close of trade on Monday, 18 March 2024 will not be eligible to vote at the general meeting.*
7. *No dematerialisation and rematerialisation of enX shares may take place between Tuesday, 19 March 2024 and Friday, 22 March 2024, both days inclusive.*

SPECIAL RESOLUTION NUMBER 1: APPROVAL OF THE DISPOSAL OF EQSTRA

"Resolved that in terms of section 112 read with 115(2)(b) of the Companies Act and paragraph 9.20 of the JSE Listings Requirements, the transaction comprising the divestment of Eqstra, the holding company of enX's fleet management business, involving, *inter alia*, the subscription for newly issued ordinary shares in Eqstra by Nedbank and the repurchase by Eqstra of all of the shares in Eqstra held by enX, as detailed in Part I of the circular, pursuant to the implementation of the transaction agreements, be and is hereby approved and anything already done, any documents already signed and action already taken in this respect be and is hereby ratified to the fullest extent permitted by law."

Reason for and effect of special resolution number 1

The transaction constitutes a category 1 transaction in terms of the JSE Listings Requirements and, as such, requires the approval of more than 50% of the total voting rights exercised by enX shareholders at the general meeting in terms of the JSE Listings Requirements.

In terms of section 115(2)(b) of the Companies Act, if the disposal by a company, having regard to the consolidated financial statements, constitutes a disposal of all or the greater part of the assets of the company, that disposal requires the approval by special resolution of the shareholders of the company. Having regard to the consolidated financial statements of enX, the transaction constitutes the disposal of the greater part of its assets. Accordingly, shareholder approval by special resolution is required for the implementation of the transaction.

Therefore, the percentage of voting rights required for special resolution number 1 to be adopted is at least 75% of the voting rights that are entitled to be exercised on special resolution number 1.

ORDINARY RESOLUTION NUMBER 1: AUTHORITY TO GIVE EFFECT TO RESOLUTIONS

"Resolved that any director or the company secretary of enX be and is hereby authorised to do all such things and sign all such documents required to give effect to the resolutions passed at the general meeting and anything already done, any documents already signed and action already taken by any director or the company secretary of enX in this respect be and is hereby ratified to the fullest extent permitted by law."

In order for ordinary resolution number 1 to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders, present in person or by proxy at the general meeting, is required. Only shareholders reflected on the register as such on the voting record date are entitled to vote on ordinary resolution number 1.

VOTING AND QUORUM

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

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

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

APPRAISAL RIGHTS FOR DISSENTING SHAREHOLDERS

In accordance with section 164 of the Companies Act, at any time before special resolution number 1 as set out in this notice convening the general meeting is voted on, a shareholder may give the Company a written notice objecting to special resolution number 1.

Within 10 business days after the Company has adopted special resolution number 1, the Company must send a notice that the special resolution has been adopted to each shareholder who:

- gave the Company a written notice of objection as contemplated above; and
- has neither withdrawn that notice nor voted in support of special resolution number 1.

A shareholder may demand that the Company pay such shareholder the fair value for all of the shares of the Company held by that person if:

- the shareholder has sent the Company a written notice of objection;
- the Company has adopted special resolution number 1; and
- the shareholder voted against the special resolution number 1 and has complied with all of the procedural requirements of section 164 of the Companies Act.

A copy of section 164 of the Companies Act is set out in **Appendix B** to **Annexure 1** of the circular to which this notice convening the general meeting is attached. Further detail regarding the process and consequences of a shareholder exercising its appraisal rights are set out in paragraph 13 of the circular.

SHAREHOLDERS

General instructions

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

Electronic participation

Shareholders wishing to participate in the general meeting are requested, for administrative purposes, to submit notification of their intent (the "**electronic notice**") by e-mail to the company secretary, at *enx@acorim.co.za* as soon as possible and by no later than 11:00 on Thursday, 28 March 2024. The electronic notice should include relevant contact details including email address, cellular number and landline, as well as full details of the shareholder's title to the shares and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated shareholders), and (in the case of dematerialised shareholders) written confirmation from the shareholder's CSDP confirming the shareholder's title to the dematerialised shares. The shareholder should also indicate whether the shareholder wishes to vote by proxy or wishes to exercise votes during the general meeting. Upon receipt of the required information, the shareholder concerned will be provided with a link to access the general meeting, which will take place via Microsoft Teams, together with any further instructions. The fact that shareholders are requested to submit an electronic notice to the company secretary before 11:00 on Thursday, 28 March 2024 will not in any way affect the rights of shareholders who submit an electronic notice after this date and who have been fully verified (as required in terms of section 63(1) of the Companies Act) to participate in and/or vote at the general meeting.

Proxies and authority for representatives to act

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

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

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

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

Forms of proxy are requested to be delivered to the transfer secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or emailed to proxy@computershare.co.za, so as to arrive no later than 11:00 on Thursday, 28 March 2024. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement thereof. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting should the shareholder decide to do so.

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

GENERAL NOTES

1. A company that is a shareholder, wishing to attend and participate at the general meeting should ensure that a resolution authorising a representative to so attend and participate at the general meeting on its behalf, is passed by its directors.
2. The chairperson of the general meeting will be making a demand that all resolutions put to the vote shall be decided by way of a poll.

By order of the board

enX Group Limited

9 February 2024

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

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

FORM OF PROXY

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

THIS FORM OF PROXY IS ONLY FOR USE BY:

- certificated shareholders;
- own-name dematerialised shareholders.

For completion by the aforesaid registered shareholders who are unable to attend the general meeting to be held at 11:00 on Wednesday, 3 April 2024 or 5 minutes after the conclusion of the AGM, whichever is the later, at 9th Floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196, as well as virtually via a remote interactive electronic platform, Microsoft Teams.

If you are a dematerialised shareholder, other than with own-name registration, do not use this form. Dematerialised shareholders, other than with own-name registration, should provide instructions to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

Email address

Telephone number

Cellphone number

of (address)

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

1. or failing him/her

2. of failing him/her

3. the chairperson of the general meeting

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

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

	Number of votes		
	***In favour of**	***Against**	***Abstain**
Special resolution number 1: Approval of the disposal of Eqstra			
Ordinary resolution number 1: Authority to give effect to resolutions			

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

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

Signed this day of 2024

Signature

Assisted by me (where applicable)

(State capacity and full name)

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

Forms of proxy are requested to be delivered to the transfer secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or emailed to proxy@computershare.co.za, so as to arrive no later than 11:00 on Thursday, 28 March 2024. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting should the shareholder decide to do so.

Please read notes on the reverse side hereof

NOTES TO THE FORM OF PROXY:

1. Only shareholders who are registered in the register of the Company under their own name on the voting record date may complete a form of proxy or attend the general meeting. This includes certificated shareholders or own-name dematerialised shareholders. A proxy need not be a shareholder of the Company.
2. Certificated shareholders wishing to attend the general meeting have to ensure beforehand with the transfer secretaries that their shares are registered in their own name.
3. Beneficial shareholders whose shares are not registered in their own name, but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instructions on voting their shares, or obtaining a proxy to attend, speak and vote at the general meeting.
4. Dematerialised shareholders who have not elected own-name registration in the register of the Company through a CSDP and who wish to attend the general meeting, must instruct the CSDP or broker to provide them with the necessary letter of representation to attend.
5. Dematerialised shareholders who have not elected own-name registration in the register of the Company through a CSDP and who are unable to attend, but wish to vote at the general meeting, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.
6. A shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder's choice in the space, with or without deleting "the chairperson of the general meeting of shareholders". The person whose name stands first on the form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the aforegoing, a shareholder may revoke the proxy appointment by:
   7.1 cancelling it in writing, or making a later inconsistent appointment of a proxy; and
   7.2 delivering a copy of the revocation instrument to the proxy, and to the Company.
8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date:
   8.1 stated in the revocation instrument, if any; or
   8.2 upon which the revocation instrument is delivered to the proxy and the Company as required in section 58(4)(c)(ii) of the Companies Act.
9. Should the instrument appointing a proxy or proxies have been delivered to the transfer secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act or the MOI to be delivered by the Company to the shareholder must be delivered to:
   9.1 the shareholder; or
   9.2 the proxy or proxies if the shareholder has in writing directed the Company to do so and has paid any reasonable fee charged by the Company for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the MOI or the instrument appointing the proxy provide otherwise.
11. If the Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of instrument appointing a proxy:
   11.1 such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
   11.2 the Company must not require that the proxy appointment be made irrevocable; and
   11.3 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries or waived by the chairperson of the general meeting.
14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding shares in the Company that wishes to attend and participate at the general meeting should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the transfer secretaries prior to the general meeting.
16. Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders wishes to be present or represented at the general meeting, that one of the said persons whose name appears first in the register or his proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. The chairperson of the general meeting may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a shareholder wishes to vote.
18. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.
19. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the general meeting, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the general meeting or other proxy to vote or to abstain from voting at the general meeting as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all of the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
20. Forms of proxy are requested to be delivered to the transfer secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or emailed to proxy@computershare.co.za, so as to arrive no later than 11:00 on Thursday, 28 March 2024. Forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement of the general meeting. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting should the shareholder decide to do so.
21. This form of proxy may be used at any adjournment or postponement of the general meeting, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
22. The aforegoing notes include a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.