

THIS SUPPLEMENTARY CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of the Circular, as read with definitions and interpretations commencing on page 4 of this Supplementary Circular, apply mutatis mutandis to this cover.

This Supplementary Circular has been issued to provide additional information to the Circular. The additional information relates to the issuing of the Broad-based BEE Consortium Shares to the Broad-based BEE Consortium prior to the Listing and to the amendment of the number of Issue Shares that will be issued on Listing. Accordingly, this Supplementary Circular should be read in conjunction with the Circular and incorporates all information in the Circular by reference, as amended by the content of this Supplementary Circular.

ACTION REQUIRED BY SHAREHOLDERS:

1. This entire Supplementary Circular is important and should be read with particular attention to the section entitled "Action required by Shareholders", which commences on page 2.
2. If you are in any doubt as to what action to take, you should consult your broker, CSDP, banker, accountant, attorney or other professional advisor immediately.
3. If you have disposed of all your AEEI Shares, please forward this Supplementary Circular, the attached application for electronic participation at the General Meeting (*white*) and the attached form of proxy (*grey*) to the purchaser to whom, or the broker, CSDP or other agent through whom, the disposal was effected.



AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1996/006093/06)

Share code: AEE, ISIN: ZAE000195731

("AEEI" or "the Company")

SUPPLEMENTARY CIRCULAR TO SHAREHOLDERS

Relating to the proposed issuing by the Company's subsidiary, AYO Technology, of the:

- Broad-based BEE Consortium Shares to the Broad-based BEE Consortium prior to the Listing of AYO Technology on the JSE main board; and
- Issue Shares to Invited Investors in conjunction with the anticipated Listing of AYO Technology on the JSE main board,

such share issues constituting a category 1 disposal by the Company in terms of the JSE Listings Requirements;

and incorporating:

- the Notice of General Meeting of AEEI Shareholders;
- an application for electronic participation at the General Meeting (*white*); and
- a form of proxy in respect of the General Meeting (*grey*) for use by Certificated Shareholders and Dematerialised Shareholders with "own-name" registration only.



Corporate Advisory



PSG CAPITAL

Sponsor and Transaction Advisor



Grant Thornton

Auditor and Independent
Reporting Accountant

WEBBER WENTZEL

in alliance with > Linklaters

Attorneys

Date of issue: Monday, 27 November 2017

Copies of this Supplementary Circular are available in English only and may, from Monday, 27 November 2017 until the date of the General Meeting (both days inclusive), be obtained during normal business hours from the registered office of AEEI, the offices of PSG Capital and the Transfer Secretaries at their respective addresses set out in the Corporate Information section of this Supplementary Circular. A copy of this Supplementary Circular will also be available on the Company's website (www.aeei.co.za).

CORPORATE INFORMATION

Directors

Reverend Dr Vukile Charles Mehana (Chairman) **
Khalid Abdulla (Chief executive officer)
Chantelle Ah Sing (Chief financial officer)
Cherie Felicity Hendricks (Corporate affairs and sustainability director)
Salim Young (Deputy chairman) **
Johannes Mihe Gaomab **
Aziza Begum Amod **
Zenariah Barends **
Takudzwa Tanyaradzwa Hove **

* non-executive

independent

Company secretary

Nobulungisa Mbaliseli

Registered address of AEEI and AYO Technology

Quay 7, Breakwater Boulevard, East Pier
Victoria and Alfred Waterfront
Cape Town, 8001
(PO Box 181, Cape Town, 8000)

Place of incorporation: South Africa

Transfer secretaries

Link Market Services South Africa Proprietary Limited
(Registration number 2000/007239/07)
13th Floor
19 Ameshoff Street
Braamfontein, 2001
(PO Box 4844, Johannesburg, 2000)

Auditor and Independent Reporting Accountant

Grant Thornton Cape Incorporated
(Registration number 2010/016246/07)
123 Hertzog Blvd
Cape Town, 8001
(PO Box 2275, Cape Town, 8000)

Sponsor and transaction advisor

PSG Capital Proprietary Limited
(Registration number 2006/015817/07)
1st Floor, Ou Kollege
35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)

and at:

2nd Floor, Building 3, 11 Alice Lane
Sandhurst
Sandton 2196
(PO Box 650957, Benmore 2010)

Attorneys

Webber Wentzel
90 Rivonia Road
Sandton
2196
(PO Box 61771, Marshalltown Johannesburg 2107)

and

15th Floor, Convention Tower
Heerengracht, Foreshore
Cape Town, 8001
(PO Box 3667, Cape Town, 8000)

Corporate advisory

AEEI Corporate Finance Proprietary Limited
(Registration number 2015/402199/07)
Quay 7, East Pier
V&A Waterfront
Cape Town, 8000
(PO Box 181, Cape Town)

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ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 4 of the Circular, as read with definitions and interpretations commencing on page 4 of this Supplementary Circular, apply to this section headed “Action required by Shareholders”.

This Supplementary Circular is important and requires your immediate attention. The action you need to take is set out below. If you are in any doubt as to what action to take, please consult your broker, CSDP, banker, attorney, accountant or other professional advisor immediately. If you have disposed of all of your AEEI Shares, this Supplementary Circular should be handed to the purchaser to whom, or the CSDP, broker or other agent through whom, the disposal was effected.

A General Meeting of AEEI Shareholders will be held at AEEI's head office, at Quay 7, Breakwater Boulevard, East Pier, Victoria & Alfred Waterfront, Cape Town at 10:00 on Monday, 18 December 2017, at which General Meeting AEEI Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the resolutions set out in the Notice of General Meeting attached to this Supplementary Circular.

For the avoidance of doubt, the general meeting referred to in the Circular on 8 December 2017 will no longer take place and has been replaced by the General Meeting referred to above.

1. DEMATERIALISED SHAREHOLDERS WITHOUT “OWN-NAME” REGISTRATION

1.1 Voting at the General Meeting

- 1.1.1 If you do not wish to, or are unable to, attend the General Meeting and you have not been contacted by your CSDP or broker, it is advisable for you to contact your CSDP or broker immediately and furnish your CSDP or broker with your voting instructions in the manner and by the cut-off time stipulated by your CSDP or broker in terms of the custody agreement between you and your CSDP or broker.
- 1.1.2 If your CSDP or broker does not obtain voting instructions from you, your CSDP or broker will be obliged to act in accordance with the instructions contained in the custody agreement between you and your CSDP or broker.
- 1.1.3 You must not complete the attached form of proxy (*grey*).

1.2 Attendance and representation at the General Meeting

- 1.2.1 In accordance with the custody agreement between you and your CSDP or broker, you must advise your CSDP or broker if you wish to:
 - 1.2.1.1 attend, speak and vote at the General Meeting; or
 - 1.2.1.2 send a proxy to represent you at the General Meeting.
- 1.2.2 Your CSDP or broker should then issue the necessary letter of representation to you for you or your proxy to attend, speak and vote at the General Meeting.

2. CERTIFICATED SHAREHOLDERS OR DEMATERIALISED SHAREHOLDERS WITH “OWN-NAME” REGISTRATION

You may attend, speak and vote at the General Meeting in person (or, if you are a company or other body corporate, be represented by a duly authorised natural person). Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy (*grey*) in accordance with its instructions and returning it to the Transfer Secretaries at 13th Floor, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000), to be received by them no later than 10:00 on Thursday, 14 December 2017, provided that any form of proxy not delivered to the Transfer Secretaries by this time may be handed to the chairman of the general meeting prior to the commencement of the general meeting, at any time before the appointed proxy exercises any shareholder rights at the General Meeting.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 4 of the Circular, as read with definitions and interpretations commencing on page 4 of this Supplementary Circular, apply to this section.

	Date
Record date to determine which Shareholders are eligible to receive notice of the General Meeting	Friday, 17 November 2017
Supplementary Circular incorporating Notice of General Meeting, application for electronic participation at the General Meeting and form of proxy, distributed to AEEI Shareholders	Monday, 27 November 2017
Distribution of the Supplementary Circular and notice convening the General Meeting announced on SENS on	Monday, 27 November 2017
Distribution of the Supplementary Circular and notice convening the General Meeting announced in the press on	Tuesday, 28 November 2017
Last day to trade in order to be eligible to vote at the General Meeting	Tuesday, 5 December 2017
Record date to be eligible to vote at the General Meeting	Friday, 8 December 2017
Last day to lodge forms of proxy in respect of the General Meeting at 10:00 on	Thursday, 14 December 2017
General Meeting of AEEI Shareholders held at 10:00 on	Monday, 18 December 2017
Results of the General Meeting released on SENS on	Monday, 18 December 2017
Publication of AYO Technology pre-listing statement anticipated to occur on or about	Dependent on market conditions but within 12 months of the date of issue of the Circular
Listing of AYO Technology on the main board of the JSE (subject to JSE approval)	Dependent on market conditions but within 12 months of the date of issue of the Circular
Share Issue by AYO Technology to occur on	Listing Date

Notes:

1. The above dates and times are subject to change. Any material changes will be released on SENS.
2. All times quoted in this Supplementary Circular are local times in South Africa.
3. If the General Meeting is adjourned or postponed, forms of proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting unless the contrary is stated on such forms of proxy.
4. The Listing Date will be announced on SENS when determined.

DEFINITIONS AND INTERPRETATIONS

Unless the context indicates a contrary intention, a word or an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa*. Unless otherwise stated or the context indicates otherwise or specifically defined below (in which case the below definition shall apply), the definitions and interpretations commencing on page 4 of the Circular apply to this Supplementary Circular, together with the definitions and interpretations set out below:

“B-BBEE” or “BEE”	broad-based black economic empowerment, as such term is defined in the B-BBEE Act from time to time;
“B-BBEE Act”	the Broad-Based Black Economic Empowerment Act, No. 53 of 2003, as amended;
“Broad-based BEE Consortium”	Various broad based empowered consortiums benefiting, <i>inter alia</i> , POPCRU, SACTWU, the Black Business Council, FEDUSA nominees, NEHAWU and the Social Entrepreneurship Foundation, provided that no member of the consortium shall be a related party as such term is defined in the JSE Listings Requirements;
“Broad-based BEE Consortium Issue Price”	the price per Share at which the Broad-based BEE Consortium Shares are to be issued in terms of the Broad-based BEE Consortium Share Issue, which shall be R1.50 per Share;
“Broad-based BEE Consortium Share Issue”	the issue by AYO of 31 960 000 Shares at an issue price of R1.50 per Share to Broad-based BEE Consortium prior to Listing;
“Broad-based BEE Consortium Shares”	31 960 000 Shares to be issued by AYO Technology in terms of the Broad-based BEE Consortium Share Issue;
“General Meeting”	the general meeting of AEEI Shareholders to be held at 10:00 on Monday, 18 December 2017 at AEEI’s head office, at Quay 7, Breakwater Boulevard, East Pier, Victoria & Alfred Waterfront, Cape Town, to consider and, if deemed fit, approve the resolutions set out in the Notice of General Meeting, which general meeting replaces the general meeting referred to in the Circular;
“ICT Sector Codes”	the amended Information and Communication Technology Sector Code published on 7 November 2016 in terms of section 9 (1) of the B-BBEE Act, No. 53 of 2003 and as such sector code may be amended from time to time;
“Issue Shares”	up to a maximum of 99 782 655 Shares to be issued by AYO Technology at the Issue Price, in terms of the Share Issue and in conjunction with the Listing (which number of Shares has been reduced from the maximum number of 134 129 082 referred to in the Circular);
“Notice of General Meeting”	the notice of the General Meeting of Shareholders forming part of this Supplementary Circular;
“Share”	ordinary shares in AYO; and
“Supplementary Circular”	this supplementary circular to Shareholders, dated Monday, 27 November 2017, together with the annexures hereto, and including the Notice of General Meeting, the application for electronic participation at the General Meeting (white) and the form of proxy (grey) in relation to the General Meeting, which has been issued to provide additional information relating to the issuing of the Broad-based BEE Consortium Shares to the Broad-based BEE Consortium prior to the Listing and to the amendment of the number of Issue Shares that will be issued on Listing.



AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

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Share code: AEE, ISIN: ZAE000195731

("AEEI" or "the Company")

Directors

Reverend Dr Vukile Charles Mehana (Chairman) **
Khalid Abdulla (Chief executive officer)
Chantelle Ah Sing (Chief financial officer)
Cherie Felicity Hendricks (Corporate affairs and sustainability director)
Salim Young (Deputy chairman) **
Johannes Mihe Gaomab **
Aziza Begum Amod **
Zenariah Barends **
Takudzwa Tanyaradzwa Hove *

* non-executive

independent

SUPPLEMENTARY CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THIS SUPPLEMENTARY CIRCULAR

- 1.1 AEEI issued the Circular to provide Shareholders with information regarding the Share Issue and the manner in which it will be implemented. As a condition to the Listing and in order to provide AYO Technology with additional capital to fund its further expansion, it was proposed that AYO Technology will, on the Listing Date, issue the Issue Shares to Invited Investors by way of a private placement. Given that the number of Issue Shares has been reduced, as set out in this Supplementary Circular, the amount sought to be raised by way of the private placement is now between R2.7 billion and R4.3 billion.
- 1.2 In addition to the Share Issue and prior to the Listing, AYO wishes to undertake the Broad-based BEE Consortium Share Issue.
- 1.3 AEEI's shareholding in AYO Technology will, as a result of the Broad-based BEE Consortium Share Issue and the Share Issue, reduce from 80.03% to approximately 49%. The Listing is still subject to the approval of the JSE.
- 1.4 The Share Issue by AYO Technology will constitute a category 1 disposal by AEEI in terms of the JSE Listings Requirements and, accordingly, requires the approval of AEEI Shareholders.
- 1.5 The Broad-based BEE Consortium Share Issue, when aggregated with the Share Issue, will constitute a category 1 disposal by AEEI in terms of the JSE Listings Requirements and, accordingly, requires the approval of AEEI Shareholders.
- 1.6 The purpose of this Supplementary Circular is to:
 - 1.6.1 provide Shareholders with information regarding the Broad-based BEE Consortium Share Issue and the manner in which it will be implemented and the amendment of the number of Issue Shares that will be issued on Listing, so as to enable Shareholders to make an informed decision in respect of the resolutions set out in the Notice of General Meeting enclosed with this Supplementary Circular; and
 - 1.6.2 convene a General Meeting of Shareholders in order to consider and, if deemed fit, approve the Share Issue and the Broad-based BEE Consortium Share Issue.
- 1.7 This supplementary circular should be read in conjunction with the Circular and incorporates all information in the Circular by reference, as amended by the content of this Supplementary Circular.

2. RATIONALE FOR THE BROAD-BASED BEE CONSORTIUM SHARE ISSUE

- 2.1 AYO Technology's BEE contributor status, in terms of the ICT Sector Codes, is based on its performance across each of the following pillars: equity ownership, management control, skills development, enterprise and supplier development (which includes preferential procurement as a sub-component) and socio-economic development. The ICT Sector Codes place emphasis on ownership, with greater points being allocated to companies that are greater than 51% black owned and 30% black female owned. AYO Technology's key competitive advantages within the market is its ownership credentials. Given that AEEI's ownership in AYO Technology will dilute to approximately 49% as a result of the Listing, AEEI will undertake the Broad-based BEE Consortium Share Issue to ensure that AYO's ownership remains above 51% black owned and 30% black female owned post the Listing, which will enable it to retain and expand on its customer base.

- 2.2 AEEI has been primarily guided by the following principles in structuring the Broad-based BEE Consortium Share Issue:
- 2.2.1 as the Broad-based BEE Consortium Shares will be fully paid for and the beneficiaries will have full economic and voting rights, the Broad-based BEE Consortium Share Issue ensures that maximum ownership points are scored by AYO Technology;
 - 2.2.2 achieving a sustainable transaction at an acceptable economic cost, using the precedent pricing set by AYO Technology's most recent corporate actions concluded within the past 12 months;
 - 2.2.3 AYO Technology achieving approximately 10% direct black ownership, as a result of the Broad-based BEE Consortium Share Issue, which based on current B-BBEE legislation and the ICT Sector Codes, along with the black ownership of AEEI translates (for measurement purposes) into at least 51% black ownership and 30% black female ownership; and
 - 2.2.4 maintaining an adequate broad-based shareholder structure that is key to AYO Technology's competitive advantage.

3. SHARE ISSUE AND BROAD-BASED BEE CONSORTIUM SHARE ISSUE

- 3.1 The Share Issue will take place in the same manner as set out in the Circular save that the number of Issue Shares is as set out in this Supplementary Circular. Furthermore, AEEI's shareholding in AYO Technology will, as a result of both the Broad-based BEE Consortium Share Issue and the Share Issue, reduce from 80.03% to approximately 49%.
- 3.2 Subject to shareholder approval, AYO Technology will, prior to the Listing Date, issue the Broad-based BEE Consortium Shares to Broad-based BEE Consortium for the Broad-based BEE Consortium Issue Price.
- 3.3 The Broad-based BEE Consortium Issue Price will be settled in cash against issue of the Broad-based BEE Consortium Shares.
- 3.4 No member of the Broad-based BEE Consortium is a related party as such term is defined in the JSE Listings Requirements.

4. PRO FORMA FINANCIAL EFFECTS

- 4.1 The pro forma financial effects of the Broad-based BEE Consortium Share Issue and the Share Issue are set out in **Annexure 1** to this Supplementary Circular.
- 4.2 The Independent Reporting Accountants' report on the pro forma financial information appears in **Annexure 2** to this Supplementary Circular.

5. GENERAL MEETING AND IRREVOCABLE UNDERTAKINGS

- 5.1 The General Meeting of AEEI Shareholders will be held at AEEI's head office, at Quay 7, Breakwater Boulevard, East Pier, Victoria & Alfred Waterfront, Cape Town at 10:00 Monday, 18 December 2017, at which General Meeting AEEI Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the resolutions set out in the Notice of General Meeting attached to this Supplementary Circular.
- 5.2 **For the avoidance of doubt, the general meeting referred to in the Circular on 8 December 2017 will no longer take place and has been replaced by the General Meeting referred to above.**
- 5.3 As at the Last Practicable Date, the AEEI Shareholders listed in the table below have provided irrevocable undertakings to vote all Shares held by them in favour of the Broad-based BEE Consortium Share Issue and Share Issue at the General Meeting:

Name of Shareholder	Number of Shares held	% of Shares in issue
Sekunjalo Investment Holdings Proprietary Limited ("SIHL")	300 552 582	61.17%
Miramare Investments Proprietary Limited ("Miramare")	50 784 628	10.34%
Integrated Managed Investments Proprietary Limited	51 645 001	10.51%
Total	402 982 211	82.02%

Note: – SIHL is an entity controlled by Dr. M I Survè;

– Miramare is an entity that is controlled by a private family that is not related to the Company or its directors.

6. DIRECTORS' RECOMMENDATION

- 6.1 The Directors have considered the terms and conditions of the Broad-based BEE Consortium Share Issue and the Share Issue and are of the opinion that the Broad-based BEE Consortium Share Issue and the Share Issue are in the interest of Shareholders.
- 6.2 The Directors recommend that Shareholders vote in favour of the resolutions to be proposed at the General Meeting, as detailed in the Notice of General Meeting.
- 6.3 The Directors, in their personal capacities, intend to vote the Shares held by them in favour of the resolutions to be proposed at the General Meeting.

7. ADVISORS

The parties referred to in the Corporate Information section of this Supplementary Circular have consented in writing to act in the capacities stated and to their names being stated in the Supplementary Circular and, in the case of the Independent Reporting Accountants, have consented to the inclusion of their reports, and to the references to their reports, in the form and context in which they appear, and have not withdrawn their consents prior to the publication of the Supplementary Circular.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are given in the Corporate Information section of this Supplementary Circular, collectively and individually accept full responsibility for the accuracy of the information furnished relating to this Supplementary 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, and that all reasonable enquiries to ascertain such facts have been made, and that this Supplementary Circular contains all information required by law and the JSE Listings Requirements.

9. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by Shareholders during normal business hours at the Company's registered office and at the offices of the Company's sponsor, PSG Capital, the details of which appear in the Corporate Information section of this Supplementary Circular, from Monday, 27 November 2017 until the date on which the General Meeting is held (both days inclusive):

- 9.1 the Circular;
- 9.2 the memorandum of incorporation of AEEI and its Major Subsidiaries;
- 9.3 the audited annual financial statements of AEEI for the three financial years ended 31 August 2015, 31 August 2016 and 31 August 2017;
- 9.4 the audited consolidated financial statements of AYO Technology for the three financial years ended 31 August 2015, 31 August 2016 and 31 August 2017, as reproduced at **Annexure 1** of the Circular;
- 9.5 the following reports by the Independent Reporting Accountants:
 - 9.5.1 Independent Reporting Accountants' report on the historical financial information of AYO Technology, as reproduced in **Annexure 2** of the Circular;
 - 9.5.2 Independent Reporting Accountants' report on the pro forma financial information of AEEI, as reproduced in **Annexure 2** of this Supplementary Circular;
- 9.6 all consent letters referred to in paragraph 7 of the Supplementary Circular;
- 9.7 copies of the irrevocable undertakings received from AEEI Shareholders, as referred to in paragraph 5 of this Supplementary Circular; and
- 9.8 a copy of this Supplementary Circular, including all annexures hereto.

SIGNED AT CAPE TOWN ON MONDAY, 27 NOVEMBER 2017 ON BEHALF OF ALL THE DIRECTORS OF AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED, AS LISTED BELOW, IN TERMS OF POWERS OF ATTORNEY SIGNED BY SUCH DIRECTORS



K ABDULLA

Chief Executive Officer

Reverend Dr Vukile Charles Mehana

Khalid Abdulla

Chantelle Ah Sing

Cherie Felicity Hendricks

Salim Young

Johannes Mihe Gaomab

Aziza Begum Amod

Zenariah Barends

Takudzwa Tanyaradzwa Hove

ANNEXURE 1 – PRO FORMA FINANCIAL INFORMATION OF AEEI

The definitions and interpretations commencing on page 4 of the Circular, as read with definitions and interpretations commencing on page 4 of this Supplementary Circular, apply to this **Annexure 1**.

In order to assist Shareholders in assessing the Broad-based BEE Consortium Share Issue and the Share Issue, AEEI has detailed in Pro Forma A section below the pro forma financial effects of the Broad-based BEE Consortium Share Issue and the Share Issue, should the Share Issue occur at an Issue Price of R28.00 per Share, while the subsequent section (Pro Forma B of Annexure 1) reflects the pro forma financial effects of the Broad-based BEE Consortium Share Issue and the Share Issue, should the Share Issue occur at the maximum Issue Price of R43.00 per share.

PRO FORMA A – SHARE ISSUE AT AN ISSUE PRICE OF R28.00 PER ISSUE SHARE

The *pro forma* consolidated statement of financial position and the *pro forma* consolidated statement of comprehensive income of AEEI have been prepared for illustrative purposes only to show the financial effects of the Broad-based BEE Consortium Share Issue and the Share Issue and because of its nature, may not give a fair reflection of AEEI's financial position, changes in equity and results of operations after the implementation of the Broad-based BEE Consortium Share Issue and the Share Issue. The *pro forma* financial information is presented in accordance with the provisions of the JSE Listings Requirements and the Guide on *Pro Forma* Financial information issued by the South African Institute of Chartered Accountants. These *pro forma* financial effects are the responsibility of the Directors.

The *pro forma* financial information has been prepared using the accounting policies of AEEI which comply with IFRS and which are consistent with those applied in the annual financial statements of AEEI for the financial year ended 31 August 2017.

It has been assumed for purposes of *pro forma* financial effects that the Broad-based BEE Consortium Share Issue and the Share Issue took place with effect from 1 September 2016 for the statement of comprehensive income purposes and on 31 August 2017 for the statement of financial position purposes and that the BEE Consortium Share Issue and the Share Issue was fully subscribed for in cash.

Pro forma statement of comprehensive income for the year ended 31 August 2017

The *pro forma* statement of comprehensive income presented below was prepared on the assumption that the Broad-based BEE Consortium Share Issue and the Share Issue was implemented on 1 September 2016 and that the Share Issue was implemented at an issue price of R28.00 per Share.

Continuing operations	Audited financial information R'000 ¹	Broad-based BEE Consortium Share Issue R'000 ^{2,3}	Financial information after adjustment for Broad-based BEE Consortium Share Issue R'000	Pro forma adjustment – Share Issue R'000 ^{4,5}	Pro forma financial information after Share Issue R'000
Revenue	(1 052 196)	–	1 052 196	–	1 052 196
Cost of sales	(654 210)	–	(654 210)	–	(654 210)
Gross profit	397 986	–	397 986	–	397 986
Other income	3 960	–	3 960	–	3 960
Operating expenses	(297 289)	–	(297 289)	(5 106)	(302 395)
Gain on disposal of subsidiary	–	–	–	–	–
Gain on sale of business	6 019	–	6 019	–	6 019
Gain on bargain purchase	11 898	–	11 898	–	11 898
Net impairments and write offs	(2 605)	–	(2 605)	–	(2 605)
Fair value adjustments	535 083	–	535 083	–	535 083
Investment revenue	23 903	–	23 903	–	23 903
Profit from equity accounted investments	30 203	–	30 203	–	30 203
Finance costs	(28 267)	–	(28 267)	–	(28 267)
Profit before tax	680 891	–	680 891	(5 106)	675 785
Taxation	(155 029)	–	(155 029)	–	(155 029)
Profit from continuing operations	525 862	–	525 862	(5 106)	520 756
Discontinued operations	2 810	–	2 810	–	2 810
Profit for the year	528 672	–	528 672	(5 106)	523 566
Items that may be reclassified to profit or loss	–	–	–	–	–
Exchange differences on translating foreign operations	(4)	–	(4)	–	(4)
Total comprehensive income for the year	528 668	–	528 668	(5 106)	523 562
Attributable to:					
Owners of parent					
– Continuing operations	474 275	(399)	473 876	(5 783)	468 093
– Discontinued operations	2 810	–	–	–	2 810
Profit for the year attributable to owners of parent	477 085	–	–	(5 783)	470 903
Non-controlling interest:					
– Non-controlling interest – continuing operations	51 583	399	51 982	677	52 659
– Non-controlling interest – discontinued operations	–	–	–	–	–
	51 583	–	–	677	52 659
NOTES					
Weighted number of shares	491 339	–	–	491 339	491 339
Basic earnings per share (cents)	97,10	(0,00)	97,10	(1,18)	95,84
– Continuing operations	96,53	(0,00)	96,53	(1,18)	95,27
– Discontinued operations	0,57	–	0,57	–	0,57
Diluted earnings per share (cents)	97,10	(0,00)	97,10	(1,18)	95,84
– Continuing operations	96,53	(0,00)	96,53	(1,18)	95,27
– Discontinued operations	0,57	–	0,57	–	0,57
Adjustments to headline earnings					
– Gain on disposal of subsidiary	(4 334)	–	–	–	(4 334)
– Gain on bargain purchase	(8 567)	–	–	–	(8 567)
– Loss on disposal of property, plant and equipment	2 048	–	–	–	2 048
Headline earnings	466 232	–	–	(5 783)	460 050
Headline earnings per share (cents)	94,89	0,00	94,89	(1,18)	93,63
– Continuing operations	94,32	0,00	94,32	(1,18)	93,06
– Discontinued operations	0,57	–	0,57	–	0,57

Notes

- AYO Technology will issue 31,960,000 shares to the Broad-based BEE Consortium prior to Listing. The Broad-based BEE Consortium Share Issue will result in the dilution of AEEI's shareholding from 80.03% to 69.55%.
 - AYO Technology will list on the JSE and issue 99,782,655 shares to Invited Investors resulting in the dilution of AEEI's shareholding from 69.55% to approximately 49%.
1. The audited financial information was extracted without adjustments from the audited financial statements of AEEI for the year ended 31 August 2017 and was prepared in accordance with IFRS.
 2. Prior to Listing, the AYO Technology will issue 31,960,000 Shares to the Broad-based BEE Consortium. The Shares will be issued for R1.50 per Share, which will result in a cash inflow of R47.9 million. The Broad-based BEE Consortium Share Issue will cause dilution of AEEI's shareholding from 80.03% to 69.55%.
 3. The dilution of AEEI's shareholding from 80.03% to 69.55% will result in an increase in non-controlling interest:
 - a. of AYO Technology's profits attributable to the parent for the year, after taking into account the share issue costs for the year ended 31 August 2017, of which 31.45% has been allocated to non-controlling interests. This amount has been calculated to be R4.9 million.
 - b. the Broad-based BEE Consortium Share Issue column already includes an allocation of AYO Technology's profits for the year ended 31 August 2017 to the existing non-controlling interest before the Share Issue amounting to R4.5 million which has been taken into account.
 - c. thus, the *pro forma* adjustment amounts to R0.4 million. The Shares will be issued by AYO Technology, therefore there will be no change in the issued shares of AEEI.
 4. AYO Technology's Listing is assumed to incur transaction costs amounting to R77.3 million. R72.2 million of the estimated transaction costs relates to fees for the placement of shares and has been assumed to be directly attributable to Share Issue expenses which are recognised in equity in accordance with IAS 32 – Financial Instruments: Presentation. These are offset against the share capital in AYO Technology. The remaining R 5.1 million is an estimate of advisory and professional fees and it has been assumed that these are not directly attributable to Share Issue expenses. These expenses have been recognised in the statement of comprehensive income. It has been assumed that the transaction costs are not tax deductible. The adjustment for transaction costs is not expected to have a continuing effect.
 5. The dilution of AEEI's shareholding will result in an increase in non-controlling interest:
 - a. of AYO Technology's profits attributable to the parent for the year, after taking into account the share issue costs for the year ended 31 August 2017, of which 50.62% have been allocated to non-controlling interests. This amount has been calculated to be R5.6 million.
 - b. the existing non-controlling interest of R4.9 million as detailed in note 3a above has been taken into account.
 - c. thus the *pro forma* adjustment amounts to R0.7 million. The shares issued will be held by AYO Technology, therefore no change in the issued shares of AEEI.
 6. The *pro forma* financial information after the Share Issue column is based on the assumption that the Share Issue was implemented on 1 September 2016 for the purposes of the statement of comprehensive income.
 7. The earnings per share and headline earnings per share figures are calculated based on the weighted average number of shares in issue as at 31 August 2017. The diluted earnings per share and diluted headline earnings per share are calculated based on the weighted average number of shares in issue at 31 August 2017.
 8. There are no rights or options that exist and therefore there are no dilutionary instruments in issue.
 9. It has been assumed that there is no other income on the proceeds of the Share Issue.
 10. The tax rate is assumed to be 28%.

Pro forma statement of financial position as at 31 August 2017

The *pro forma* statement of financial position presented below was prepared on the assumption that the Broad-based BEE Consortium Share Issue and the Share Issue was implemented on 31 August 2017.

	Effect before sale 2017 R'000 ¹	Broad-based BEE Consortium Share Issue R'000 ^{2,3}	Financial information after adjustment for Broad-based BEE Consortium Share Issue R'000	Pro forma adjustment – Share Issue R'000 ^{3,4}	Effect after sale 2017 R'000
Assets					
Non-current assets					
Property, plant and equipment	154 527	–	154 527	–	154 527
Goodwill	82 940	–	82 940	–	82 940
Intangible assets	384 027	–	384 027	–	384 027
Investments in subsidiaries	–	–	–	–	–
Investments in associate	780 559	–	780 559	–	780 559
Investment in joint ventures	33	–	33	–	33
Loans to group companies	–	–	–	–	–
Other loans receivable	8 366	–	8 366	–	8 366
Other financial assets	425 524	–	425 524	–	425 524
Deferred tax	17 578	–	17 578	–	17 578
Prepayments	1 659	–	1 659	–	1 659
	1 855 213	–	1 855 213	–	1 855 213
Current assets					
Inventories	64 181	–	64 181	–	64 181
Other loans receivable	26 771	–	26 771	–	26 771
Current Tax Receivable	1 591	–	1 591	–	1 591
Operating Lease Assets	–	–	–	–	–
Trade & Other Receivables	195 050	–	195 050	–	195 050
Biological Assets	54 323	–	54 323	–	54 323
Cash & Cash Equivalents	625 024	47 940	672 964	2 774 308	3 447 272
	966 940	47 940	1 014 880	2 774 308	3 789 188
Total assets	2 822 153	47 940	2 870 093	2 774 308	5 644 401
Equity					
Equity attributable to equity holders of parent					
Share capital	403 177	–	403 177	–	403 177
Reserves	8 030	–	8 030	–	8 030
Retained income	866 286	(47 046)	819 240	2 723 661	3 542 901
	1 277 493	(47 046)	1 230 447	2 723 661	3 954 108
Non-controlling interest	760 627	94 986	855 613	50 647	906 260
	2 038 120	47 046	2 086 060	2 774 308	4 860 368

Pro forma statement of financial position as at 31 August 2017 (continued)

	Effect before sale 2017 R'000 ¹	Broad-based BEE Consortium Share Issue R'000 ^{2,3}	Financial information after adjustment for Broad-based BEE Consortium Share Issue R'000	Pro forma adjustment – Share Issue R'000 ^{3,4}	Effect after sale 2017 R'000
Liabilities					
Non-current liabilities					
Loans from group companies	–	–	–	–	–
Other financial liabilities	245 622	–	245 622	–	245 622
Finance lease obligation	2 549	–	2 549	–	2 549
Operating lease liabilities	1 274	–	1 274	–	1 274
Deferred tax	211 046	–	211 046	–	211 046
Provisions	811	–	811	–	811
	461 302	–	461 302	–	461 302
Current liabilities					
Other Financial Liabilities	47 232	–	47 232	–	47 232
Current Tax payable	32 506	–	32 506	–	32 506
Finance lease obligation	259	–	259	–	259
Operating Lease Liability	226	–	226	–	226
Trade & other Payables	169 984	–	169 984	–	169 984
Provisions	27 642	–	27 642	–	27 642
Bank Overdraft	44 522	–	44 522	–	44 522
	–	–	–	–	–
	322 371	–	322 371	–	322 371
Non current assets held for sale	360	–	360	–	360
Total liabilities	784 033	–	784 033	–	1 568 066
Total equity and liabilities	2 822 153	47 940	2 870 093	2 774 308	5 644 401
Net asset value per share (cents)	260,00	–	–	–	804,76
Net tangible asset value per share (cents)	164,96	–	–	–	709,72
No of shares	491 339	–	–	–	491 339
Weighted average number of shares	491 339	–	–	–	491 339

Notes

- AYO Technology will issue 31,960,000 shares to the Broad-based BEE Consortium prior to Listing. The Broad-based BEE Consortium Share Issue will result in the dilution of AEEI's shareholding from 80.03% to 69.55%.
 - AYO Technology will list on the JSE and issue 99,782,655 shares to Invited Investors resulting in the dilution of AEEI's shareholding from 69.55% to approximately 49%.
1. The audited financial information was extracted without adjustments from the audited financial statements of AEEI for the year ended 31 August 2017 and was prepared in accordance with IFRS.
 2. Prior to Listing, the AYO Technology will issue 31,960,000 Shares to Broad-based BEE Consortium The transaction was implemented on 31 August 2017 for the purposes of the statement of financial position. The shares were issued for R1.50 per share, which resulted in a cash inflow of R47.9 million and a dilution of AEEI's shareholding from 80.03% to 69.55%.
 3. The dilution of AEEI's shareholding from 80.03% to 69.55% will result in an increase in the non-controlling interest. 30.45% of the net asset value of AYO Technology as at 31 August 2017 amounting to R94.6 million and the non-controlling interest share of the profits of R0.4 million, totaling R95 million has been allocated to non-controlling interest.
 4. It is assumed that 99,782,655 AYO Technology shares will be issued at R28.00 per share. It is assumed that the Share Issue by AYO Technology will be fully subscribed for, resulting in a cash inflow of R2,793 million to the Group.
 - a. the estimated transaction costs for the listing will amount to R77.3million. The intercompany fee due to AEEI Corporate Finance of R57.7million will be eliminated. Thus, the result is a net cash inflow of R3,736 million.
 - b. R72.2million of the estimated transaction costs relates to fees for the placement of shares and has been assumed to be directly attributable the Share Issue expenses which are recognised in equity in accordance with IAS 32 – Financial Instruments: Presentation. These are offset against share capital in AYO Technology.
 - c. the remaining R5.1 million is an estimate of advisory and professional fees and it has been assumed that these are not directly attributable to the Share Issue expenses. These expenses have been recognised in the statement of comprehensive income. It has been assumed that the transaction costs are not tax deductible. The adjustment for transaction costs is not expected to have a continuing effect.
 5. The dilution of AEEI's shareholding from 69.55% to 49.38% will result in a further increase in the non-controlling interest. 50.62% of the net asset value of AYO Technology as at 31 August 2017, after the Broad-based BEE Consortium Share Issue, amounting to R158.8million, has been allocated to non-controlling interests. The shares will be issued by AYO Technology, therefore there will be no change in the number of issued shares of AEEI.
 - a. 50.62% of AYO Technology's profits for the year, after taking into account the Share Issue costs for the year ended 31 August 2017 and the allocation to non-controlling interest included in the statement of financial position as at 31 August 2017, have been allocated to non-controlling interests. This amount is calculated to be R1.1 million.
 - b. 50.62% of the total capitalised share placement costs of R72.2 million, which amounts to R36.8 million have also been allocated to non-controlling interest.
 - c. The allocated amount on the net asset value of AYO Technology plus profits after the Share Issue costs less the existing allocation to non-controlling interest less the share placement costs amounts to a total of R50.6 million for non-controlling interest.
 6. The *pro forma* financial information after the Share Issue column is based on the assumption that the Share Issue was implemented on 31 August 2017.
 7. The net asset value per share and tangible net asset value per share figures are calculated based on the weighted average number of shares in issue at 31 August 2017, being 491 million shares.
 8. It has been assumed that there is no other income on the proceeds of the Share Issue.
 9. The tax rate is assumed to be 28%.

PRO FORMA B – SHARE ISSUE AT AN ISSUE PRICE OF R43.00 PER ISSUE SHARE

The *pro forma* consolidated statement of financial position and the *pro forma* consolidated statement of comprehensive income of AEEI have been prepared for illustrative purposes only, to show the financial effects of the Broad-based BEE Consortium Share Issue and the Share Issue and due to its nature, may not give a fair reflection of AEEI's financial position, changes in equity and results of operations after the implementation of the Broad-based BEE Consortium Share Issue and the Share Issue. The *pro forma* financial information is presented in accordance with the provisions of the JSE Listings Requirements and the Guide on Pro Forma Financial information issued by the South African Institute of Chartered Accountants. These *pro forma* financial effects are the responsibility of the Directors.

The *pro forma* financial information has been prepared using the accounting policies of AEEI which comply with IFRS and which are consistent with those applied in the annual financial statements of AEEI for the financial year ended 31 August 2017.

It has been assumed for purposes of *pro forma* financial effects that the Broad-based BEE Consortium Share Issue and the Share Issue took place with effect from 1 September 2016 for the statement of comprehensive income purposes and on 31 August 2017 for the statement of financial position purposes and that the BEE Consortium Share Issue and Share Issue was fully subscribed for in cash.

Pro forma statement of comprehensive income for the year ended 31 August 2017

The *pro forma* statement of comprehensive income presented below was prepared on the assumption that the Broad-based BEE Consortium Share Issue and the Share Issue was implemented on 1 September 2016 and that the Share Issue was implemented at an issue price of R43.00 per Share.

Continuing operations	Audited financial information before Share Issue R'000 ¹	Broad-based BEE Consortium Share Issue R'000 ^{2,3}	Financial information after adjustment for Broad-based BEE Consortium Share Issue R'000	Pro forma adjustment – Share Issue R'000 ^{4,5}	Pro forma financial information after Share Issue R'000
Revenue	1 052 196	–	1 052 196	–	1 052 196
Cost of sales	(654 210)	–	(654 210)	–	(654 210)
Gross profit	397 986	–	397 986	–	397 986
Other income	3 960	–	3 960	–	3 960
Operating expenses	(297 289)	–	(297 289)	(5 106)	(302 395)
Gain on disposal of subsidiary	–	–	–	–	–
Gain on sale of business	6 019	–	6 019	–	6 019
Gain on bargain purchase	11 898	–	11 898	–	11 898
Net impairments and write offs	(2 605)	–	(2 605)	–	(2 605)
Fair value adjustments	535 083	–	535 083	–	535 083
Investment revenue	23 903	–	23 903	–	23 903
Profit from equity accounted investments	30 203	–	30 203	–	30 203
Finance costs	(28 267)	–	(28 267)	–	(28 267)
Profit before tax	680 891	–	680 891	(5 106)	675 785
Taxation	(155 029)	–	(155 029)	–	(155 029)
Profit from continuing operations	525 862	–	525 862	(5 106)	520 756
Discontinued operations	2 810	–	2 810	–	2 810
Profit for the year	528 672	–	528 672	(5 106)	523 566
Items that may be reclassified to profit or loss	–	–	–	–	–
Exchange differences on translating foreign operations	(4)	–	(4)	–	(4)
Total comprehensive income for the year	528 668	–	528 668	(5 106)	523 562
Attributable to:					
Owners of parent					
– Continuing operations	474 275	(399)	473 876	(5 783)	468 097
– Discontinued operations	2 810	–	–	–	2 810
Profit for the year attributable to owners of parent	477 085	–	–	(5 783)	470 907
Non-controlling interest:					
– Non-controlling interest – continuing operations	51 583	399	51 982	677	52 659
– Non-controlling interest – discontinued operations	–	–	–	–	–
	51 583	–	–	677	52 659

Pro forma statement of comprehensive income for the year ended 31 August 2017 (continued)

Continuing operations	Audited financial information before Share Issue R'000 ¹	Broad-based BEE Consortium Share Issue R'000 ^{2,3}	Financial information after adjustment for Broad-based BEE Consortium Share Issue R'000	Pro forma adjustment – Share Issue R'000 ^{4,5}	Pro forma financial information after Share Issue R'000
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NOTES

Weighted number of shares	491 339	–	–	491 339	491 339
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Basic earnings per share (cents)	97,10	(0,00)	97,10	(1,18)	95,84
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– Continuing operations	96,53	(0,00)	96,53	(1,18)	95,27
– Discontinued operations	0,57	–	0,57	–	0,57

Diluted earnings per share (cents)	97,10	(0,00)	97,10	(1,18)	95,84
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– Continuing operations	96,53	(0,00)	96,53	(1,18)	95,27
– Discontinued operations	0,57	–	0,57	–	0,57

Adjustments to headline earnings:

– Gain on disposal of subsidiary	(4 334)	–	–	–	(4 334)
– Gain on bargain purchase	(8 567)	–	–	–	(8 567)
– Loss on disposal of property, plant and equipment	2 048	–	–	–	2 048

Headline earnings	466 232			(5 783)	460 054
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Headline earnings per share (cents)	94,89	(0,00)	94,89	(1,18)	93,63
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– Continuing operations	94,32	(0,00)	94,32	(1,18)	93,06
– Discontinued operations	0,57	–	0,57	–	0,57

Notes

- AYO Technology will issue 31,960,000 shares to the Broad-based BEE Consortium prior to Listing. The Broad-based BEE Consortium Share Issue will result in the dilution of AEEI's shareholding from 80.03% to 69.55%.
 - AYO Technology will list on the JSE and issue 99,782,655 shares to Invited Investors resulting in the dilution of AEEI's shareholding from 69.55% to approximately 49%.
1. The audited financial information was extracted without adjustments from the audited financial statements of AEEI for the year ended 31 August 2017 and was prepared in accordance with IFRS.
 2. Prior to Listing, AYO Technology will issue 31,960,000 Shares to the Broad-based BEE Consortium. The Shares will be issued for R1.50 per Share, which will result in a cash inflow of R47.9 million. The Broad-based BEE Consortium Share Issue will cause a dilution of AEEI's shareholding from 80.03% to 69.55%.
 3. The dilution of AEEI's shareholding from 80.03% to 69.55%. will result in an increase in non-controlling interest:
 - a. of AYO Technology's profits attributable to the parent for the year, after taking into account the share issue costs for the year ended 31 August 2017, of which 31.45% has been allocated to non-controlling interests. This amount has been calculated to be R4.9 million.
 - b. the Broad-based BEE Consortium Share Issue column already includes an allocation of AYO Technology's profits for the year ended 31 August 2017 to the existing non-controlling interest before the Share Issue amounting to R4.5million which has been taken into account.
 - c. thus, the *pro forma* adjustment amounts to R0.4million. The Shares will be issued by AYO Technology, therefore there will be no change in the issued shares of AEEI.
 4. AYO Technology's Listing is assumed to incur transaction costs amounting to R77.3million. R72.2million of the estimated transaction costs relates to fees for the placement of shares and has been assumed to be directly attributable the Share Issue expenses which are recognised in equity in accordance with IAS 32 – Financial Instruments: Presentation. These are offset against share capital in AYO Technology. The remaining R5.1million is an estimate of advisory and professional fees and it has been assumed that these are not directly attributable the Share Issue expenses. These expenses have been recognised in the statement of comprehensive income. It has been assumed that the transaction costs are not tax deductible. The adjustment for transaction costs is not expected to have a continuing effect.
 5. The dilution of AEEI's shareholding from 69.55% to 49.38% will result in a further increase in non-controlling interest:
 - a. of AYO Technology's profits attributable to the parent for the year, after taking into account the share issue costs for the year ended 31 August 2017, of which 50.62% have been allocated to non-controlling interests. This amount has been calculated to be R5.6million.
 - b. the existing non-controlling interest of R4.9 million as detailed in note 3a. above has been taken into account.
 - c. thus, the *pro forma* adjustment amounts to R0.7million. The shares issued will be held by AYO Technology, therefore no change in the issued shares of AEEI.
 6. The *pro forma* financial information after the Share Issue column is based on the assumption that the Share Issue was implemented on 01 September 2016.
 7. The earnings per share and headline earnings per share figures are calculated based on the weighted average number of shares in issue as at 31 August 2017. The diluted earnings per share and diluted headline earnings per share are calculated based on the weighted average number of shares in issue as at 31 August 2017.
 8. There are no rights or options that exist and therefore there are no dilutionary instruments in issue.
 9. It has been assumed that there is no other income on the proceeds of the Share Issue.
 10. The tax rate is assumed to be 28%.

Pro forma statement of financial position as at 31 August 2017

The *pro forma* statement of financial position presented below was prepared on the assumption that the Broad-based BEE Consortium Share Issue and the Share Issue was implemented on 31 August 2017.

	Effect before sale 2017 R'000 ¹	Broad-based BEE Consortium Share Issue R'000 ^{2,3}	Financial information after adjustment for Broad-based BEE Consortium Share Issue R'000	Pro forma adjustment – Share Issue 1 R'000 ^{3,4}	Effect after sale 2017 R'000
Assets					
Non-current assets					
Property, plant and equipment	154 527	–	154 527	–	154 527
Goodwill	82 940	–	82 940	–	82 940
Intangible assets	384 027	–	384 027	–	384 027
Investments in subsidiaries	–	–	–	–	–
Investments in associate	780 559	–	780 559	–	780 559
Investment in joint ventures	33	–	33	–	33
Loans to group companies	–	–	–	–	–
Other loans receivable	8 366	–	8 366	–	8 366
Other financial assets	425 524	–	425 524	–	425 524
Deferred tax	17 578	–	17 578	–	17 578
Prepayments	1 659	–	1 659	–	1 659
	1 855 213	–	1 855 213	–	1 855 213
Current assets					
Inventories	64 181	–	64 181	–	64 181
Other loans receivable	26 771	–	26 771	–	26 771
Current Tax Receivable	1 591	–	1 591	–	1 591
Operating Lease Assets	–	–	–	–	–
Trade & Other Receivables	195 050	–	195 050	–	195 050
Biological Assets	54 323	–	54 323	–	54 323
Cash & Cash Equivalents	625 024	47 940	672 964	4 271 048	4 944 012
	966 940	47 940	1 014 880	4 271 048	5 285 928
Total assets	2 822 153	47 940	2 870 093	4 271 048	7 141 141
Equity					
Equity attributable to equity holders of parent					
Share capital	403 177	–	403 177	–	403 177
Reserves	8 030	–	8 030	–	8 030
Retained income	866 286	(47 046)	819 240	4 220 401	5 039 641
	1 277 493	(47 046)	1 230 447	4 220 401	5 450 848
Non-controlling interest	760 627	94 986	855 613	50 647	906 260
	2 038 120	47 940	2 086 060	4 271 048	6 357 108
Liabilities					
Non-current liabilities					
Loans from group companies	–	–	–	–	–
Other financial liabilities	245 622	–	245 622	–	245 622
Finance lease obligation	2 549	–	2 549	–	2 549
Operating lease liabilities	1 274	–	1 274	–	1 274
Deferred tax	211 046	–	211 046	–	211 046
Provisions	811	–	811	–	811
	461 302	–	461 302	–	461 302

Pro forma statement of financial position as at 31 August 2017 (continued)

	Effect before sale 2017 R'000'	Broad-based BEE Consortium Share Issue R'000 ^{2,3}	Financial information after adjustment for Broad-based BEE Consortium Share Issue R'000	Pro forma adjustment – Share Issue 1 R'000 ^{3,4}	Effect after sale 2017 R'000
Current liabilities					
Other Financial Liabilities	47 232	–	47 232	–	47 232
Current Tax payable	32 506	–	32 506	–	32 506
Finance lease obligation	259	–	259	–	259
Operating Lease Liability	226	–	226	–	226
Trade & other Payables	169 984	–	169 984	–	169 984
Provisions	27 642	–	27 642	–	27 642
Bank Overdraft	44 522	–	44 522	–	44 522
	322 371	–	322 371	–	322 371
Non current assets held for sale	360	–	360	–	360
Total liabilities	784 033	–	784 033	–	784 033
Total equity and liabilities	2 822 153	47 940	2 870 093	4 271 048	7 141 141
Net asset value per share (cents)	260,00				1 109,39
Net tangible asset value per share (cents)	164,96				1 014,35
No of shares	491 339				491 339
Weighted average number of shares	491 339				491 339

Notes

- AYO Technology will issue 31,960,000 shares to the Broad-based BEE Consortium prior to Listing. The Broad-based BEE Consortium Share Issue will result in the dilution of AEEI's shareholding from 80.03% to 69.55%.
- 1. AYO Technology will list on the JSE and issue 99,782,655 shares to Invited Investors resulting in the dilution of AEEI's shareholding from 69.55% to approximately 49%.
- 2. The audited financial information was extracted without adjustments from the audited financial statements of AEEI for the year ended 31 August 2017 and was prepared in accordance with IFRS.
- 3. Prior to Listing, AYO Technology will issue 31,960,000 Shares to the Broad-based BEE Consortium. The transaction was implemented on 31 August 2017 for the purposes of the statement of financial position. The shares were issued for R1.50 per share, which resulted in a cash inflow of R47.9 million and a dilution of AEEI's shareholding from 80.03% to 69.55%.
- 4. The dilution of AEEI's shareholding from 80.03% to 69.55% will result in an increase in the non-controlling interest. 30.45% of the net asset value of AYO Technology as at 31 August 2017 amounting to R94.6 million and the non-controlling interest share of the profits of R0.4 million, totaling R95 million has been allocated to non-controlling interest.
 - a. It is assumed that 99,782,655 AYO Technology shares will be issued at R43.00 per share. It is assumed that the Share Issue by AYO Technology will be fully subscribed for, resulting in a cash inflow of R4,271 million to the Group.
 - b. the estimated transaction costs for the listing will amount to R77.3 million. The intercompany fee due to AEEI Corporate Finance of R57.7 million will be eliminated. Thus, the result is a net cash inflow of R3,736 million.
 - c. R72.2 million of the estimated transaction costs relates to fees for the placement of shares and has been assumed to be directly attributable the Share Issue expenses which are recognised in equity in accordance with IAS 32 – Financial Instruments: Presentation. These are offset against share capital in AYO Technology.
- 5. the remaining R5.1 million is an estimate of advisory and professional fees and it has been assumed that these are not directly attributable the Share Issue expenses. These expenses have been recognised in the statement of comprehensive income. It has been assumed that the transaction costs are not tax deductible. The adjustment for transaction costs is not expected to have a continuing effect.
 - d. The dilution of AEEI's shareholding from 69.55% to 49.38% will result in a further increase in the non-controlling interest. 50.62% of the net asset value of AYO Technology as at 31 August 2017 after the Broad-based BEE Consortium Share Issue amounting to R158.8million has been allocated to non-controlling interests. The shares issued will be by AYO Technology, therefore no change in the issued shares of AEEI.
 - e. 50.62% of AYO Technology's profits for the year, after taking into account the Share Issue costs for the year ended 31 August 2017 and the allocation to non-controlling interest included in the statement of financial position as at 31 August 2017, have been allocated to non-controlling interests. This amount is calculated to be R1.1million.
 - f. 50.62% of the total capitalised share placement costs of R72.2million, which amounts to R36.8 million have also been allocated to non-controlling interest. The allocated amount on the net asset value of AYO Technology plus profits after the Share Issue costs less the existing allocation to non-controlling interest less the share placement costs amounts to a total of R50.6million for non-controlling interest.
- 6. The *pro forma* financial information after the Share Issue column is based on the assumption that the Share Issue was implemented on 31 August 2017.
- 7. The net asset value per share and tangible net asset value per share figures are calculated based on the weighted average number of shares in issue at 31 August 2017, being 491 million shares.
- 8. It has been assumed that there is no other income on the proceeds of the Share Issue.
- 9. The tax rate is assumed to be 28%.

ANNEXURE 2 – INDEPENDENT REPORTING ACCOUNTANT’S REPORT ON THE PRO FORMA FINANCIAL INFORMATION OF AEEI

The definitions and interpretations commencing on page 4 of the Circular, as read with definitions and interpretations commencing on page 4 of this Supplementary Circular, apply to this Annexure 2.

The Directors

African Equity Empowerment Investments Limited

Quay 7, Breakwater Boulevard, East Pier
Victoria and Alfred Waterfront
Cape Town
8001

24 November 2017

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS’ ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION OF AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED (“AEEI” or the “Company”)

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of AEEI by its Directors (“**Directors**”). The *pro forma* financial information as set out in **Annexure 1** of the supplementary circular (“Supplementary Circular”) comprises of two sets of *pro forma* financial information, Pro Forma A and Pro Forma B (the “**pro forma financial information**”). Pro Forma A and Pro Forma B, each consist of the *pro forma* statement of financial position, the *pro forma* statement of comprehensive income and related notes. The *pro forma* financial information has been compiled on the basis of the applicable criteria specified in the JSE Limited (“**JSE**”) Listings Requirements.

The *pro forma* financial information has been compiled by the Directors to illustrate the impact of the corporate actions, described in **Annexure 1**, on the AEEI Group’s financial position as at 31 August 2017, and the Company’s financial performance for the period then ended, as if the corporate actions had taken place at 31 August 2017 for purposes of the *pro forma* statement of financial position and at 01 September 2016 for the purposes of the *pro forma* statement of comprehensive income. As part of this process, information about the AEEI Group’s financial position and financial performance has been extracted by the Directors from the Company’s published financial statements for the 12 months ended 31 August 2017, on which an auditor’s report was issued on 07 November 2017.

Our independence and quality control

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

The firm applies International Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Directors’ responsibility for the *pro forma* financial information

The Directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in **Annexure 1**.

Reporting accountants’ responsibility

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the Directors on the basis specified in the JSE Listings Requirements based on our procedures performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (“**ISAE**”) 3420: *Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus*. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

As the purpose of *pro forma* financial information included in a circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- the related *pro forma* adjustments give appropriate effect to those criteria; and
- the *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

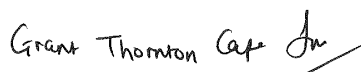
We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in **Annexure 1**.

Consent

This report on the *pro forma* financial information is included solely for the information of the AEEI shareholders. We consent to the inclusion of our report on the *pro forma* financial information in the Supplementary Circular and the references thereto, in the form and context in which they appear.



Grant Thornton Cape Incorporated

Practice number 970879-0000
Chartered Accountants (SA)
Registered Auditors

Bernard van der Walt

Partner
Chartered Accountant (SA)
Registered Auditor
6th Floor
123 Hertzog Boulevard Foreshore
Cape Town
8001



AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1996/006093/06)
Share code: AEE, ISIN: ZAE000195731
("AEEI" or "the Company")

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of AEEI Shareholders will be held at 10:00 on Monday, 18 December 2017 at AEEI's head office, at Quay 7, Breakwater Boulevard, East Pier, Victoria & Alfred Waterfront, Cape Town.

Purpose

The purpose of the General Meeting is to consider and, if deemed fit, to approve, with or without modification, the resolutions set out in this Notice of General Meeting.

Notes:

- *The definitions and interpretations commencing on page 4 of the Circular, as read with definitions and interpretations commencing on page 4 of this Supplementary Circular, apply mutatis mutandis to this notice of general meeting and to the resolutions set out below.*
- *For an ordinary resolution to be approved by Shareholders, it must be supported by more than 50% of the voting rights exercised on the resolution.*

1. ORDINARY RESOLUTION NUMBER 1 – AUTHORITY TO IMPLEMENT THE SHARE ISSUE

RESOLVED AS AN ORDINARY RESOLUTION, in terms of the JSE Listings Requirements, **THAT** the issue by the Company's subsidiary, AYO Technology, of the Issue Shares to new or existing investors at a price per share of not less than R28.00 or more than R43.00 per Issue Share to the persons contemplated in the Circular, as read with the Supplementary Circular, and on the terms detailed in the Circular, as read with the Supplementary Circular, be and is hereby authorised, such Share Issue to occur in conjunction with the Listing of AYO Technology on the JSE.

The reason for Ordinary Resolution Number 1 is that, in terms of the JSE Listings Requirements, the Share Issue by AYO Technology constitutes a category 1 disposal by AEEI and, accordingly, requires the approval of Shareholders. The effect of Ordinary Resolution Number 1, if passed, will be to grant the necessary approval to the Share Issue in terms of the JSE Listing Requirements.

2. ORDINARY RESOLUTION NUMBER 2 – AUTHORITY TO IMPLEMENT THE BROAD-BASED BEE CONSORTIUM SHARE ISSUE

RESOLVED AS AN ORDINARY RESOLUTION, in terms of the JSE Listings Requirements, **THAT** the issue by the Company's subsidiary, AYO Technology, of the Broad-based BEE Consortium Shares to the Broad-based BEE Consortium at the Broad-based BEE Consortium Issue Price and on the terms detailed in the Supplementary Circular, be and is hereby authorised, such Broad-based BEE Consortium Share Issue to occur prior to the Listing of AYO Technology on the JSE.

The reason for Ordinary Resolution Number 2 is that, in terms of the JSE Listings Requirements, the Broad-based BEE Consortium Share Issue, when aggregated with the Share Issue, by AYO Technology constitutes a category 1 disposal by AEEI and, accordingly, requires the approval of Shareholders. The effect of Ordinary Resolution Number 2, if passed, will be to grant the necessary approval to the Broad-based BEE Consortium Share Issue in terms of the JSE Listing Requirements.

3. ORDINARY RESOLUTION NUMBER 3 – AUTHORITY OF DIRECTORS

IT IS RESOLVED THAT any Director of the Company be and is hereby authorised to do all such things and sign all such documentation as are necessary to give effect to Ordinary Resolution Number 1 and Ordinary Resolution Number 2, hereby ratifying and confirming all such things already done and documentation already signed.

VOTING AND PROXIES

The date on which Shareholders must be recorded in the Register for the purposes of being entitled to receive this Notice of General Meeting is Friday, 17 November 2017.

The date on which Shareholders must be recorded in the Register for purposes of being entitled to attend and vote at the General Meeting, is Friday, 8 December 2017. The last day to trade in order to be entitled to attend and vote at the General Meeting, is Tuesday, 5 December 2017.

Section 63(1) of the Companies Act requires that meeting participants provide satisfactory identification. Accordingly, meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the General Meeting and must accordingly bring a copy of their identity document, passport or drivers' license to the General Meeting. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the Transfer Secretaries for guidance.

A Shareholder entitled to attend, speak and vote at the General Meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a Shareholder of the Company. For the convenience of Certificated Shareholders and Dematerialised Shareholders with "own-name" registration, a form of proxy (*grey*) is attached hereto. Completion of a form of proxy will not preclude such Shareholder from attending and voting (in preference to that Shareholder's proxy) at the General Meeting.

Duly completed forms of proxy and the authority (if any) under which they are signed must reach the Transfer Secretaries of the Company at the address given below by not later than 10:00 on Thursday, 14 December 2017, provided that any form of proxy not delivered to the Transfer Secretaries by this time may be handed to the chairman of the general meeting prior to the commencement of the general meeting, at any time before the appointed proxy exercises any shareholder rights at the general meeting.

Dematerialised Shareholders without "own-name" registration who wish to attend the General Meeting in person should request their CSDP or broker to provide them with the necessary letter of representation in terms of their custody agreement with their CSDP or broker. Dematerialised Shareholders without "own-name" registration who do not wish to attend but wish to be represented at the General Meeting must advise their CSDP or broker of their voting instructions. Dematerialised Shareholders without "own-name" registration should contact their CSDP or broker with regard to the cut-off time for their voting instructions.

ELECTRONIC PARTICIPATION IN THE GENERAL MEETING

Shareholders or their proxies may participate in the General Meeting by way of telephone conference call. A total of 7 telecommunication lines will be available for such participation. Shareholders or their proxies who wish to participate in the General Meeting via the teleconference facility must follow the instructions contained in the form entitled "Application for electronic participation at the General Meeting" that is attached to the Supplementary Circular. Shareholders who wish to participate in the General Meeting via the teleconference facility must note that they will not be able to vote during the General Meeting.

SIGNED AT CAPE TOWN ON MONDAY, 27 NOVEMBER 2017 ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY

By order of the Board



K ABDULLA

Chief executive officer

Registered Office

Quay 7, Breakwater Boulevard, East Pier
Victoria and Alfred Waterfront
Cape Town, 8001
(PO Box 181, Cape Town, 8000)

Transfer secretaries

Link Market Services South Africa Proprietary Limited
(Registration number 2000/007239/07)
13th Floor
19 Ameshoff Street
Braamfontein, 2001
(PO Box 4844, Johannesburg, 2000)



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 (Incorporated in the Republic of South Africa)
 (Registration number 1996/006093/06)
 Share code: AEE, ISIN: ZAE000195731
 (“AEEI” or “the Company”)

APPLICATION FOR ELECTRONIC PARTICIPATION AT THE GENERAL MEETING

The definitions and interpretations commencing on page 4 of the Circular, as read with definitions and interpretations commencing on page 4 of this Supplementary Circular, apply to this Application for Electronic Participation at the General Meeting.

1. Shareholders or their proxies who wish to participate in the General Meeting via electronic communication (“**Participants**”), must apply to the Transfer Secretaries to do so by delivering the form below (“**the application**”) to the offices of the Transfer Secretaries, Link Market Services 13th Floor, 19 Ameshoff Street, Braamfontein, 2001, by no later than 10:00 on Thursday, 14 December 2017. The application may also be posted, at the risk of the Participant, to Link Market Services, PO Box 4844, Johannesburg, 2000, so as to be received by the Transfer Secretaries by no later than the time and date set out above.
2. Participants must note that they will not be able to vote during the General Meeting. Such Participants, should they wish to have their vote(s) counted at the General Meeting, must act in accordance with the voting instructions contained in the notice of the General Meeting attached to the Supplementary Circular, i.e. to the extent applicable:
 - (i) complete the form of proxy; or
 - (ii) contact their CSDP or broker.
3. Important notice
 - 3.1. A total of 7 telecommunication lines will be available.
 - 3.2. Each Participant will be contacted between Thursday, 14 December 2017 and Friday, 15 December 2017 (both days inclusive), via email and/or SMS with a code and the relevant telephone number to allow them to dial in.
 - 3.3. The cost of the Participant’s phone call will be for his/her own expense and will be billed separately by his/her own telephone service provider.
 - 3.4. The cut-off time to participate in the meeting will be 10:00 on Monday, 18 December 2017. No late dial-in will be accommodated.

THE APPLICATION FORM

Full name of the Shareholder	
Identity number	
Email address	
Cell number	
Telephone number	
Name of CSDP or Broker (if Shares are held in Dematerialised format)	
Contact number of CSDP/Broker	
Contact person at CSDP/Broker	
Number of share certificate (if applicable)	

TERMS AND CONDITIONS FOR PARTICIPATION AT THE GENERAL MEETING VIA ELECTRONIC COMMUNICATION

1. The cost of dialing in using a telecommunication line to participate in the General Meeting is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.
2. The Participant acknowledges that the telecommunication lines are provided by a third party and hereby indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the telecommunication lines or any defect in it or from total or partial failure of the telecommunication lines and connections linking the telecommunication lines to the General Meeting.
3. Participants must note that they will not be able to vote during the General Meeting. Such Participants, should they wish to have their vote(s) counted at the General Meeting, must act in accordance with the voting instructions contained in the notice of General Meeting, i.e. to the extent applicable: (i) complete the form of proxy; or (ii) contact their CSDP or broker.
4. The application will only be deemed successful if this application form has been completed, fully signed by the Participant and delivered to the offices of the Transfer Secretaries in the manner contemplated herein.

Shareholder name: _____

Signature: _____

Date: _____



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FORM OF PROXY

ONLY FOR USE BY CERTIFICATED SHAREHOLDERS AND DEMATERIALIZED SHAREHOLDERS WITH "OWN-NAME" REGISTRATION

For use by Shareholders at the General Meeting of AEEI Shareholders to be held at 10:00 on Monday, 18 December 2017 at AEEI's head office, at Quay 7, Breakwater Boulevard, East Pier, Victoria & Alfred Waterfront, Cape Town, or any adjourned or postponed meeting.

The definitions and interpretations commencing on page 4 of the Circular, as read with definitions and interpretations commencing on page 4 of this Supplementary Circular, apply to this form of proxy.

If you are a Dematerialised Shareholder without "own-name" registration you must not complete this form of proxy but must instruct your CSDP or broker as to how you wish to vote. This must be done in terms of the custody agreement between you and your CSDP or broker.

I/We (Please PRINT names in full) _____

of (address) _____

Telephone numbers: Landline _____ Mobile _____

E-mail address _____

being the holder(s) of _____ Certificated Shares or Dematerialised Shares with "own-name" registration

do hereby appoint (see notes 1 and 2):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the Chairman of the General Meeting

as my/our proxy to attend, speak and vote for me/us at the General Meeting (or any adjournment thereof) for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the Shares registered in my/our name(s), in accordance with the following instruction (see notes):

	For*	Against*	Abstain*
Ordinary Resolution Number 1 Authority to implement the Share Issue			
Ordinary Resolution Number 2 Authority to implement the Broad-based BEE Consortium Share Issue			
Ordinary Resolution Number 3 Authority of Directors			

* *One vote per Share held by Shareholders. Shareholders must insert the relevant number of votes they wish to vote in the appropriate box provided or "X" should they wish to vote all Shares held by them. If the form of proxy is returned without an indication as to how the proxy should vote on any particular matter, the proxy will exercise his/her discretion as to whether, and if so, how he/she votes.*

Signed at: _____ on _____ 2017

Signature _____

Capacity of signatory (where applicable) _____

Note: Authority of signatory to be attached – see notes 8 and 9. _____

Telephone number _____ Cellphone number _____

Assisted by me (where applicable) _____

Full name _____

Capacity _____

Signature _____

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- A Shareholder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a Shareholder) as a proxy to participate in, and speak and vote at, a Shareholders' meeting on behalf of such Shareholder.
- A Shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the Shareholder.
- A proxy may delegate his authority to act on behalf of a Shareholder to another person, subject to any restriction set out in the instrument appointing such proxy.
- Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant Shareholder chooses to act directly and in person in the exercise of any of such Shareholder's rights as a Shareholder.
- Any appointment by a Shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise.
- If an appointment of a proxy is revocable, a Shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company.
- A proxy appointed by a Shareholder is entitled to exercise, or abstain from exercising, any voting right of such Shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise.
- If the instrument appointing a proxy or proxies has been delivered by a Shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a Shareholder must be delivered by such company to:
 - the relevant Shareholder; or
 - the proxy or proxies, if the relevant Shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.

Notes:

1. Each Shareholder is entitled to appoint 1 (one) (or more) proxies (none of whom need be a Shareholder of the Company) to attend, speak and vote in place of that Shareholder at the General Meeting.
2. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space/s provided with or without deleting "the Chairman of the General Meeting" but the Shareholder must initial any such deletion. 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.
3. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Shareholder in the appropriate box provided or "X" should the Shareholder wish to vote all Shares held by him. Failure to comply with the above will be deemed to authorise and direct the chairman of the General Meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions, or any other proxy to vote or abstain from voting at the General Meeting as he/she deems fit, in respect of all the Shareholder's votes exercisable at the meeting.
4. Completed forms of proxy and the authority (if any) under which they are signed must be lodged with or posted to the Transfer Secretaries, Link Market Services, at 13th Floor, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000), to be received by them by no later than 48 hours before the commencement of the General Meeting (or any adjournment of the General Meeting), excluding Saturdays, Sundays and official public holidays, provided that any form of proxy not delivered to the Transfer Secretaries by this time may be handed to the chairman of the general meeting prior to the commencement of the general meeting, at any time before the appointed proxy exercises any shareholder rights at the general meeting.
5. 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 in terms hereof, should such Shareholder wish to do so.
6. The chairman of the General Meeting may accept or reject any form of proxy not completed and/or received in accordance with these notes or with the memorandum of incorporation of the Company.
7. Any alteration or correction made to this form of proxy must be initialed by the signatory/ies.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by the Company or the Transfer Secretaries.
9. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has been registered by the Company or the Transfer Secretaries or waived by the chairman of the General Meeting.
10. Where Shares are held jointly, all joint holders are required to sign this form of proxy.
11. A minor Shareholder 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 Company or the Transfer Secretaries.
12. Dematerialised Shareholders who do not own Shares in "own-name" dematerialised form and who wish to attend the General Meeting, or to vote by way of proxy, must contact their CSDP or broker who will furnish them with the necessary letter of representation to attend the General Meeting or to be represented thereat by proxy. This must be done in terms of the agreement between the Shareholder and his/her CSDP or broker.
13. This form of proxy shall be valid at any resumption of an adjourned meeting to which it relates although this form of proxy shall not be used at the resumption of an adjourned meeting if it could not have been used at the General Meeting from which it was adjourned for any reason other than it was not lodged timeously for the meeting from which the adjournment took place. This form of proxy shall in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the General Meeting in question, subject to any specific direction contained in this form of proxy as to the manner of voting.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Share in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Transfer Secretaries before the commencement of the meeting or adjourned meeting at which the proxy is used.
15. Any proxy appointed pursuant to this form of proxy may not delegate her or his authority to act on behalf of the relevant Shareholder.
16. In terms of section 58 of the Companies Act, unless revoked, an appointment of a proxy pursuant to this form of proxy remains valid only until the end of the General Meeting or any adjournment of the General Meeting.

