



NOTICE OF ANNUAL GENERAL MEETING AND FORM OF PROXY  
AND CONDENSED AUDITED CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017

# AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED MEETING

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**23 NOVEMBER 2017**

Dear shareholder,

Please find attached hereto the notice of the annual general meeting of shareholders of African Equity Empowerment Investments Limited ("AEEI" or "the Company") to be held at AEEI's head office at Premier Fishing, Quay 7, East Pier, Breakwater Boulevard, V&A Waterfront on 21 February 2018 at 15:00 ("the AGM" or "the annual general meeting").

The Company's integrated report, containing the complete audited annual financial statements for the year ended 31 August 2017 is available for download on AEEI's website at [www.aeei.co.za](http://www.aeei.co.za).



**Prof Vukile Mehana**

*Independent non-executive chairman*



**Khalid Abdulla**

*Chief executive*

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the nineteenth annual general meeting of the shareholders of AEEI will be held at AEEI's head office at Premier Fishing, Quay 7, East Pier, V&A Waterfront on 21 February 2018 at 15:00.

## PURPOSE

The purpose of the annual general meeting is to transact the business set out in the agenda below.

## AGENDA

Presentation of the audited annual financial statements of the Company, including the reports of the Board of directors of the Company ("the Directors" or "the Board") and the audit and risk committee for the year ended 31 August 2017. The integrated report contains the complete audited annual financial statements and is available on the Company's website at [www.aeei.co.za](http://www.aeei.co.za) or can be obtained from the Company's registered office, at no charge, during office hours. A condensed version of the audited consolidated financial statements is included in Annexure A to this notice of annual general meeting.

To consider and, if deemed fit, to pass, with or without modification, the following ordinary and special resolutions:

### ORDINARY BUSINESS

**Note:** For any of the Ordinary Resolutions Numbers 1 to 11 and 13 and 14 to be adopted, more than 50% (fifty percent) of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For Ordinary Resolution Number 12 to be adopted, at least 75% (seventy-five percent) of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.

### 1. RETIREMENT AND RE-ELECTION OF THE DIRECTORS OF THE COMPANY

#### 1.1 Ordinary resolution number 1

"Resolved that Reverend Dr VC Mehana, who retires by rotation in terms of the Memorandum of Incorporation of the Company and, being eligible and offering himself for re-election, be and is hereby re-elected as Director."

#### 1.2 Ordinary resolution number 2

"Resolved that Mr S Young, who retires by rotation in terms of the Memorandum of Incorporation of the Company and, being eligible and offering himself for re-election, be and is hereby re-elected as Director."

#### 1.3 Ordinary resolution number 3

"Resolved that Mr JM Gaomab, who retires by rotation in terms of the Memorandum of Incorporation of the Company and, being eligible and offering himself for re-election, be and is hereby re-elected as Director."

#### 1.4 Ordinary resolution number 4

"Resolved that Mrs AB Amod, who retires by rotation in terms of the Memorandum of Incorporation of the Company and, being eligible and offering herself for re-election, be and is hereby re-elected as Director."

#### 1.5 Ordinary resolution number 5

"Resolved that Mr TT Hove, who retires by rotation in terms of the Memorandum of Incorporation of the Company and, being eligible and offering himself for re-election, be and is hereby re-elected as Director."

#### 1.6 Ordinary resolution number 6

"Resolved that Ms Z Barends, who retires by rotation in terms of the Memorandum of Incorporation of the Company, being eligible and offering herself for re-election, be and is hereby re-elected as Director."

A brief curriculum vitae for each of the Directors to be re-elected, is set out in Annexure B to this notice of annual general meeting.

*The reason for and effect of Ordinary Resolutions Numbers 1 to 6 (inclusive) is that the Memorandum of Incorporation of the Company and, to the extent applicable, the Companies Act, 2008 (No. 71 of 2008), as amended ("the Companies Act"), require that a component of the Directors rotate at every annual general meeting of the Company and, being eligible, may offer themselves for re-election as Directors.*

## 2. RE-APPOINTMENT OF THE MEMBERS OF THE AUDIT AND RISK COMMITTEE

**Note:** For the avoidance of doubt, all references to the audit and risk committee of the Company is a reference to the audit committee as contemplated in the Companies Act.

### 2.1 Ordinary resolution number 7

"Resolved that Mr S Young, being eligible and offering himself for re-election as a member of the audit and risk committee of the Company, as recommended by the Directors, be and is hereby re-elected until the next annual general meeting of the Company."

### 2.2 Ordinary resolution number 8

"Resolved that Mr JM Gaomab, being eligible and offering himself for re-election as a member of the audit and risk committee of the Company, as recommended by the Directors, be and is hereby re-elected until the next annual general meeting of the Company."

### 2.3 Ordinary resolution number 9

"Resolved that Mr TT Hove, being eligible and offering himself for re-election as a member of the audit and risk committee of the Company, as recommended by the Directors, be and is hereby elected until the next annual general meeting of the Company."

*The reason for and effect of Ordinary Resolutions Numbers 7 to 9 (inclusive) is that the Company, being a public listed company, must appoint an audit committee and the Companies Act requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each annual general meeting of a company.*

In terms of section 94 of the Companies Act, an audit committee should comprise at least three members.

## 3. RE-APPOINTMENT OF AUDITOR

### ORDINARY RESOLUTION NUMBER 10

"Resolved that Grant Thornton Cape Inc. be and is hereby re-appointed as the independent auditors of the Company for the ensuing financial year on the recommendation of the audit and risk committee of the Company."

*The reason for and effect of Ordinary Resolution Number 10 is that the Company, being a public listed company, must have its financial results audited and such auditor must be appointed or re-appointed each year at the annual general meeting of the Company as required by the Companies Act.*

## 4. CONTROL OF AUTHORISED BUT UNISSUED "B" ORDINARY SHARES

### ORDINARY RESOLUTION NUMBER 11

"Resolved that the authorised but unissued "B" ordinary shares in the share capital of the Company be and are hereby placed under the control and authority of the Directors and that the Directors be and are hereby authorised and empowered to allot, issue and otherwise dispose of such shares or to issue any options in respect of, or instruments that are convertible into, such shares, to such person/s on such terms and conditions and at such times as the Directors may from time to time determine and at their discretion deem fit, subject to the provisions of the Companies Act, the Memorandum of Incorporation of the Company and the Listings Requirements of the JSE Ltd ("the JSE Listings Requirements"), when applicable."

This general authority will be valid until the earlier of the Company's next annual general meeting or the expiry of a period of 15 (fifteen) months from the date that this authority is given.

*The reason for and effect of Ordinary Resolution Number 11 is that the Board requires authority from shareholders in terms of the Memorandum of Incorporation of the Company to issue shares in the Company. This general authority, once granted, allows the Board from time to time, when it is appropriate to do so, to issue ordinary shares as may be required, inter alia, in terms of capital raising exercises and to maintain a healthy capital adequacy ratio.*

## 5. APPROVAL TO ISSUE "B" ORDINARY SHARES AND/OR OPTIONS FOR CASH

### ORDINARY RESOLUTION NUMBER 12

"Resolved that the Directors be and are hereby authorised, by way of a general authority, to allot and issue, or issue any options in respect of, or instruments that are convertible into, any of the authorised but unissued "B" ordinary shares in the capital of the Company for cash, as and when they at their discretion deem fit, subject to the Companies Act, the Memorandum of Incorporation of the Company and the JSE Listings Requirements, when applicable, provided that:

- the equity securities which are subject to the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- the equity securities must be issued to "public shareholders" as defined in the JSE Listings Requirements and not to related parties;
- the number of equity securities issued for cash shall not, in the aggregate in any one financial year, exceed 15% (fifteen percent) of the Company's relevant number of equity securities in issue of that class as at the date of this notice of annual general meeting, excluding treasury securities. As at the date of this notice of annual general meeting, 15% (fifteen percent) of the Company's issued "B" share capital amounts to 73 700 915 "B" ordinary shares. Any securities issued under this general authority will be deducted from the aforementioned 73 700 915 securities. In the event of a sub-division or a consolidation during the period of this general authority, the number of securities which can be issued in terms of this general authority will be adjusted to represent the same allocation ratio;
- this general authority will be valid until the earlier of the Company's next annual general meeting or the expiry of a period of 15 (fifteen) months from the date that this authority is given;
- if the issued securities represent, on a cumulative basis, 5% or more of the number of securities in issue prior to that issue, an announcement containing the full details of such issue shall be published on SENS;
- in determining the price at which an issue of equity securities may be made in terms of this authority, the maximum discount permitted will be 10% (ten percent) of the weighted average traded price on the JSE of the "B" ordinary shares over the 30 (thirty) business days prior to the date that the price of the issue is determined or agreed between the issuer and the party subscribing for the securities. The JSE will be consulted for a ruling if the Company's securities have not traded in such 30 (thirty) business day period; and
- whenever the Company wishes to use "B" ordinary shares, held as treasury stock by a subsidiary of the Company, such use must comply with the JSE Listings Requirements as if such issue was a fresh issue of "B" ordinary shares; and in respect of the issue of options/convertible instruments for cash, if the strike or conversion price of the options/convertible instruments is at a discount that exceeds the maximum discount contemplated in paragraph 5.52(d) of the JSE Listings Requirements, then the grant/issue may only proceed if the Directors have obtained a fairness opinion, in accordance with Schedule 5 of the JSE Listings Requirements, from an independent expert acceptable to the JSE, confirming that the grant/issue is fair insofar as the shareholders of the Company are concerned."

In terms of the JSE Listings Requirements, Ordinary Resolution Number 12 must be passed by at least 75% (seventy-five percent) of the votes cast in favour of the resolution by all shareholders present or represented by proxy and entitled to vote on this resolution at the annual general meeting.

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions and/or to duly approved share incentive schemes), as contemplated in Ordinary Resolution Number 12 above, it is necessary for the Board of the Company to obtain the prior authority of the shareholders in accordance with the JSE Listings Requirements and the Memorandum of Incorporation of the Company.

*The reason for and effect of Ordinary Resolution Number 12 is accordingly to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the Memorandum of Incorporation of the Company.*

## 6. NON-BINDING ADVISORY VOTE ON THE REMUNERATION POLICY OF THE COMPANY

### ORDINARY RESOLUTION NUMBER 13

"Resolved that the Company's remuneration policy, as set out in the remuneration report on pages 107 to 113 of the integrated report and Annexure D of the AGM Notice, be and is hereby endorsed by way of a non-binding advisory vote."

*The reason and effect for Ordinary Resolution Number 13 is that the King IV Report on Corporate Governance™ for South Africa 2016 (King IV™) recommends that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at each AGM. This enables shareholders to express their views on the remuneration policy adopted. Ordinary Resolution Number 13 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the Board will take the outcome of the vote into consideration when considering amendments to the Company's remuneration policy.*

## 7. NON-BINDING ADVISORY VOTE ON THE IMPLEMENTATION OF THE REMUNERATION POLICY OF THE COMPANY

### ORDINARY RESOLUTION NUMBER 14

"Resolved that the Company's implementation report with regard to the remuneration policy, as set out in the remuneration report on pages 107 to 113 of the integrated report and Annexure D of the AGM Notice, be and is hereby endorsed by way of a non-binding vote."

*The reason and effect for Ordinary Resolution Number 14 is that King IV™ recommends that the implementation of a company's remuneration policy be tabled for a non-binding vote by shareholders at each AGM. This enables shareholders to express their views on the implementation of the Company's remuneration policies. Ordinary Resolution Number 14 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration arrangements. However, the Board will take the outcome of the vote into consideration when considering amendments to the Company's remuneration policy.*

### SPECIAL BUSINESS

**Note:** For any of the Special Resolutions Numbers 1 to 4 to be adopted, at least 75% (seventy five percent) of the voting rights exercised on each such special resolution must be exercised in favour thereof.

## 8. REMUNERATION OF NON-EXECUTIVE DIRECTORS

### SPECIAL RESOLUTION NUMBER 1

"Resolved, in terms of section 66(9) of the Companies Act, that the Company be and is hereby authorised to remunerate its non-executive Directors for their services as non-executive Directors and/or pay any fees related thereto on the following basis, provided that the aforementioned authority shall be valid until the next annual general meeting of the Company:

#### Proposed annual remuneration

Per annum, with effect from 1 September 2017, for serving as a non-executive director (including serving on the Board's subcommittees):

	VC Mehana R'000	S Young R'000	JM Gaomab R'000	AB Amod R'000	Total R'000
Directors' fees	425	364	212	212	1 213

**Note:** TT Hove and Z Barends waived their non-executive fees.

*The reason for and effect of Special Resolution Number 1 is for the Company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive Directors in accordance with the requirements of the Companies Act.*

*The effect of Special Resolution Number 1 is that the Company will be able to pay its non-executive Directors for the services they render to the Company as non-executive Directors without requiring further shareholder approval until the next annual general meeting.*

**Note:** Executive Directors are remunerated in accordance with the employment agreements entered into between the Company and such Directors.

## 9. INTER-COMPANY FINANCIAL ASSISTANCE

### SPECIAL RESOLUTION NUMBER 2

"Resolved that, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, the Board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the Board may deem fit to any company or corporation that is related or inter-related ("related" or "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the Board determines, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company."

*The reason for and effect of Special Resolution Number 2 is to grant the Directors the authority, until the next annual general meeting, to provide financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is, inter alia, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.*

## 10. FINANCIAL ASSISTANCE FOR THE SUBSCRIPTION AND/OR PURCHASE OF SHARES IN THE COMPANY OR A RELATED OR INTER-RELATED COMPANY

### SPECIAL RESOLUTION NUMBER 3

"Resolved that, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, the Board be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the Board may deem fit to any company or corporation that is related or inter-related to the Company ("related" or "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or in any company or corporation that is related or inter-related to the Company, on the terms and conditions and for amounts that the Board may determine, for the purpose of, or in connection with, the subscription of any option, or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or a related or inter-related company, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company."

*The reason for and effect of Special Resolution Number 3 is to grant the Directors the authority, until the next annual general meeting, to provide financial assistance to any company or corporation which is related or inter-related to the Company for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or in any such related or inter-related company or corporation. This means that the Company is authorised, inter alia, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the Company or its subsidiaries. A typical example of where the Company may rely on this authority is where a subsidiary raised funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of guarantee or otherwise, for the obligations of its subsidiary to the third-party funder arising from the issue of the preference shares. The Company has no immediate plans to use this authority and is simply obtaining same in the interest of prudence and good corporate governance should the unforeseen need arise to use the authority.*

In terms of and pursuant to the provisions of sections 44 and 45 of the Companies Act, the Directors confirm that the Board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in Special Resolutions Numbers 2 and 3 above:

- the assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company);
- the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 (twelve) months;
- the terms under which any financial assistance is proposed to be provided, will be fair and reasonable to the Company; and
- all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company's Memorandum of Incorporation have been met.

## 11. APPROVAL FOR THE COMPANY OR ITS SUBSIDIARIES TO REPURCHASE COMPANY SHARES

### SPECIAL RESOLUTION NUMBER 4

"Resolved, as a special resolution, that the Company and the subsidiaries of the Company be and are hereby authorised, by way of a general authority, to repurchase, from time to time, any of the "B" ordinary shares of the Company, upon such terms and conditions and in such amounts as the Directors may from time to time determine, but subject to the provisions of the Companies Act, the Memorandum of Incorporation of the Company and the JSE Listings Requirements, where applicable, and provided that:

- the repurchase of the "B" ordinary shares will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;
- this general authority shall only be valid until the earlier of the Company's next annual general meeting or the expiry of a period of 15 (fifteen) months from the date of passing of this special resolution;
- in determining the price at which the Company's "B" ordinary shares are acquired in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the weighted average of the market value at which such ordinary shares are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date on which the transaction is effected;
- the acquisition of "B" ordinary shares, in the aggregate in any one financial year, may not exceed 20% (twenty percent) of the Company's issued ordinary share capital as at the beginning of the financial year, provided that the Company's subsidiaries may not, collectively, hold more than 10% (ten percent) of the Company's issued ordinary share capital at any time;
- after such repurchase, the Company will still comply with the JSE Listings Requirements concerning shareholder spread requirements;
- the Company or its subsidiaries may not repurchase "B" ordinary shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements, unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing. The Company will instruct an independent third party, which party makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme;
- when the Company and/or its subsidiaries have cumulatively purchased 3% (three percent) of the number of the ordinary shares in issue at the time this general authority is granted ("initial number") and for each 3% (three percent) in aggregate of the initial number acquired thereafter an announcement setting out full details of such purchase will be made on SENS;
- at any point in time, the Company may only appoint one agent to effect any purchases on its behalf; and
- the Company may not effect a repurchase during any prohibited period as defined in terms of the JSE Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party, as contemplated in terms of paragraph 5.72(h) of the Listings Requirements."

*The reason for and effect of Special Resolution Number 4 is to grant the Directors a general authority, in terms of the Memorandum of Incorporation of the Company and the JSE Listings Requirements, for the acquisition by the Company, or any subsidiary of the Company, of shares issued by the Company on the basis reflected in Special Resolution Number 4.*

The Company has no immediate plans to use this authority and is simply obtaining same in the interest of prudence and good corporate governance should the unforeseen need arise to use the authority.

The Directors, and the directors of the subsidiaries of the Company, will only utilise the general authority to purchase shares of the Company, as set out in Special Resolution Number 4, to the extent that the Directors, after considering the maximum shares to be purchased, are of the opinion that the position of the Group would not be compromised as to the following:

- the Group is in a position to repay its debts in the ordinary course of business for a period of 12 (twelve) months after the date of this notice of annual general meeting;
- the assets of the Group, being fairly valued in accordance with the accounting policies used in the latest audited consolidated annual financial statements, will exceed the liabilities of the Group for a period of 12 (twelve) months after the date of this notice of annual general meeting;



- the share capital and reserves of the Group are adequate for ordinary business purposes for a period of 12 (twelve) months after the date of this notice of annual general meeting; and
- the available working capital of the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of this notice of annual general meeting;

and the Directors have passed a resolution authorising the repurchase, resolving that the Company has satisfied the solvency and liquidity test as defined in the Companies Act and, resolving that since the solvency and liquidity test has been applied, there have been no material changes to the financial position of the Group.

## 12. OTHER BUSINESS

To transact such other business as may be transacted at the annual general meeting.

### INFORMATION RELATING TO THE ORDINARY RESOLUTION AND SPECIAL RESOLUTIONS

- i. The Directors of the Company or its subsidiaries will only utilise the general authority to repurchase shares of the Company as set out in special resolution number 4 to the extent that the Directors, after considering the maximum number of shares to be purchased, are of the opinion that the position of the Group would not be compromised as to the following:
  - the Group's ability in the ordinary course of business to pay its debts for a period of 12 (twelve) months after the date of this AGM and for a period of 12 (twelve) months after the repurchase;
  - the consolidated assets of the Group will at the time of the AGM and at the time of making such determination be in excess of the consolidated liabilities of the Group. The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the Group;
  - the ordinary capital and reserves of the Group after the repurchase will remain adequate for the purpose of the business of the Group for a period of 12 (twelve) months after the AGM and after the date of the share repurchase; and
  - the working capital available to the Group after the repurchase will be sufficient for the Group's requirements for a period of 12 (twelve) months after the date of the notice of the AGM.
- ii. Other disclosures in terms of the JSE Listings Requirements
 

The JSE Listings Requirements require the following disclosures, which are disclosed in Annexure B to this notice of annual general meeting, as set out below:

  - Major shareholders of the Company; and
  - Share capital of the Company.
- iii. Material changes
 

The facts and developments are reported on in the integrated report. For material restatements of line items in the statement of other comprehensive income, refer to note 52 of the audited financial statements.
- iv. Directors' responsibility statement
 

The Directors, whose names appear in Annexure B to this notice of annual general meeting, collectively and individually accept responsibility for the accuracy of the information pertaining to the special resolutions set out above 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 all reasonable enquiries to ascertain such facts have been made and that this notice contains all information required by law and the JSE Listings Requirements.
- v. Special Resolutions Numbers 2, 3 and 4 are renewals of resolutions taken at the previous annual general meeting on 25 February 2017.
- vi. For Ordinary Resolution 12 to be adopted, at least 75% (seventy-five percent) of the voting rights must be exercised in favour thereof.
- vii. For any of the Special Resolutions Numbers 1 to 4 to be adopted, at least 75% (seventy-five percent) of the voting rights exercised on each such special resolution must be exercised in favour thereof.

## VOTING AND PROXIES

The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the Company ("the Share Register") for purposes of being entitled to receive this notice is Friday, 17 November 2017.

The date on which shareholders must be recorded in the Share Register for purposes of being entitled to attend and vote at the annual general meeting is Friday, 16 February 2018, with the last day to trade being Tuesday, 13 February 2018.

In terms of section 63(1) of the Companies Act, meeting participants will be required to provide reasonably satisfactory identification before being entitled to participate or vote at the annual general meeting. Forms of identification that will be accepted include an original and valid identity documents, passports or driver's licence. 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.

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration are entitled to attend and vote at the annual general meeting and are entitled to appoint a proxy or proxies to attend, speak and vote in their 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 is enclosed herewith.

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

- hold "B" ordinary shares in certificated form; or
- have dematerialised their "B" ordinary shares and are registered with "own name" registration.

"B" ordinary shareholders who have dematerialised their ordinary shares through a Central Securities Depository Participant ("CSDP") or broker and wish to attend the annual general meeting, must instruct their CSDP or broker to provide them with the relevant 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.

On a show of hands, every shareholder of the Company present in person or represented by proxy shall have one vote only.

Proxy forms should be lodged with the Transfer Secretaries of the Company, Link Market Services (Pty) Ltd, Rennie House, 13th Floor, 19 Ameshoff Street, Braamfontein, 2001 or posted to the Transfer Secretaries at PO Box 4844, Johannesburg, 2000, South Africa to be received by them not later than Thursday, 15 February 2018 at 15:00 provided that any form of proxy not delivered to the Transfer Secretary by this time may be handed to the chairman of the annual general meeting prior to the commencement of the annual general meeting, at any time before the appointed proxy exercises any shareholder rights at the annual general meeting.

## ELECTRONIC PARTICIPATION IN THE ANNUAL GENERAL MEETING

Shareholders or their proxy(ies) may participate in the annual general meeting by way of telephone conference call.

A total of 7 (seven) telecommunication lines will be available for such participation. Shareholders or their proxies who wish to participate in the annual general meeting via the teleconference facility must follow the instructions contained in Annexure C attached to this notice.

Shareholders who wish to participate in the annual general meeting via the teleconference facility must note that they will not be able to vote during the annual general meeting.

By order of the Board



**N Mbaliseli**  
Company secretary

23 November 2017  
Cape Town

# ANNEXURE A

## CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

### CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2017

	2017 R'000	2016 R'000
<b>Continuing operations:</b>		
<b>Revenue</b>	<b>1 052 129</b>	735 569
Cost of sales	(654 210)	(460 278)
<b>Gross profit</b>	<b>397 986</b>	275 291
Other income	3 960	2 712
Net impairments/reversals and write-offs	(2 605)	5 363
Operating expenses	(297 289)	(168 960)
Fair value adjustments	535 083	194 947
Investment revenue	23 903	3 305
Gain on deemed disposal of equity-accounted investments	-	-
Gain on bargain purchase	11 898	-
Gain on disposal of business	6 019	-
Gain on disposal of subsidiary	-	1 034
Profit from equity-accounted investments	30 203	242
Finance costs	(28 267)	(26 194)
<b>Profit before taxation</b>	<b>680 891</b>	287 740
Taxation	(155 029)	(79 332)
<b>Profit for the year from continuing operations</b>	<b>525 862</b>	208 408
Profit from discontinued operations	2 810	119
<b>Profit for the year</b>	<b>528 672</b>	208 527
<b>Attributable to:</b>		
Earnings attributable to non-controlling interests	51 583	(8 096)
Earnings attributable to equity holders of the parent – Continuing operations	474 279	216 504
Earnings attributable to equity holders of the parent – Discontinued operations	2 810	119
Earnings attributable to equity holders of the parent	477 089	216 623
Other comprehensive income	(4)	-
Total comprehensive income	477 085	216 623
Losses on disposal of property, plant and equipment	2 048	419
Gain on deemed disposal of equity-accounted investments	-	-
Gain on disposal of subsidiary	-	(744)
Gain on disposal of business	(4 334)	-
Gain on bargain purchase	(8 567)	-
Impairment of intangible assets	-	(4 368)
Headline earnings	466 232	211 930
Earnings per share (cents)		
- Attributable (basic and diluted)	97.10	44.09
- Headline (basic and diluted)	94.89	43.13
Number of shares in issue and weighted average ('000)		
- In issue	491 339	491 339
- Weighted average	491 339	491 339

## ANNEXURE A – CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS – continued

## CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2017

	2017 R'000	2016 R'000
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>1 855 213</b>	<b>1 428 019</b>
Property, plant and equipment	154 527	147 086
Intangible assets and goodwill	466 967	395 472
Investment in equity-accounted investments	780 559	169
Other loans receivable	8 366	9 496
Other financial assets	425 524	856 571
Prepayments	1 659	1 800
Deferred tax	17 578	17 310
<b>Current assets</b>	<b>966 940</b>	<b>263 200</b>
Inventories	64 181	45 439
Biological assets	54 323	48 169
Other current assets	1 591	1 465
Other loans receivable	26 771	6 805
Trade and other receivables	195 050	96 482
Cash and cash equivalents	625 024	64 840
<b>Total assets</b>	<b>2 822 153</b>	<b>1 691 219</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity attributable to equity holders of parent	1 277 493	916 452
Non-controlling interest	760 627	84 583
<b>Total equity</b>	<b>2 038 120</b>	<b>1 001 035</b>
<b>Liabilities</b>		
Non-current liabilities	461 302	560 008
Other financial liabilities	245 622	253 004
Deferred tax	211 046	299 102
Other non-current liabilities	4 634	7 902
<b>Current liabilities</b>	<b>322 371</b>	<b>130 176</b>
Other financial liabilities	47 232	12 587
Other current liabilities	32 991	10 166
Trade and other payables	169 984	74 262
Provisions	27 642	23 390
Bank overdraft	44 522	9 771
Liabilities of disposal groups	(360)	-
<b>Total liabilities</b>	<b>784 033</b>	<b>690 184</b>
<b>Total equity and liabilities</b>	<b>2 822 153</b>	<b>1 691 219</b>
Net asset value per share (cents)	260.00	186.52

## CONDENSED GROUP STATEMENT OF CHANGES IN OWNERS' EQUITY

FOR THE YEAR ENDED 31 AUGUST 2017

	Total share capital R'000	Reserves R'000	Foreign currency translation reserve R'000	Accumu- lated profit R'000	Total attributable to equity holders of the Group R'000	Non- controlling interest R'000	Total equity R'000
<b>Balance at 1 September 2015</b>	<b>403 177</b>	<b>8 034</b>	<b>-</b>	<b>300 895</b>	<b>712 106</b>	<b>92 443</b>	<b>804 549</b>
Total comprehensive income for the year	-	-	-	216 623	216 623	(8 096)	208 527
Dividends declared by subsidiary	-	-	-	(12 292)	(12 292)	(2 234)	(14 526)
Transfer between reserves	-	-	-	15	15	(50)	(35)
Changes in ownership interest	-	-	-	-	-	2 520	2 520
<b>Balance at 31 August 2016</b>	<b>403 177</b>	<b>8 034</b>	<b>-</b>	<b>505 241</b>	<b>916 452</b>	<b>84 583</b>	<b>1 001 035</b>
Total comprehensive income for the year	-	-	(4)	477 089	477 085	51 583	528 688
Dividends declared by subsidiary	-	-	-	(25 804)	(25 804)	(5 985)	(31 789)
Business combination	-	-	-	1 115	1 115	9 902	11 017
Changes in ownership interest	-	-	-	(91 355)	(91 355)	620 544	529 189
<b>Balance at 31 August 2017</b>	<b>403 177</b>	<b>8 034</b>	<b>(4)</b>	<b>866 286</b>	<b>1 277 493</b>	<b>760 627</b>	<b>2 038 120</b>

# ANNEXURE B

## GENERAL INFORMATION IN RESPECT OF DIRECTORS, MAJOR SHAREHOLDERS AND DIRECTORS' INTEREST IN SECURITIES, MATERIAL CHANGES AND THE SHARE CAPITAL OF THE COMPANY

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### DIRECTORS – EXECUTIVE DIRECTORS

#### CHIEF EXECUTIVE OFFICER

##### **Khalid Abdulla (52)**

MBA (UCT), BCompt (Hons), CTA (Unisa), Project Management (UCT)

**Appointed:** 29 August 2007

**Nationality:** South African

Mr Abdulla is the Group chief executive officer (CEO) of African Equity Empowerment Investments Limited and has been with the AEEI Group since 1999. He served as the CEO of various subsidiaries, i.e. the information technology and financial services businesses and as Group chief financial officer in 2007 before being appointed as Group CEO in November 2009.

Mr Abdulla has been appointed to and serves on various boards, committees and non-governmental organisations (NGOs). He has over 30 years' commercial experience related to fishing, technology, health, biotherapeutics, events and tourism as well as financial services. He is a regular invitee and participant at the World Economic Forum in Africa as well as the Summer Davos in China. He was also a speaker for the Department of Trade and Industry at conference in the United Kingdom and Germany for "Investing into South Africa".

Mr Abdulla was the recipient of many awards, some of which include being the overall winner of the Inaugural South African Vision 2030 Future Maker: Driver for Change 2017 Award and the overall winner by the Oliver Empowerment Awards as SA's most Empowered Business Leader of the year 2017. He was voted one of the best CEOs in the country in 2016 by Financial Mail and was also ranked among the 10 best executives of 2015 by Financial Mail. He was the recipient of the prestigious Black Business Executive Circle (BBEC)/Absa Bank Kaelo Award (2010), for giving guidance and leadership to grow junior and middle management.

*Major directorships:* Premier Fishing and Brands Ltd, BT Communication Services South Africa (Pty) Ltd (BT), Saab Grintek Defence (Pty) Ltd, Health System Technologies (Pty) Ltd, espAfrika (Pty) Ltd, AYO Technology Solutions Ltd, Biocloners (Pty) Ltd and Premier Fishing SA (Pty) Ltd, Puleng Technologies (Pty) Ltd, Kalula Communications (Pty) Ltd trading as Headsets Solutions and Orleans Cosmetics (Pty) Ltd.

#### CHIEF FINANCIAL OFFICER

##### **Chantelle Ah Sing (42)**

BCom (Nelson Mandela University)

Post-graduate diploma in Accounting (KZN)

**Appointed:** 19 November 2009

**Nationality:** South African

Ms Ah Sing is the Group chief financial officer of African Equity Empowerment Investments Limited and was appointed to the AEEI Board as an executive director in November 2009. She joined the AEEI Group in 2007 under the health and biotherapeutics subsidiaries where she advanced to the position of financial director.

*Major directorships:* Premier Fishing SA (Pty) Ltd, AYO Technology Solutions Ltd, Wynberg Pharmaceuticals (Pty) Ltd, Biocloners (Pty) Ltd, Ribotech (Pty) Ltd, Magic 828 (Pty) Ltd, Saab Grintek Defence (Pty) Ltd and Health System Technologies (Pty) Ltd.

### CORPORATE AFFAIRS AND SUSTAINABILITY DIRECTOR

##### **Cherie Felicity Hendricks (54)**

University of Cambridge Programme for Sustainability Leadership, Incite Sustainability Executive Programme

**Appointed:** 18 March 2009

**Nationality:** South African

Miss Hendricks is the corporate affairs and sustainability director responsible for corporate affairs, which include sustainability, regulatory compliance, corporate social investment and Group communication. She has more than 18 years' experience in the AEEI Group and currently sits on the boards of the Group's major investments and links the Group's subsidiaries with the Group's corporate office.

*Major directorships:* Premier Fishing and Brands Ltd, Health System Technologies (Pty) Ltd, Premier Fishing SA (Pty) Ltd, Ribotech (Pty) Ltd, AYO Technology Solutions Ltd, espAfrika (Pty) Ltd, Independent Newspapers (Pty) Ltd, Bioclones (Pty) Ltd, Independent Media (Pty) Ltd, Condé Nast Magazines (Pty) Ltd, Sekunjalo Independent Media (Pty) Ltd, Puleng Technologies (Pty) Ltd, Kalula Communications (Pty) Ltd trading as Headsets Solutions, African News Agency (Pty) Ltd and Orleans Cosmetics (Pty) Ltd.

## **DIRECTORS – NON-EXECUTIVE DIRECTORS**

### **INDEPENDENT NON-EXECUTIVE CHAIRMAN**

#### **Reverend Dr Vukile Charles Mehana (64)**

BTh (Rhodes University), AMP (INSEAD Business School, France), Certificate on Public Enterprises (National University of Singapore), MBA (De Montfort University, UK), DPhil (University of Johannesburg), ordained minister of the Methodist Church of Southern Africa, Adjunct Professor of UCT: Graduate School of Business and Top Management Certificate on Public Enterprise (National University of Singapore), DBA, Honoris Causa (Commonwealth University)

**Appointed:** 8 August 2007

**Nationality:** South African

Reverend Dr Mehana is the chairman of the LR Management Group (Pty) Ltd and also sits on the boards of various companies as well as being an active leader in non-profit organisations.

*Major directorships:* LR Management Group (Pty) Ltd (chairman), Mazwe Financial Services (non-executive chairman), Makana Investment Corporation (Pty) Ltd (non-executive director representing the Ex-Political Prisoners Trust), espAfrika (Pty) Ltd (non-executive chairman), Community Schemes Ombud Service (CSOS) (chairman), Sizwe Africa IT Group (Pty) Ltd (non-executive chairman), Mustek Ltd (non-executive chairman), Premier Fishing and Brands Ltd (non-executive chairman) and Chairman of the South African Police Services Transformation Task Team.

### **NON-EXECUTIVE DEPUTY CHAIRMAN AND LEAD INDEPENDENT NON-EXECUTIVE DIRECTOR**

#### **Salim Young (60)**

**Appointed:** 12 December 2005

**Nationality:** South African

Mr Young is an experienced business executive and corporate lawyer and is a former director of Webber Wentzel (formerly Mallinicks Inc.). Mr Young recently retired after a very successful 13 years as an executive director on the board of British American Tobacco South Africa. During this time Mr Young also served as the appointed South African representative of the London-based BAT Plc whose secondary listing on the JSE at the time ranked as the largest company by market capitalisation. Mr Young maintains board positions in a number of other companies and significant trusts. He holds a post-graduate master's degree (LLM) in International Commercial Law from Tulane University in the United States as well as Certificates in Law from Georgetown University and Harvard University, respectively.

Mr Young serves on the boards of Premier Fishing and Brands Ltd and Independent Media (Pty) Ltd.

He is one of the founders of Unipalm Investment Holdings Ltd and chairs the investment and remuneration committee. He also sits on the Company's audit committee.

*Major directorships:* Unipalm Investment Holdings Ltd, Premier Fishing and Brands Ltd, Independent Media (Pty) Ltd, Loot (Pty) Ltd, Insights Publishing, BAT Signature Trust and Premier Fishing SA (Pty) Ltd.

### **INDEPENDENT NON-EXECUTIVE DIRECTOR**

#### **Johannes Mihe Gaomab (54)**

**Appointed:** 13 September 2006

**Nationality:** Namibian

Mr Gaomab is an international businessman with major business interests in Namibia and South Africa. He is the founder and chairman of Gaomab Investments Management CC, Gulf Oil Marine (Pty) Ltd, Namibia Atlantic Petroleum and Shipping Corporation (NASCORP) and the executive chairman of African Renaissance Mining Company (Pty) Ltd.

*Major directorships:* Gaomab Investments Management CC, Gulf Oil Marine (Pty) Ltd, Namibia Atlantic Petroleum and Shipping Corporation (Pty) Ltd (chairman), Ltd and African Renaissance Mining Company (Pty) Ltd, a South African company with subsidiaries in Namibia, Democratic Republic of the Congo, Malawi and Zambia.

**INDEPENDENT NON-EXECUTIVE DIRECTOR****Aziza Begum Amod (55)****Appointed:** 12 November 2012**Nationality:** South African

Ms Amod is a professional director, businesswoman, philanthropist and entrepreneur with more than 30 years' business experience in the retail sector. She provides consultancy to women-owned businesses in the areas of impact investment, social innovation and technology applications for social impact in the food and retail sector.

Ms Amod has been featured and published in numerous articles in relation to business and women entrepreneurs. She is a well-known philanthropist supporting a number of NGOs, outreach programmes and serves on the board of trustees of numerous philanthropic associations.

She currently serves as a director and trustee on various business entities and trusts.

*Major directorships:* Health System Technologies (Pty) Ltd, AYO Technology Solutions Ltd and Premier Fishing and Brands Ltd.

**INDEPENDENT NON-EXECUTIVE DIRECTOR****Takudzwa Tanyaradzwa Hove (35)**

BCom (Hons) Accounting (Nelson Mandela Metropolitan University), CA(SA), ACMA, CGMA

**Appointed:** 4 September 2013**Nationality:** Zimbabwean

Mr Hove worked for African Equity Empowerment Investments Ltd from April 2009 until September 2013 and held several positions, including Group financial manager and corporate finance executive. He is very knowledgeable of the Group's diverse operations, having worked closely with the operational heads of the Group's businesses. He is currently an executive director of Independent Media (Pty) Ltd.

*Major directorships:* Independent Media (Pty) Ltd, African Technology and Media Holdings (Pty) Ltd, Premier Fishing and Brands Ltd, AYO Technology Solutions Ltd, Condé Nast Independent Magazines (Pty) Ltd, Allied Publishing Ltd, Allied Media Distributors (Pty) Ltd.

**INDEPENDENT NON-EXECUTIVE DIRECTOR****Zenariah Barends (55)**

Diploma in Library and Information Science and BA (Hons) (University of the Western Cape)

**Appointed:** 14 November 2014**Nationality:** South African

Ms Barends is the chairperson, trustee and board member of a number of civil society institutions including Inyathelo: The South African Institute for Advancement. She has a long history of involvement in arts and culture through the Cape Cultural Collective as well as a strong track record in human rights activism. She served as the Western Cape Head of Investigations of the Truth and Reconciliation Commission – a commission chaired by Nobel Laureate, Archbishop Desmond Tutu.

In her current portfolio Ms Barends is chief of staff at Independent Media. Ms Barends was appointed as a senior executive at Sekunjalo Investment Holdings earlier this year. Her portfolio includes coordinating the involvement of the Sekunjalo Group in the BRICS Business Council, where she has also served as the Chief Secretariat of the South African Chapter of the BRICS Business Council (SA BBC). She is also responsible for coordinating the Sekunjalo Group's various World Economic Forum activities, which include the Group's involvement in the Global Agenda Council on Emerging Multinationals and the Global Growth Companies Advisory Board.

*Major directorships:* Chairperson of the Board of Trustees of Inyathelo: The South African Institute for Advancement.



## MAJOR SHAREHOLDERS

SHAREHOLDER INFORMATION AS AT 31 AUGUST 2017

The Company's shareholders as at 31 August 2017 can be summarised as follows:

### ANALYSIS OF SHAREHOLDINGS AS AT 31 AUGUST 2017

	Number of shareholders	Percentage of total shareholders	Number of shares	Percentage of total issued shares
1 - 5 000	1 053	57.64	1 747 532	0.36
5 001 - 10 000	274	15.00	2 224 678	0.45
10 001 - 100 000	361	19.76	12 078 066	2.46
100 001 - 1 000 000	104	5.69	32 659 667	6.65
1 000 001 - and more	35	1.92	442 629 491	90.09
<b>Total</b>	<b>1 827</b>	<b>100.00</b>	<b>491 339 434</b>	<b>100.00</b>

### MAJOR SHAREHOLDERS (5% AND MORE OF THE SHARES IN ISSUE)

	Number of shares	Percentage of total issued share capital
Sekunjalo Investment Holdings (Pty) Ltd	300 552 582	61.17
Miramare Investments (Pty) Ltd	46 439 801	9.45
<b>Total</b>	<b>346 992 383</b>	<b>70.62</b>

### DISTRIBUTION OF SHAREHOLDERS

	Shareholders		Shares	
	Number	Percentage	Number	Percentage
Individuals	1 608	88.01	50 059 292	10.19
Nominee companies and trusts	96	5.25	45 631 735	9.29
Public companies	5	0.27	178 502	0.04
Close corporations and private companies	118	6.47	395 469 905	80.48
<b>Total</b>	<b>1 827</b>	<b>100.00</b>	<b>491 339 434</b>	<b>100.00</b>

### NON-PUBLIC AND PUBLIC SHAREHOLDING

	Shareholders		Shares	
	Number	Percentage	Number	Percentage
Non-public:	10	0.55	361 989 883	73.67
Directors	6	0.33	2 473 110	0.50
> than 10%	1	0.05	300 552 582	61.17
Associates	3	0.16	58 964 191	12.00
Public	1 817	99.45	129 349 551	26.33
<b>Total</b>	<b>1 827</b>	<b>100.00</b>	<b>491 339 434</b>	<b>100.00</b>

### SHARE TRADING STATISTICS

Market price per share (cents)	
High	450
Low	200
Year-end	350
Volume traded (shares)	16 033 789
Value traded (rand)	54 446 485
Volume of shares traded as a percentage of issued capital	3.26%
Market capitalisation at 31 August 2017 (rand)	1 719 688 019
Market capitalisation at 7 November 2017 (rand)	2 653 232 944

## VOTING RIGHTS

### SHARE CAPITAL

#### Authorised

1 000 000 000 "B" class ordinary shares (listed)

1 000 "A" class convertible redeemable cumulative preference shares

10 000 000 "B" class redeemable preference shares

15% of the "B" class ordinary shares in issue at the beginning of the financial year are at the disposal of the directors in terms of a resolution of shareholders passed at the last annual general meeting of the Company. This authority remains in force until the next annual general meeting of the Company.

"B" class ordinary shares each carries one vote per share.

#### Issued

491 339 484 "B" class ordinary shares

	2017 '000	2016 '000
Reconciliation of number of issued "B" class ordinary shares		
Opening balance	491 339	491 339
Closing balance	491 339	491 339

# ANNEXURE C

## ELECTRONIC PARTICIPATION IN THE ANNUAL GENERAL MEETING

### THE ANNUAL GENERAL MEETING

1. Shareholders or their proxies who wish to participate in the annual general meeting via electronic communication ("Participants"), must apply to the Company's transfer secretaries to do so by delivering the form below ("the application") to the offices of the Company's transfer secretaries, Link Market Services, Rennie House, 13th Floor, 19 Ameshoff Street, Braamfontein, 2001, by no later than 14:00 on 12 February 2018.  
  
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 annual general meeting. Such Participants, should they wish to have their vote(s) counted at the annual general meeting, must act in accordance with the voting instructions contained in this notice of the annual general meeting, i.e. to the extent applicable:
  - (i) complete the form of proxy; or
  - (ii) contact their CSDP.
3. Important notice
  - 3.1 A total of 7 (seven) telecommunication lines will be available.
  - 3.2 Each Participant will be contacted between 15 and 16 February 2018 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 15:00 on 21 February 2018. No late dial-in will be accommodated.

#### THE APPLICATION FORM

Full name of the shareholder	
ID number	
Email address	
Cell number	
Telephone number	
Name of CSDP or stockbroker (if shares are held in dematerialised format)	
Contact number of CSDP/stockbroker	
Contact person at CSDP/stockbroker	
Number of share certificate (if applicable)	
Signature	
Date	

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

The cost of dialling in using a telecommunication line to participate in the annual general meeting is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.

The Participant acknowledges that the telecommunication lines are provided by a third party and 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 annual general meeting.

Participants must note that they will not be able to vote during the annual general meeting. Such Participants, should they wish to have their vote(s) counted at the annual general meeting, must act in accordance with the voting instructions contained in the notice of annual general meeting, i.e. to the extent applicable:

- complete the form of proxy; or
- contact their CSDP.

The application will only be deemed successful if this application form has been completed and fully signed by the Participant.

Shareholder name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# ANNEXURE D

## AFRICAN EQUITY EMPOWERMENT INVESTMENTS' (AEEI) REMUNERATION POLICY

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### INTRODUCTION

The AEEI's Group remuneration committee is primarily responsible for overseeing the remuneration and incentives of the Group's executive directors and key management, as well as providing strategic guidance.

To assist in the achievement of AEEI's long-term strategic goals, the remuneration committee has put a formal remuneration policy in place. Each major subsidiary has its own remuneration committee and a policy specific to its business unit including the industry in which it operates taking into account AEEI's long-term strategic goals.

The main aim of the committee is to assist the Board in fulfilling its responsibilities in establishing formal and transparent policies and guiding principles of a standardised approach in the application of remuneration practices within all the business units and functions.

The remuneration committee's main purpose is to implement the guiding principles in the application of remuneration governance, practices and policies and to ensure that the Group remunerates fairly, responsibly and transparently so as to promote the achievement of the strategic objectives and positive outcomes in the short, medium and long-term.

### OVERVIEW OF THE MAIN PROVISIONS OF THE REMUNERATION POLICY

The remuneration policy is aimed at aligning remuneration practices that will enable it to achieve the Group's strategic objectives, translating into market-related yet affordable performance-linked rewards and to ensure balanced and transparent outcomes that align with shareholder interests over the short and long-term and ultimately enable the attraction and retention of valuable talent. Our approach to remuneration aligns to our ethics, corporate governance philosophy and shared values and best practices.

The remuneration policy is designed to achieve the following strategic objectives:

- Support the attainment of AEEI's strategic business objectives and strategies;
- To attract, retain and motivate key and talented individuals;
- Compete in the market place to be an employer of choice;
- Reward individual, team and business performance and encourage superior performance;
- Support the key values of AEEI;
- To promote the achievement of the Group's strategic objectives within the organisations risk appetite;
- To promote positive outcomes; and
- To promote an ethical culture and responsible corporate citizenship.

The remuneration policy addresses the organisations remuneration and includes provision for the following:

- Arrangements towards ensuring that the remuneration of executive management is fair and responsible in the context of overall employee remuneration in the organisation.
- The use of performance measures that support positive outcomes across the economic, social and environmental context in which the organisation operates and all the capitals that the organisation uses or affects.
- Enable the Company to attract, engage and retain talent to drive performance and to meet the strategic objectives of the Company.

### EXECUTIVES AND EMPLOYEES

The remuneration of the executives is reviewed annually by the AEEI remuneration committee, which seeks to ensure that balance is maintained between the fixed (base salary) and variable (discretionary bonus) elements of remuneration, as well as between short-term (base salary and discretionary bonus) and the long-term financial performance objectives of the Group.

Cost-to-company remuneration incorporates the following elements:

#### BASE SALARY

Base salary is guaranteed annual pay on a cost-to-company basis. It is subject to annual review and adjustments are effective 1 September of each year, coinciding with the commencement of the Group's financial year. Benchmarking is performed with reference to companies comparable in size, industry, business complexity and the level of responsibility that the individual assumes.

Benefits, forming part of the total cost-to-company include: membership to the pension/provident fund (providing death, disability and dread disease benefits), medical aid, unemployment insurance fund and funeral cover.

## COMPLIANCE

The remuneration policy is reviewed each year to ensure that the remuneration framework remains effective in supporting the achievement of the Company's business objectives and remains in line with the best practice. AEEI complies with the relevant remuneration governance codes and statutes. The recommended practice as stated under Principle 14 of the King IV™ have been applied and is explained throughout the integrated report through the outcomes achieved.

During the year, the committee engaged the services of an independent external advisor in support of our endeavours to act independently and provide specialist input.

## EXECUTIVE DIRECTORS' SERVICE CONTRACTS

Executive directors do not have fixed-term contracts but have permanent employment agreements with the Company. The remuneration of executives is determined on a cost-to-company basis and is subject to an annual review by the remuneration committee. Provident or pension fund and healthcare provision form part of the overall cost-to-company packages. Executive directors are members of the Group's Provident Fund and are required to retire from the Group as a director of the Board at the age of 65, unless requested by the Board to extend their term. There are no other special benefits for executive directors.

## PERFORMANCE APPRAISALS

Performance appraisals of the executive management team are done by the committee on an annual basis. Line managers and divisional managers also conducted performance appraisals on employees in the Group. The chief executive officer conducted the performance appraisals of the divisional heads in the Group and provided feedback to the committee.

## NON-EXECUTIVE REMUNERATION

The non-executive directors receive fees for serving on the Board and Board committees. The fees for non-executive directors is reviewed annually by AEEI's executive committee and thereafter to the AEEI Group remuneration committee which seeks to ensure that fees are market related and presented to shareholders for approval. The Board recommends the fees to shareholders for approval at the annual general meeting of the Company. Consideration is given to the relative contribution of each non-executive director and their participation in the activities of the Board and its committees. Changes to the fee structure are effective 1 September, subject to the approval by shareholders at AEEI's annual general meeting held in February of each year. The annual fees payable to non-executive directors are, as in the past, fixed and not subject to the attendance of meetings. In the event of non-attendance on a regular basis, same may be reviewed.

The proposed fee structure for the year ending 31 August 2018 is set out in the table below:

Non-executive	31 August 2018 R'000	31 August 2017 R'000
VC Mehana	425	397
– Board chairman		
– Member		
S Young	364	340
– Chairman audit and risk committee		
– Chairman remuneration committee		
– Member		
JM Gaomab	212	198
– Member		
AB Amod	212	198
– Member		

**Note:** TT Hove and Z Barends waived their non-executive fees.

AEEI covers all reasonable travelling and accommodation expenses incurred to attend Board and committee meetings.

Non-executive directors do not have any employment contracts, nor receive any benefits associated with permanent employment.

## NON-BINDING ADVISORY VOTES ON THE REMUNERATION POLICY AND IMPLEMENTATION REPORT

In the event that less than 75% support for the above-mentioned reports are achieved at the AGM, the Board of AEEI will invite dissenting shareholders to send reasons for such votes in writing where after further engagements may be scheduled to appropriately address legitimate and reasonable objections and concerns raised.

## IMPLEMENTATION REPORT

This part of the report focuses on the performance outcomes against the targets set for 2017.

### SALARY INCREMENT

The committee reviewed the targets set in terms of performance-related remuneration for the chief executive, executive management team and senior management in the Group which include individual performance factors and a combination of portfolio-specific targets.

For the year ended 31 August 2017, a general salary increase based on the yearly average current price index (CPI) of 7% for all employees in the Group was approved.

### DISCRETIONARY BONUS

For the year ended 31 August 2017, the discretionary bonus was calculated as a percentage of the qualifying executive/senior management/employee's base salary according to seniority and the level of responsibility assumed. Qualifying executives and senior management received a discretionary cash bonus dependent on meeting both financial and qualitative strategic performance objectives. Employees received a discretionary cash bonus dependent on meeting both personal and the Company's strategic objectives. Financial, qualitative, personal and Company strategic performance are aimed at ensuring sustainable long-term value creation to the benefit of all stakeholders. The total base salary and bonus paid was considered to be fair to both the Company and the executive/senior manager/employee.

For the year ended 31 August 2017, the chief executive and executive management team's performance was assessed against a set of predetermined objectives that include, *inter alia*: strategic leadership, execution of the strategy through business results and stakeholder relations. The successful delivery of the Group's objectives constitute both financial and non-financial performance measures, with the key financial measures which include profits, cash flow and asset growth weighted to 70% and the remaining 30% weighted to non-financial measures for most of the executives in the Group.

The committee remains mindful to ensure that overall remuneration was appropriate for the performance of the Group and in relation to its operational peers. In doing so, the committee considered the overall risk environment, its risk appetite and risk profile and the need to attract, retain and motivate key talent to enable the delivery of the Group's strategic objectives.

A copy of the full remuneration policy is available on [www.aeei.co.za](http://www.aeei.co.za).

## NOTES



# FORM OF PROXY

## AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa) Registration umber 1996/006093/06

JSE share code: AEE ISIN: ZAE000195731

("AEEI" or "the Company")

Only for the use by registered holders of certificated ordinary shares in the Company and the holders of dematerialised ordinary shares in the Company with "own name" registration at the annual general meeting of shareholders to be held at the AEEI Head Office at Premier Fishing, Quay 7, East Pier, Breakwater Boulevard, V&A Waterfront on 21 February 2018 at 15:00.

All other dematerialised shareholders must contact their CSDP or broker to make the relevant arrangements concerning voting and/or attendance at the annual general meeting.

I/We (please print full names) \_\_\_\_\_

of (please print address) \_\_\_\_\_

being a shareholder of AEEI and the holder/s of \_\_\_\_\_ "B" ordinary shares hereby appoint:

1. \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ or failing him/her,

3. the chairman of the annual general meeting; \_\_\_\_\_

as my/our proxy to attend, speak and vote on a show of hands or on a poll for me/us and on my/our behalf at the annual general meeting and at any adjournment thereof in the following manner:

		"B" shares		
		For	Against	Abstain
1.	To re-elect the following Directors who retire by rotation:			
	1.1 Ordinary Resolution Number 1: Vukile Charles Mehana			
	1.2 Ordinary Resolution Number 2: Salim Young			
	1.3 Ordinary Resolution Number 3: Johannes Mihe Gaomab			
	1.4 Ordinary Resolution Number 4: Aziza Begum Amod			
	1.5 Ordinary Resolution Number 5: Takudzwa Tanyaradzwa Hove			
	1.6 Ordinary Resolution Number 6: Zenariah Barends			
2.	To re-appoint the members of the audit and risk committee:			
	2.1 Ordinary Resolution Number 7: Salim Young			
	2.2 Ordinary Resolution Number 8: Johannes Mihe Gaomab			
	2.3 Ordinary Resolution Number 9: Takudzwa Tanyaradzwa Hove			
3.	Ordinary Resolution Number 10: Re-appointment of Grant Thornton Cape Inc. as the independent auditor of the Company for the ensuing year			
4.	Ordinary Resolution Number 11: Control of authorised but unissued "B" ordinary shares			
5.	Ordinary Resolution Number 12: Approval to issue "B" ordinary shares and/or options for cash			
6.	Ordinary Resolution Number 13: Remuneration policy			
7.	Ordinary Resolution Number 14: Implementation of the remuneration policy			
8.	Special Resolution Number 1: To approve the remuneration of the non-executive Directors			
9.	Special Resolution Number 2: To approve inter-company financial assistance			
10.	Special Resolution Number 3: To approve financial assistance for the subscription or purchase of shares in the Company or in a related or inter-related company			
11.	Special Resolution Number 4: Approval for the Company or its subsidiaries to repurchase shares of the Company			

Please indicate your voting instruction by way of inserting the number of shares or by a cross in the space provided should you wish to vote all of your shares.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

Signature(s) \_\_\_\_\_

Assisted by (where applicable) (state capacity and full name) \_\_\_\_\_

## NOTES TO FORM OF PROXY

1. The form of proxy must only be used by certified shareholders or dematerialised shareholders who hold dematerialised shares in their own name.
2. Shareholders are reminded that the onus is on them to communicate with their CSDP or broker.
3. A shareholder entitled to attend and vote may insert the name of a proxy or the name of two alternative proxies of the shareholder's choice in the space provided, without deleting "the chairman of the annual general meeting". A proxy need not be a shareholder of the Company. The person whose name stands first on the proxy form and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
4. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each share held.
5. A shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the shareholder in the appropriate box(es). Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit in respect of all the shareholder's votes.
6. A vote given in terms of an instrument of proxy shall be valid in relation to the annual general meeting notwithstanding the death of the person granting it, or the revocation of the proxy, or the transfer of the shares in respect of which the vote is given, unless an intimation in writing of such death, revocation or transfer is received by the transfer secretaries not less than 48 hours before the commencement of the annual general meeting, provided that any form of proxy not delivered to the Transfer Secretary by this time may be handed to the chairman of the annual general meeting prior to the commencement of the annual general meeting, excluding Saturdays, Sundays and public holidays.
7. If a shareholder does indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instruction, or should any further resolution(s), or any amendment(s) which may properly be put before the annual general meeting be proposed, the proxy shall be entitled to vote as he/she thinks fit.
8. The chairman of the annual general meeting may reject or accept any form of proxy, which is completed and/or received other than in compliance with these notes.
9. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting, speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
10. Documentary evidence establishing the authority of a person signing the form in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company or unless this requirement is waived by the chairman of the annual general meeting.
11. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the Company.
12. Where there are joint holders of shares:
  - Any one holder may sign the form of proxy.
  - The vote(s) of the senior shareholder (for that purpose seniority will be determined by the order in which the names of the shareholders appear in the Company's register of shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
13. Forms of proxy should be lodged with or mailed to Link Market Services.
14. Hand deliveries to: Link Market Services South Africa (Pty) Ltd, Rennie House, 13th Floor, 19 Ameshoff Street, Braamfontein, 2001.
15. Postal deliveries to: Link Market Services South Africa (Pty) Ltd, PO Box 4844, Johannesburg, 2000.
16. Handed to the chairman of the annual general meeting prior to the commencement of the annual general meeting, at any time before the appointed proxy exercises any shareholder rights at the annual general meeting.
17. Any alteration or correction made to this form of proxy, other than the deletion of alternatives, must be initialled by the signatories.

# ADMINISTRATION

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**COMPANY SECRETARY**

Nobulungisa Mbaliseli – nobulungisa@aeei.co.za

**EXECUTIVE MANAGEMENT TEAM**

Chief executive officer	Khalid Abdulla	khalid@aeei.co.za
Chief financial officer	Chantelle Ah Sing	chantelle@aeei.co.za
Corporate affairs and sustainability	Cherie Hendricks	cherie@aeei.co.za
Prescribed officer	Khalid Abdulla	khalid@aeei.co.za

**BUSINESS ADDRESS AND REGISTERED OFFICE**

Quay 7, East Pier, V&A Waterfront, Cape Town, 8001, South Africa  
Postal address: PO Box 181, Cape Town, 8000, South Africa  
Telephone: +27 21 427 1400  
Facsimile: +27 21 419 0731

**EMAIL AND WEBSITE**

Email address: info@aeei.co.za  
Website: www.aeei.co.za

**COMPANY REGISTRATION NUMBER**

1996/006093/06

**TRANSFER SECRETARIES**

Link Market Services South Africa (Pty) Ltd  
Rennie House, 13th Floor, 19 Ameshoff Street, Braamfontein, 2001  
Postal address: PO Box 4844, Johannesburg, 2000  
Telephone: +27 11 713 0800  
Facsimile: +27 86 674 4381  
Website: www.linkmarketservices.co.za

**AUDITORS**

Grant Thornton Cape Inc.

**SPONSOR**

PSG Capital (Pty) Ltd

**LISTING**

Johannesburg Stock Exchange  
Sector: Diversified Industrials  
Share code: AEE  
ISIN code: ZAE000195731

