



NOTICE OF ANNUAL GENERAL MEETING  
AND FORM OF PROXY AND CONDENSED AUDITED  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018

# AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

NOTICE OF THE 2018 ANNUAL GENERAL MEETING

**14 DECEMBER 2018**

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 Quay 7, East Pier, V&A Waterfront on 18 January 2019, at 08:00 ("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 2018, is available for download on AEEI's website at [www.aeei.co.za](http://www.aeei.co.za).



**Reverend Dr Vukile Mehana**

*Independent non-executive chairman*



**Khalid Abdulla**

*Chief executive*

# NOTICE OF ANNUAL GENERAL MEETING

FOR THE YEAR ENDED 31 AUGUST 2018

Notice is hereby given that the twentieth annual general meeting of the shareholders of AEEI will be held at AEEI's head office at Quay 7, East Pier, V&A Waterfront, on 18 January 2019 at 08:00.

## 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 2018. 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 13 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 Resolutions Numbers 14 to 16 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. CONFIRMATION OF APPOINTMENT, RETIREMENT AND RE-ELECTION OF THE DIRECTORS OF THE COMPANY

##### 1.1 ORDINARY RESOLUTION NUMBER 1

"Resolved that Mr AM Salie's appointment as director in terms of the Memorandum of Incorporation of the Company be and is hereby confirmed."

##### 1.2 ORDINARY RESOLUTION NUMBER 2

"Resolved that Advocate Dr NA Ramathodi's appointment as director in terms of the Memorandum of Incorporation of the Company be and is hereby confirmed."

##### 1.3 ORDINARY RESOLUTION NUMBER 3

"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."

##### 1.4 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."

##### 1.7 ORDINARY RESOLUTION NUMBER 7

"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."

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

*The reason for Ordinary Resolutions Numbers 1 to 2 is that the Memorandum of Incorporation of the Company and the Listings Requirements of the JSE require that any new appointment to the Board of the Company are to be confirmed by the shareholders at the AGM of the Company.*

*The reason for and effect of Ordinary Resolutions Numbers 3 to 7 (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 AGM of the Company and, being eligible, may offer themselves for re-election as Directors.*

## NOTICE OF ANNUAL GENERAL MEETING – continued FOR THE YEAR ENDED 31 AUGUST 2018

### 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 8

“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 re-elected until the next AGM of the Company.”

#### 2.2 ORDINARY RESOLUTION NUMBER 9

“Resolved that Mrs AB Amod, being eligible and offering herself 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 AGM of the Company.”

#### 2.3 ORDINARY RESOLUTION NUMBER 10

“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 elected until the next AGM of the Company.”

#### 2.4 ORDINARY RESOLUTION NUMBER 11

“Resolved that Advocate Dr NA Ramathodi, 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 AGM of the Company.”

*The reason for and effect of Ordinary Resolutions Numbers 8 to 11 (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 AGM 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 12

“Resolved that BDO 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, with the designated auditor being Intiaaz Hashim.”

*The reason for and effect of Ordinary Resolution Number 12 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 AGM of the Company as required by the Companies Act.*

### 4. CONTROL OF AUTHORISED BUT UNISSUED “B” ORDINARY SHARES

#### ORDINARY RESOLUTION NUMBER 13

“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 Limited (“the JSE Listings Requirements”), when applicable.”

This general authority will be valid until the earlier of the Company’s next AGM 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 13 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 14

"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 AGM, excluding treasury securities. As at the date of this notice of AGM, 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 AGM 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 14 must be passed by at least 75% (seventy-five percent) of the votes cast in favour of the resolution by all shareholder's 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 14 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 14 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.*

## NOTICE OF ANNUAL GENERAL MEETING – continued

### FOR THE YEAR ENDED 31 AUGUST 2018

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

##### ORDINARY RESOLUTION NUMBER 15

“Resolved that the Company’s remuneration policy, as set out in the remuneration report on pages 99 to 103 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 15 is that the King IV Report on Corporate Governance™ for South Africa 2016 (“King IV™”) recommends, and the JSE Listings Requirements require, 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 15 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 16

“Resolved that the Company’s implementation report regarding the remuneration policy, as set out in the remuneration report on pages 103 to 104 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 16 is that the 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 16 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.*

#### 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 AGM of the Company:

##### PROPOSED ANNUAL REMUNERATION

Per annum, with effect from 1 September 2018, for serving as a non-executive director (including serving on the committee of the Board):

	VC Mehana R'000	JM Gaomab R'000	AB Amod R'000	NA Ramatlhodi R'000	Total R'000
Directors’ fees	425	212	212	212	1 061

**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 AGM.*

**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 AGM of the Company.”

*The reason for and effect of Special Resolution Number 2 is to grant the Directors the authority, until the next AGM, 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 AGM of the Company.”

*The reason for and effect of Special Resolution Number 3 is to grant the Directors the authority, until the next AGM, 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 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.

## NOTICE OF ANNUAL GENERAL MEETING – continued

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 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 AGM 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 able to repay its debts in the ordinary course of business for a period of 12 (twelve) months after the date of this notice of AGM;
- 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 AGM;



- 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 AGM; 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 AGM;

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 AGM.

### 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 months after the date of this AGM and for a period of 12 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 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 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 AGM, as set out below:

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

Other than the facts and developments reported on in the integrated report, there have been no material changes in the financial or trading position of the Company and its subsidiaries since the date of the interim reporting period up to the date of this notice of AGM.
- iv. Directors' responsibility statement
 

The Directors, whose names appear in Annexure B to this notice of AGM, 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 AGM held on 21 February 2018.
- vi. For Ordinary Resolution 14 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.

## NOTICE OF ANNUAL GENERAL MEETING – continued FOR THE YEAR ENDED 31 AUGUST 2018

### 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, 7 December 2018.

The date on which shareholders must be recorded in the Share Register for purposes of being entitled to attend and vote at the AGM is Wednesday, 16 January 2019, with the last day to trade being Tuesday, 8 January 2019.

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 AGM. 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 AGM 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 AGM, 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 Friday, 11 January 2019 at 08:00, provided that any form of proxy not delivered to the Transfer Secretary by this time may be handed to the chairman of the AGM prior to the commencement of the AGM, 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



**D Terblanche**  
*Company secretary*

14 December 2018  
Cape Town

# ANNEXURE A

## CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

### GROUP PERFORMANCE

#### Commentary on financial results

Due to the deemed disposal of the technology division, the Group has reallocated the net revenues and expenses of the technology division to profit from discontinued operations in both the 2017 and 2018 financial years in terms of IFRS 5 – Non-current assets held for sale and discontinued operations. This resulted in a restatement of the 2017 Statement of Profit or Loss and other comprehensive figures.

#### Financial highlights

- Restated revenue increased by 21% from R577m to R701m.
- Restated profit before tax increased by 852% from R631m to R6.01bn.
- Earnings per share increased by 946% from 97.10 cents to 1 016.01 cents.
- Normalised headline earnings per share increased by 142% from 10.38 cents to 25.09 cents.
- Total assets increased by 164% from R2.8bn to R7.4bn.
- Net asset value increased by (excluding minorities) 277% from R1.3bn to R4.9bn.
- Net asset value per share increased by 284% from 260.00 cents to 999.25 cents.
- Cash generated from operations increased by 138% from R73m to R174m.
- Net cash from operating activities increased by 64% from R80m to R131m.

#### Group performance

AEEI is a proud Level 1 Contributor in terms of the Department of Industry's Code of Good Practice on Broad-Based Black Economic Empowerment Amendment Act 2003, (Act No. 53 of 2003), with the Amended Generic Scorecard being applied, with black ownership at 73.72% and black female ownership of 38.29%.

During the year, the Group delivered excellent profit growth resulting from strong contributions from all its underlying investments for the year under review.

The Group's restated revenue increased by 21% from R577m to R701m, mainly due to significant revenue growth achieved from the fishing and brands division which is in line with our acquisitive growth strategy.

Group earnings grew by 946% from R477m to R4 992m. The earnings increased mainly as a result of a once-off gain from a deemed disposal of a subsidiary. More details are reflected in the section below.

Earnings per share (EPS) increased by 946% from 97.10 cents to 1 016.01 cents for the year under review as a result of a once-off gain on deemed disposal of a subsidiary during the financial year. Headline earnings per share (HEPS) decreased from 94.89 cents to 24.24 cents as a result of the prior year including a once-off fair value adjustment prior to BT Communication Services South Africa (Pty) Ltd (BT) becoming an associate.

The Group's normalised HEPS increased by 142% from 10.38 cents to 25.09 cents. Normalised earnings are defined as earnings from continuing operations excluding non-recurring items and once-off fair value adjustments.

Profit before tax for the year under review increased by 852% from R631m to R6.01bn mainly as a result of the gain on the deemed disposal of a subsidiary during the financial year and good performance of the food and fishing division.

The Group's total asset base increased by 164% from R2.8bn to R7.4bn mainly due to the growth in property, plant and equipment and the increased fair value investment in associates compared to the comparative year, as a result of the deemed disposal of a subsidiary in our technology division.

Net asset value (NAV) of the Group increased by 277% from R1.3bn to R4.9bn as a result of the financial performance and the greater fair value in the underlying investments.

As a result of the interest income earned in the Group, net cash flows from operating activities increased by 64% from R80m to R131m in the current year.

## ANNEXURE A – continued

## CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

**FISHING AND BRANDS**

The fishing and brands division, Premier Fishing and Brands Ltd (“Premier” or the “Premier Group”) operates a vertically integrated fishing business which specialises in the harvesting, processing and marketing of fish and fish-related products. The Premier Group holds medium to long-term fishing rights in squid, lobster, small pelagics, hake deep-sea trawl, hake longline, horse mackerel, swordfish and tuna. The Premier Group also owns an abalone farm and invests in organic fertilisers through the “Seagro” range of products.

The fishing and brands division performed well with revenue increasing by 20% from R411m to R491m for the year, which includes the acquisition of Talhado Fishing Enterprises (Pty) Ltd (Talhado) and only three months of their financial performance is consolidated into the Group results.

The abalone division continued to focus on increasing its spat production and stock holding in preparation for the farm’s expansion. An additional 40 tons animal rearing capacity has been added to date. The construction for the expansion of the abalone farm is on track and is in line with the expansion plans. This division produced results in line with management’s expectations and continues to focus on their expansion plans, with increased performance expected to be achieved during the 2019/2020 financial year when the expansion of the abalone farm is completed. The well-known brand is in great demand from customers abroad, and since Premier’s philosophy is based on pleasing its clients, the request for larger sized abalone can now be accommodated with the new hatchery.

**TECHNOLOGY**

The information and communications technology (ICT) associate, AYO Technology Solutions Ltd (AYO) listed on the Johannesburg Stock Exchange (JSE) on 21 December 2017 as a leading Broad-based Black Economic Empowerment (B-BBEE) ICT company with strong management expertise and a sound track record. The current improving market conditions and regulation pertaining to B-BBEE have placed them favourably to capture the growing ICT spend across the South African market. The ICT associate is currently servicing customers in Southern and Northern Africa, Europe and Mauritius. AYO’s strategic alliance with BT provides it with access to global technology trends as well as the global market.

Since its listing, AYO has shown excellent operational performance in delivering on its organic strategy as presented in its pre-listing statement, issued on 13 December 2017.

In the short time frame since listing, AYO concluded a significant contract with a multinational client, which has generated significant revenue in the last quarter of the financial year.

AYO achieved significant growth in revenue of 33% from R478m to R638m, mainly as a result of obtaining new customer contracts in the financial services sector, which leverages the strategy to gain market share through its enhanced B-BBEE credentials.

During the financial year, the AEEI Group relinquished control of AYO, resulting in the division becoming an associate in August 2018. AYO was reclassified as a discontinued operation in the Group’s condensed financial results. Refer to significant events below.

**HEALTH AND BEAUTY**

The companies in the health and beauty division focus on the importation and distribution of cosmetic brands as well as the manufacturing, sales and marketing of an extensive range of natural products that are human, animal and plant safe and internationally recognised in the food, agriculture, hygiene, beauty and general health sectors.

AfriNat (Pty) Ltd, previously known as Wynberg Pharmaceuticals (Pty) Ltd, was rebranded during the year. As a result of marketing the brand and improved volume movements, particularly in its pre-harvest line of products, revenue increased by 138% from R5.2m to R12.4m and operating profit increased from a loss of R1.1m to a profit of R2.7m.

The acquisition of Orleans Cosmetics (Pty) Ltd (Orleans Cosmetics) in the prior year, accounted for the first full year led to revenue increasing by 258% from R9.7m to R34.5m, mainly as a result of the financial results being included for twelve months compared to only four months in the prior year. Operating profit excluding the prior year gain on bargain purchase increased from a loss of R0.65m to a profit of R1.9m.

## BIOTECHNOLOGY

Genius Biotherapeutics (Genius) progressed with its research and development activities as it completed the construction of a clean room facility.

The dendritic cell vaccine project obtained final approval from the Medicines Control Council to commence with phase 1 clinical trials on breast cancer, and on completion of an accredited clean room facility, the human clinical trials can commence in the 2019 year.

During the financial year, intangible assets namely the biosimilar drug under development, novel compound, licences and technologies as well as goodwill have been impaired by R140m due to the carrying amount of these assets exceeding their recoverable amount. The main reasons when we assessed the impairment of these intangible assets was due to milestones not being achieved. Funding is currently being sourced in order to evaluate the feasibility of these projects.

## EVENTS AND TOURISM

The events and tourism division manages and owns an events planning and production company, espAfrika (Pty) Ltd (espAfrika), a travel services company, Tripos Travel (Pty) Ltd (Tripos Travel) and a radio station, Magic 828 (Pty) Ltd (Magic 828) (managed under the corporate division).

espAfrika, a Group subsidiary, hosted a very successful 19th Cape Town International Jazz Festival during the financial year. The company's contribution to the Group's revenue amounted to R58m for the financial year.

Magic 828, which has been in existence for 36 months, contributed R9m to the Group's gross revenue for the year and increased its listenership in the Western Cape to approximately 187 000 listeners.

Tripos Travel has been engaged in a turnaround strategy since 2016 which led to revenue increasing by 21% from R53m to R64m for the year under review.

## STRATEGIC INVESTMENTS

The Group's strategic investments consist of: Pioneer Foods Group Ltd (Pioneer), Sygnia Ltd (Sygnia), Saab Grintek Defence (Pty) Ltd (SGD) and BT, which is now managed and reported under the technology division and accounted for as an associate since the prior year.

AEEI has minority equity stakes in SGD, Sygnia and Pioneer. These investments have shown improvements in their investment value since the date of the acquisitions. Consistent growth in earnings and regular dividends are received from all the strategic investments.

## ANNEXURE A – continued

## CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

## CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2018

	Audited Group to 31 August 2018 R'000	Audited Group to 31 August 2017 R'000
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>6 705 151</b>	1 855 213
Property, plant and equipment	324 229	154 527
Goodwill	86 201	82 940
Intangible assets	277 853	384 027
Investments in associates	5 575 997	780 559
Investment in joint ventures	-	33
Other loans receivable	11 808	8 366
Other financial assets	419 905	425 524
Deferred tax	9 158	17 578
Prepayments	-	1 659
<b>Current assets</b>	<b>657 125</b>	966 940
Inventory	56 978	64 181
Biological assets	68 021	54 323
Other loans receivable	3 083	26 771
Current tax receivable	2 168	1 591
Trade and other receivables	164 157	195 050
Cash and cash equivalents	362 718	625 024
<b>Total assets</b>	<b>7 362 276</b>	2 822 153
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital and share premium	403 177	403 177
Reserves	8 034	8 030
Retained income	4 498 480	866 286
	4 909 691	1 277 493
Non-controlling interest	755 358	760 627
	5 665 049	2 038 120
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>	<b>1 486 862</b>	461 302
Other financial liabilities	208 392	245 622
Deferred tax	1 278 257	211 046
Other non-current liabilities	213	4 634
<b>Current liabilities</b>	<b>210 365</b>	322 371
Trade and other payables	105 993	169 984
Other financial liabilities	18 328	47 232
Current tax payable	21 969	32 506
Provisions	27 392	27 642
Other current liabilities	900	485
Bank overdraft	35 783	44 522
Liabilities of disposal group	-	360
<b>Total equity and liabilities</b>	<b>7 362 276</b>	2 822 153
Net asset value per share (cents)	999.25	260.00
Tangible net asset value per share (cents)	925.15	164.96
Number of ordinary shares in issue ('000s)	491 339	491 339

## CONDENSED GROUP STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2018

	Audited Group to 31 August 2018 R'000	Audited (restated) Group to 31 August 2017 R'000
<b>Continuing operations</b>		
Revenue	700 691	576 607
Cost of sales	(410 192)	(338 626)
<b>Gross profit</b>	290 499	237 981
Other income	11 467	1 745
Other operating expenses	(256 060)	(177 598)
Net impairments, impairment reversals and write off	(140 319)	(2 605)
Fair value adjustments	(5 414)	535 083
Gain on deemed disposal of subsidiaries	6 049 029	-
Gain on bargain purchase	952	11 755
Profit from equity accounted investments	57 914	30 732
Investment revenue	33 421	21 796
Finance cost	(30 839)	(27 552)
<b>Profit before taxation</b>	6 010 650	631 338
Taxation	(1 062 789)	(143 740)
<b>Profit from continuing operations</b>	4 947 861	487 598
<b>Discontinued operations:</b>		
Profit from discontinued operations	159 533	41 074
<b>Profit for the year</b>	5 107 394	528 672
Other comprehensive income	-	(4)
<b>Total comprehensive income</b>	5 107 394	528 668
<b>Total comprehensive income attributable to:</b>		
Equity holders of the parent	4 992 064	477 085
Non-controlling interest	115 330	51 583
	5 107 394	528 668
Basic and diluted earnings per ordinary share (cents)	1 016.01	97.10
Headline earnings per ordinary share (cents)	24.24	94.89
Weighted (and fully diluted) average number of ordinary shares in issue ('000s)	491 339	491 339

## ANNEXURE A – continued

## CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

## CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2018

	Attributable to parent R'000	Non- controlling interest R'000	Total equity R'000
<b>Balance at 1 September 2016</b>	<b>916 452</b>	<b>84 583</b>	<b>1 001 035</b>
Profit for the period	477 089	51 583	528 672
Other comprehensive income	(4)	-	(4)
Changes in ownership interest – control not lost	(91 355)	620 544	529 189
Dividends paid	(25 804)	(5 985)	(31 789)
Business combinations	1 115	9 902	11 017
<b>Balance at 31 August 2017</b>	<b>1 277 493</b>	<b>760 627</b>	<b>2 038 120</b>
Profit for the period	4 992 064	115 330	5 107 394
Transfer from reserves to retained income	11 790	-	11 790
Changes in ownership interest			
Additional shares acquired	(4 826)	(1 705)	(6 531)
Changes in ownership interest (disposal and share issue) – control not lost	(1 323 592)	5 627 155	4 303 563
Dividends paid	(43 238)	(30 147)	(73 385)
Changes in ownership interest (deemed disposal) – control lost	-	(5 767 588)	(5 767 588)
Business combinations and additional shares purchased	-	51 686	51 686
<b>Balance at 31 August 2018</b>	<b>4 909 691</b>	<b>755 358</b>	<b>5 665 049</b>



## CONDENSED GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Audited Group to 31 August 2018 R'000	Audited Group to 31 August 2017 R'000
Cash generated by operations	174 263	73 478
Investment revenue	33 421	23 903
Dividend income	31 434	30 064
Finance cost	(31 217)	(28 267)
Other operating activities	(77 087)	(19 646)
<b>Net cash flows from operating activities</b>	<b>130 814</b>	<b>79 532</b>
<b>Cash flows from investing activities</b>		
Net movement in property, plant and equipment	(120 059)	(24 485)
Net movement in intangible assets	(8 059)	(1 859)
Business combination and additional shares purchased	(77 217)	(1 559)
Deemed disposal of businesses and sale of business	(4 303 642)	-
Movement in other investing activities	671	(3 503)
Purchase of financial assets	(85 056)	(14 118)
Movement from investment in associates	18 746	16 183
<b>Net cash flows from investing activities</b>	<b>(4 574 616)</b>	<b>(29 341)</b>
<b>Cash flows from financing activities</b>		
Repayment of other financial liabilities	(80 573)	(46 006)
Receipt of other financial liabilities	20 492	45 519
Change in ownership	4 322 111	507 518
Dividends paid including minorities	(71 795)	(31 789)
<b>Net cash flows from financing activities</b>	<b>4 190 235</b>	<b>475 242</b>
Total cash movement for the year	(253 567)	525 433
Cash and cash equivalent at the beginning of the year	580 502	55 069
<b>Cash and cash equivalents at the end of the year</b>	<b>326 935</b>	<b>580 502</b>

## ANNEXURE A – continued

### CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

## CONDENSED ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 AUGUST 2018

### **BASIS OF PREPARATION**

The condensed consolidated annual financial statements are prepared in accordance with the JSE Ltd (JSE) Listings Requirements and the requirements of the Companies Act, applicable to summarised audited financial statements. The JSE Listings Requirements require financial reports to be prepared in accordance with the framework concepts, the measurement and recognition requirements of the International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and also that they, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the summarised consolidated annual financial statements from which the summary consolidated annual financial statements were derived are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated annual financial statements.

This summarised report is extracted from the audited financial statements, but is not itself audited. The directors take full responsibility for the preparation of the report and that the financial information has been correctly extracted from the underlying annual financial statements. The full audited annual financial statements and audit report are available for inspection at the registered offices and at [www.aeei.co.za](http://www.aeei.co.za).

The audited annual financial results were prepared by the Group financial manager, Wakeel McLachlan BCom (Hons), CA(SA) and were audited by the Group's external auditors, BDO Cape Inc. An unqualified opinion has been issued.

### **REPORTING ENTITY**

African Equity Empowerment Investments Limited (AEEI) is a company domiciled in South Africa. These condensed consolidated annual financial statements as at and for the year ended 31 August 2018 comprise AEEI and its subsidiaries (the Group) and interest in associates and joint ventures. AEEI is a black-controlled entity, which holds interests in six sectors and promotes B-BBEE and sound corporate governance and ethical practices.

### **USE OF JUDGEMENTS AND ESTIMATES**

In preparing these condensed annual financial statements, management made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Final results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 31 August 2018.

### **MEASUREMENT OF FAIR VALUES**

The Group has an established control framework with respect to the measurement of fair values. The fair valuation calculations are performed by the Group's finance department and operational team on an annual basis. The finance department reports to the Group's chief financial officer. The valuation reports are approved by the investment committee in accordance with the Group's reporting policies.

## NOTES TO CONDENSED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

### 1. BUSINESS COMBINATION

During the financial year the Group acquired 50.31% of the squid fishing rights, brand and related assets of Talhado within its fishing and brands division for a total consideration of R89m in order to enhance the Group's footprint in the squid sector. The purchase agreement had an effective date of acquisition of 30 November 2017; however, in terms of IFRS 3 Business Combinations, the date of acquisition has been determined as 9 May 2018.

The fair value calculation of the acquired fishing rights, brand and assets. The fair values of the identifiable assets and liabilities are shown below:

Property, plant and equipment	78 987
Intangible assets	40 268
Inventories	25 815
Trade and other receivables	25 292
Other financial assets	1 510
Current tax payable	(19 871)
Cash and cash equivalents	28 085
Other financial liabilities	(10 302)
Deferred tax	(35 888)
Trade and other payables	(31 132)
Provisions	(9 736)
Dividends payable	(5 007)
<b>Total identifiable net assets</b>	<b>88 021</b>
Non-controlling interests	(50 662)
Goodwill	51 964
<b>Total purchase consideration</b>	<b>89 323</b>
<b>Net cash outflow on acquisition date:</b>	
Cash consideration paid	89 323
Cash acquired	(28 084)
<b>Net cash outflow on acquisition</b>	<b>61 239</b>

Interest accrued on the purchase consideration between the legal acquisition date and effective IFRS acquisition date amounting to R3.9m was included as part of the purchase consideration, which was measured at fair value. All other acquisition related costs amounting to R1.79m were expensed and are included in operating expenses in comprehensive income.

Talhado's revenue and profits for the full year beginning 1 September 2017 amounted to R272m and R39m respectively.

i. Non-controlling interest

Non-controlling interest, which is a present ownership interest and entitles the holders to a proportionate share of the entity's net assets in the event of liquidation, is measured at the present ownership interests' proportionate share of the acquiree's identifiable net assets.

ii. Goodwill

Goodwill recognised at acquisition relates to the expected growth and cost synergies which cannot be separately recognised as an intangible asset.

Refer to pro forma financial information in the Premier Fishing and Brands SENS on their website at [www.premierfishing.co.za](http://www.premierfishing.co.za).

## ANNEXURE A – continued

## CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

**2. EXPANSION OF THE ABALONE FARM**

During the current reporting period, the carrying value of plant and machinery increased from R39m to R61m within the fishing and brands division as a result of the abalone farm expansion. Assets under construction increased to R30m compared to R5m in the prior year. As at 31 August 2018, Premier's directors authorised capital expenditure of R102m that has not been contracted for relating to the abalone farm expansion.

**3. SUBSIDIARY BECOMES AN ASSOCIATE AND CHANGES IN CONTROL**

The Group held an 80.011% equity interest in AYO as at 31 August 2017. Prior to the listing of AYO, a decision was made to issue 10% of its shares to a B-BBEE Consortium, which resulted in a dilution of the Group's investment in AYO to 69.55%. On 21 December 2017, AYO listed on the main board of the JSE, prior to which AYO issued shares under a private placement resulting in a further dilution of the Group's shareholding to 49.36%. Please refer to the statement of changes in equity for the effect of the transaction on retained earnings and non-controlling interest without a loss of control on this date.

This investment was accounted for as a discontinued operation up to and including 24 August 2018, with its financial results being reclassified to discontinued operations. Subsequent to 24 August 2018, the investment became an associate as the Group relinquished control over AYO, when the Board of directors was restructured to comprise a majority of independent non-executive directors, resulting in AEEI no longer unilaterally directing the relevant activities of the business from this date.

The effect of the transaction is therefore as follows:

	Audited 31 August 2018 R'000
Derecognise assets (including goodwill) and liabilities at date control is lost IFRS10.B98(a)	(4 474 831)
Derecognise non-controlling interest IFRS10.B98(a)	5 767 589
Net assets value derecognised	1 292 758
Fair value of remaining interest in AYO IFRS10.B98(b)	4 756 271
Gain on deemed disposal of subsidiary	6 049 029
Investment in associate	
<b>Balance as at 1 September 2017</b>	<b>780 559</b>
Amount transferred to investment in associate	4 756 271
Share of profits in associate	57 914
Dividend received from associate	(18 746)
<b>Balance of investment in associates as at 31 August 2018</b>	<b>5 575 997</b>

During the year under review the volume-weighted average price was used as an assessment of the share, which resulted in no impairment being required.

#### 4. DISCONTINUED OPERATIONS

During the year the Group lost control of AYO as mentioned previously, which resulted in the reclassification of AYO to discontinued operations in terms of IFRS 5 – Non-current assets held for sale and discontinued operations.

The breakdown of the profit from discontinued operations is as follows:

	Audited 31 August 2018 R'000	Audited (Restated) 31 August 2017 R'000
Revenue	645 548	475 587
Cost of sales	(439 909)	(315 582)
Other income	1 802	8 238
Expenses	(220 256)	(119 552)
Investment revenue	216 899	2 107
Loss from equity accounted investments	-	(529)
Finance cost	(379)	(715)
Profit before tax	203 705	49 554
Taxation	(44 172)	(11 291)
Profit from continuing operations	159 533	38 263
Profit from discontinued operations	-	2 810
Profit for the year	159 533	41 074

#### 5. RECLASSIFICATION OF PRIOR YEAR

Upon loss of control of AYO, certain items previously included in the condensed consolidated profit and loss and other comprehensive income were reclassified as the criteria of IFRS 5 – Non-current held for sale and discontinued operations were met. The effect is that net revenue and expenses related to AYO is reflected in the discontinued operations note and the net total profit for AYO has been reflected in profit from discontinued operations.

#### 6. EFFECTIVE TAX RATE

As a result of the deferred tax raised on the Group's investment in AYO as an associate of R1.07bn, this resulted in a significant increase in the tax rate during the year.

#### 7. EVENTS AFTER REPORTING PERIOD

Subsequent to year-end on 9 November 2018, the Board approved a buyback of shares, which management believe is trading at a discount, creating shareholder value.

A final gross dividend of 12.00 cents per share has been declared after the reporting period but before the financial statements were authorised for issue.

The directors are not aware of any other material facts or circumstances which occurred between the statement of financial position date and the date of this report that would require any adjustments to the annual financial statements.

## ANNEXURE A – continued

## CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

**8. FAIR VALUE INFORMATION**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Other techniques for all inputs which have a significant effect on the recorded fair value and are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 August 2018, the Group held the following instruments measured at fair value:

	Level 1 R'000s	Level 2 R'000s	Level 3 R'000s	Total R'000s
<b>2018</b>				
Listed shares	202 201	-	-	202 201
Unlisted shares	-	-	217 704	217 704
Biological assets	-	-	68 021	68 021
<b>Total</b>	<b>202 201</b>	<b>-</b>	<b>285 725</b>	<b>487 926</b>
	Level 1 R'000s	Level 2 R'000s	Level 3 R'000s	Total R'000s
<b>2017</b>				
Listed shares	235 298	-	-	235 298
Unlisted shares	-	-	190 226	190 226
Biological assets	-	-	54 323	54 323
<b>Total</b>	<b>235 298</b>	<b>-</b>	<b>244 549</b>	<b>479 847</b>

Refer to fair value adjustments in the Group's statement of comprehensive income.

**9. DIVIDENDS**

The Board of directors are pleased to announce that it has approved and declared a dividend of 12.00 cents per share for the year ended 31 August 2018 from income reserves. The dividend amount, net of South African dividend tax of 20% which equates to 2.40 cents per share, is therefore 9.60 cents per share for those shareholders that are not exempt from dividend tax.

The number of ordinary shares in issue at declaration date is 491 339 434 and the income tax number of the Company is 9314001034.

The record date is Friday, 14 December 2018 and the dividend payment date is Tuesday, 18 December 2018.

## 10. EARNINGS PER SHARE AND RECONCILIATION OF REPORTABLE SEGMENTS PROFIT OR LOSS

	Audited 31 August 2018 R'000	Audited (Restated) 31 August 2017 R'000
<b>Reconciliation of reportable segments profit or loss</b>		
Total profit before tax for reportable segments	6 010 650	631 338
Taxation	(1 062 789)	(143 740)
<b>Profit for the year and total comprehensive</b>	<b>4 947 861</b>	<b>487 598</b>
Profit from discontinued operations	159 533	41 074
Other comprehensive income	-	(4)
<b>Profit for the year and total comprehensive income</b>	<b>5 107 394</b>	<b>528 668</b>

	Audited 31 August 2018 R'000 Gross	Audited 31 August 2018 R'000 Nett	Audited (Restated) 31 August 2017 R'000 Nett
<b>Determination of normalised headline earnings</b>			
Earnings attributable to ordinary equity holders of parent entity	IAS 33	4 992 064	477 085
Adjusted for:			
Impairment of intangible assets	IAS 38	132 812	95 625
Impairment of goodwill	IAS 36	11 937	11 937
Loss on disposal of property, plant and equipment	IAS 16	4 918	3 541
(Gain)/loss on disposal of associates	IAS 28	(1 491)	(1 491)
(Gain)/loss on disposal of subsidiaries	IFRS 3	1 985	1 985
Gain on bargain purchase	IFRS 3	(952)	(952)
Gain on deemed disposal of subsidiary	IFRS 10	(6 049 029)	(4 983 624)
Headline earnings		119 085	466 232
<b>Determination of normalised headline earnings</b>			
Headline earnings		119 085	466 232
Share-based payment		11	-
Fair value adjustments		5 414	(535 083)
Deferred tax on fair value adjustments		(1 213)	119 859
Normalised headline earnings		123 297	51 008
Headline and diluted earnings per ordinary share (cents)		24.24	94.89
Normalised headline and diluted earnings per ordinary share (cents)		25.09	10.38

## ANNEXURE A – continued

## CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

11. SEGMENTAL ANALYSIS  
GROUP SEGMENTAL REPORT – 2018

	Fishing and brands '000	Technology '000	Telecommunications '000	Combined technology and telecommunication '000	Health and beauty '000	Biotechnology '000	Events and tourism '000	Corporate '000	Food '000	Combined corporate and strategic investments '000	Group '000
Revenue	490 870	-	-	-	46 961	-	123 716	110 625	6 661	117 286	778 833
External sales	490 859	-	-	-	46 961	-	121 576	34 634	6 661	41 295	700 691
Intergroup sales	11	-	-	-	-	-	2 140	75 991	-	75 991	78 142
<b>Segment results:</b>											
Profit/(loss) before tax	92 588	-	57 905	57 905	4 777	(153 285)	(6 321)	6 052 154	(37 168)	6 014 986	6 010 650
Discontinued operations	-	159 533	-	159 533	-	-	-	-	-	-	159 533
<b>Included in the segment results:</b>											
Net (impairments)/reversals and write offs	-	-	-	-	-	(3)	-	(525)	-	(525)	(140 319)
Depreciation and amortisation	(14 685)	-	-	-	(198)	(2 226)	(211)	(2 658)	-	(2 658)	(19 978)
Gain on deemed disposal of subsidiary	-	-	-	-	-	-	-	6 049 029	-	6 049 029	6 049 029
Fair value adjustments	-	-	-	-	-	-	-	28 357	(33 771)	(5 414)	(5 414)
Non-current assets	434 949	-	819 726	819 726	40 598	204 322	11 228	5 019 005	175 323	5 194 328	6 705 151
Current assets	614 575	-	20	20	19 775	(1 530)	17 611	6 568	106	6 674	657 125
Non-current liabilities	130 802	-	-	-	10 479	55 111	2 854	1 158 102	129 514	1 287 616	1 486 862
Current liabilities	147 744	-	24	24	8 595	746	11 393	41 863	-	41 863	210 365
Profit from associates	-	-	57 914	57 914	-	-	-	-	-	-	57 914
Capital expenditure	116 400	-	-	-	-	-	70	224	-	224	116 694



11. **SEGMENTAL ANALYSIS (continued)**  
**GROUP SEGMENTAL REPORT – 2018 (continued)**

	Fishing and brands '000	Tech-nology '000	Tele-communi-cations '000	Combined tech-nology and tele-communi-cation '000	Health and beauty '000	Biotech-nology '000	Events and tourism '000	Corporate '000	Food '000	Combined corporate and strategic investments '000	Group '000
Revenue	410 694	-	-	-	14 886	99	124 235	130 611	5 889	136 500	686 414
External sales	407 814	-	-	-	14 886	99	118 813	29 106	5 889	34 987	576 607
Intergroup sales	2 880	-	-	-	-	-	5 422	101 578	-	101 513	109 880
<b>Segment results:</b>											
Profit/(loss) before tax	94 745	-	569 963	569 963	10 647	(13 162)	(1 196)	49 440	(79 099)	(26 659)	631 338
Discontinued operations	-	41 074	-	41 074	-	-	-	-	-	-	41 074
<b>Included in the segment results:</b>											
Net (impairments)/impairment reversals and write offs	-	-	-	-	-	-	-	(2 605)	-	(2 605)	(2 605)
Depreciation and amortisation	(14 262)	-	-	-	(73)	(2 260)	(239)	(1 451)	-	(1 451)	(18 285)
Gain on bargain purchase	-	-	-	-	11 898	-	-	-	-	-	11 898
Gain on disposal of subsidiaries/business	-	-	-	-	-	-	-	-	-	-	-
Fair value adjustments	-	-	570 000	570 000	-	-	286	40 184	(75 387)	(35 203)	535 083
Non-current assets	156 119	83 205	780 559	863 764	40 365	349 706	10 207	225 961	209 091	435 053	1 855 213
Current assets	706 873	213 958	6	213 964	17 756	3 337	19 160	5 806	44	5 850	966 940
Non-current liabilities	89 957	14 368	-	14 368	16 798	91 066	720	114 576	133 817	248 393	461 302
Current liabilities	88 181	142 506	34	142 540	19 245	3 955	16 090	52 360	-	52 360	322 371
Profit from associates	-	-	30 814	30 814	(82)	-	-	-	-	-	30 732
Capital expenditure	17 543	-	-	-	-	16	89	135	-	135	17 783

**Notes**

The events and tourism division excludes Magic 828 (Pty) Ltd (Magic 828), as the company was managed under the corporate office for the financial year under review. During the year, management assessed the above segments' profits/losses using profit before tax as a result of the Group moving towards becoming an investment entity whereby both subsidiaries and equity accounted investments are being assessed.

## ANNEXURE A – continued

## CONDENSED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

**12. RELATED PARTIES**

The Group, in the ordinary course of business, entered into various sales and purchases transactions on an arm's length basis with related parties.

**13. CHANGE IN THE DIRECTORATE AND COMPANY SECRETARY**

At the annual general meeting (AGM) held on 21 February 2018, Mr Salim Young did not make himself available for re-election at the AGM and, accordingly, the requisite resolution was withdrawn.

The Board further advises that Mr Abdul Malick Salie was appointed to the Board of directors as an executive director in the capacity of chief investment officer effective 21 February 2018.

Advocate Dr Ngoako Ramatlhodi was appointed as the lead independent non-executive director to the Board of AEEI effective 7 March 2018.

Ms Nobulungisa Mbaliseli resigned as the company secretary on 3 September 2018, and Mr Damien Terblanche was appointed on 4 September as the new company secretary.

**EMPLOYMENT EQUITY ACT SUMMARY (UNAUDITED)**

The Group has been successful in providing equal employment opportunities and in promoting internal employees and is committed to driving employment equity goals and enhancing diversity across the Group.

The Group subscribes to the Employment Equity Act and senior executives work with the Department of Labour to ensure ongoing compliance and proactive implementation of regulations and plans. Open dialogue is encouraged between employees and management through our information sessions and committees.

In terms of Section 22 of the Employment Act of South Africa, herewith a summary of the Group's 2018 Employment Report in respect of its operations as at 31 August 2018, required by Section 21 of the Act.

**EMPLOYMENT EQUITY ACT SUMMARY**

Occupational levels	Non-designated groups			Designated groups			Designated groups				Total
	Foreign nationals			Male			Female				
	W	M	F	A	C	I	A	C	I	W	
AEEI board members	0	2	0	2	1	1	1	3	0	0	10
Top management	14	3	0	6	8	4	3	9	0	1	48
Senior management	15	1	0	4	6	2	1	4	1	9	43
Middle management	27	1	1	10	11	4	5	11	3	20	93
Skilled upper	42	0	1	28	45	9	55	36	13	22	251
Semi-skilled	15	0	0	38	18	3	20	25	3	9	131
Labour/unskilled	0	4	0	75	51	0	36	14	0	0	180
Seasonal	0	0	0	35	77	1	3	8	0	0	124
Contract workers incl interns and fixed term contracts	0	0	1	1	0	0	2	3	0	2	9
<b>Total</b>	<b>113</b>	<b>11</b>	<b>3</b>	<b>199</b>	<b>217</b>	<b>24</b>	<b>126</b>	<b>113</b>	<b>20</b>	<b>63</b>	<b>889</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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#### EXECUTIVE DIRECTORS

CHIEF EXECUTIVE OFFICER

**Khalid Abdulla (53)**

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

**Appointed:** 29 August 2007

**Nationality:** South African

**Board sub-committee:** Investment committee

**Expertise and experience:** Mr Abdulla is the Group chief executive officer (CEO) of AEEI and has been with the 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 (CFO) 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 more than 30 years' commercial experience related to fishing, technology, health, biotherapeutics, events and tourism and financial services. He is a regular invitee to and participant at the World Economic Forum in Africa as well as the Summer Davos in China. He was a speaker for the Department of Trade and Industry at conferences in the United Kingdom and Germany for "Investing into South Africa".

Mr Abdulla is the recipient of many awards, including the Global Leadership Excellence Award presented at the World Leadership Congress and Awards which took place in Mauritius; overall winner of the Inaugural South African Vision 2030 Future Maker: Driver for Change 2017 Award; and the overall winner at the Oliver Empowerment Awards as SA's most Empowered Business Leader of the Year (2017). Financial Mail voted him as one of the best CEOs in the country in 2016 and also ranked him among the 10 best executives of 2015. Mr Abdulla was the recipient of the prestigious Black Business Executive Circle/Absa Bank Kaelo Award 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, Saab Grintek Defence (Pty) Ltd, Health System Technologies (Pty) Ltd, espAfrika (Pty) Ltd, Bioclones (Pty) Ltd, Premier Fishing SA (Pty) Ltd, Puleng Technologies (Pty) Ltd, Kalula Communications (Pty) Ltd trading as Headsets Solutions, Orleans Cosmetics (Pty) Ltd, Tripos Travel (Pty) Ltd, AfriNat (Pty) Ltd and Magic 828 (Pty) Ltd

CHIEF FINANCIAL OFFICER

**Chantelle Rae Ah Sing (44)**

BCom (Nelson Mandela University), Post-graduate diploma in Accounting (University of KwaZulu-Natal)

**Appointed:** 19 November 2009

**Nationality:** South African

**Expertise and experience:** Ms Ah Sing is the Group CFO of AEEI and was appointed to the AEEI Board as an executive director in November 2009. She joined the Group in 2007 under the health and biotherapeutics divisions, where she was promoted to the role of financial director.

She has more than 15 years' experience in the commercial sector and held various operational and financial management positions within various industries including service, manufacturing, healthcare and biotechnology after she qualified as a chartered accountant.

*Major directorships:* Premier Fishing SA (Pty) Ltd, AfriNat (Pty) Ltd, Bioclones (Pty) Ltd, Ribotech (Pty) Ltd, Saab Grintek Defence (Pty) Ltd and Health System Technologies (Pty) Ltd

CORPORATE AFFAIRS AND SUSTAINABILITY DIRECTOR

**Cherie Felicity Hendricks (55)**

University of Cambridge Programme for Sustainability Leadership, Incite Sustainability Executive Programme, Executive Women in Leadership Programme (University of Cape Town - Graduate School of Business)

**Appointed:** 18 March 2009

**Nationality:** South African

**Board sub-committees:** Social, ethics and transformation committee

## ANNEXURE B – continued

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

**Expertise and experience:** Ms Hendricks is the corporate affairs and sustainability director responsible for corporate affairs, which include sustainability, regulatory compliance, corporate social investment and Group communication. With more than 19 years of experience at the Group and an in-depth knowledge of the corporate and investment sectors, she currently sits on the boards of the Group's major investments and links the Group's subsidiaries with the Group's corporate office.

Ms Hendricks oversees corporate governance across the Group. Her portfolio includes writing of policies and procedures and keeping abreast of regulatory changes, ensuring good corporate governance practices are adhered to and assisting with the governing of ethics. She ensures compliance with the JSE Listings Requirements, Companies Act and King IV™. She is accountable for sustainability, transformation and social responsibility programmes and develops plans and executes the Group's corporate affairs strategy. She oversees the building of the Group's brand and ethos and mentors and oversees the internal and external communication, supervises the marketing, investor relations and public relations activities within the Group. She manages the human resources department ensuring that fairness and ethical standards are upheld and is a primary contributor to the company secretarial department. She is the recipient of numerous prestigious awards, including CEO's Award for Excellence in Management, Chairman's Award for Loyalty Services and Dedication, Long Service Award and won the Highest Sustainability Data Transparency Index twice – in the Financial Services Sector by the Integrated Reporting Assurance Services out of more than 300 Top JSE-listed companies.

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

#### CHIEF INVESTMENT OFFICER

**Abdul Malick Salie (37)**

BCom (Hons), CA(SA)

**Appointed:** 21 February 2018

**Nationality:** South African

**Board sub-committees:** Investment committee

**Expertise and experience:** Mr Salie brings expertise in commercial and financial disciplines. He has more than 15 years' experience holding numerous directorships in the financial and information technology sectors. Mr Salie holds office as the chief investment officer of AEEI and served employment in various operational and financial roles in multinational groups such as Vodacom, Pioneer Foods and the Naspers Group. He also has extensive local and international experience in audit and regulatory environments.

*Major directorships:* Archird 28 (Pty) Ltd, AEEI Corporate Finance (Pty) Ltd, Orleans Cosmetics (Pty) Ltd, Tripos Travel (Pty) Ltd, Kalula Communications (Pty) Ltd, Puleng Technologies (Pty) Ltd and Software Tech Holdings (Pty) Ltd

## NON-EXECUTIVE BOARD MEMBERS

#### INDEPENDENT NON-EXECUTIVE CHAIRMAN

**Reverend Dr Vukile Charles Mehana (65)**

PhD (University of Johannesburg), DBA, Honoris Causa (Commonwealth University), MBA (De Montfort University, UK), Master Class Certificate (London Graduate School), BTh (Rhodes University), AMP (Insead Business School, France), Certificate in Public Enterprises (National University of Singapore), DPhil (University of Johannesburg), Top Management Certificate on Public Enterprise (National University of Singapore)

**Appointed:** 8 August 2007

**Nationality:** South African

**Board sub-committees:** Chairman of the investment committee, Chairman of the nomination committee, Remuneration committee

**Expertise and experience:** Reverend Dr Mehana is an ordained Minister of the Methodist Church. He has also been appointed by the Minister of Higher Education to the Governing Council of the University of KwaZulu-Natal (UKZN) and he is the Chair of Council.

Reverend Dr Mehana is a former Adjunct Professor and part-time lecturer of Business Strategy at UCT Graduate School of Business, where he taught Business Strategy course to the AIM Programme, Change Management to Diploma and assisted with the Business Leadership for MBA students.

Reverend Dr Mehana is also one of the 40 Social Cohesion Advocates under the Ministry of Arts and Culture.

*Major directorships:* LRMG (Pty) Ltd (chairman), The Performance Agency (South Africa) (Pty) Ltd (director), 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 (chairman), Sizwe Africa IT Group (Pty) Ltd (non-executive chairman), Mustek Ltd (non-executive chairman), Premier Fishing and Brands Ltd (non-executive chairman), chairman of the SAPS Ministerial Transformation Task Team and chair of the Governing Council of UKZN

#### LEAD INDEPENDENT NON-EXECUTIVE DIRECTOR

##### **Advocate Dr Ngoako Abel Ramathodi (63)**

BA Law and LLB (National University of Lesotho), MSc in International Relations (University of Zimbabwe), admitted to the Bar of Lesotho and South Africa as an Advocate, Honorary Doctor of Law Degree (University of Limpopo)

**Appointed:** 7 March 2018

**Nationality:** South African

##### **Board sub-committees:**

Audit and risk committee, Investment committee

**Expertise and experience:** Advocate Dr Ramathodi is an experienced businessman, lawyer and advocate. He was the Premier of Limpopo and held the positions of Minister of Public Services, Minister of Mineral Resources and Deputy Minister of Correctional Services and was a member of the South African Parliament. Advocate Dr Ramathodi is a founder member and the first chairman of the University of the North Arts and Drama Association and chairman of the Central Cultural Committee. He lectured Public International Law at the University of the North.

Advocate Dr Ramathodi maintains board positions in a number of other companies.

*Major directorships:* Premier Fishing and Brands Ltd, AYO Technology Solutions Ltd and Ebeneza Oils (Pty) Ltd

#### INDEPENDENT NON-EXECUTIVE DIRECTOR

##### **Johannes Mihe Gaomab (56)**

**Appointed:** 13 September 2006

**Nationality:** Namibian

**Board sub-committees:** Audit and risk committee, Social, ethics and transformation committee

**Expertise and experience:** 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 and the executive chairman of African Renaissance Mining Company (Pty) Ltd, a South African company with subsidiaries in Namibia, the Democratic Republic of the Congo, Malawi and Zambia.

*Major directorships:* Gaomab Investments Management CC, Gulf Oil Marine (Pty) Ltd, Namibia Atlantic Petroleum and Shipping Corporation (Pty) Ltd (chairman) and African Renaissance Mining Company (Pty) Ltd

#### INDEPENDENT NON-EXECUTIVE DIRECTOR

##### **Aziza Begum Amod (56)**

**Appointed:** 12 November 2012

**Nationality:** South African

**Board sub-committees:** Chairman of the social, ethics and transformation committee, Remuneration committee, Nomination committee

**Expertise and experience:** Ms Amod is a professional director, businesswoman, philanthropist and entrepreneur with more than 30 years of 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 female 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

## ANNEXURE B – continued

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

## INDEPENDENT NON-EXECUTIVE DIRECTOR

**Takudzwa Tanyaradzwa Hove (36)**

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

**Appointed:** 4 September 2013

**Nationality:** Zimbabwean

**Board sub-committees:** Chairman of the audit and risk committee, Chairman of the remuneration committee, Investment committee

**Expertise and experience:** Mr Hove worked for AEEI from April 2009 until September 2013 and held several positions, including Group financial manager and corporate finance executive. He has in-depth knowledge 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, Sagarmatha Technologies Ltd, Condé Nast Independent Magazines (Pty) Ltd, Allied Publishing (Pty) Ltd, Allied Media Distributors (Pty) Ltd and Loot Online (Pty) Ltd

## INDEPENDENT NON-EXECUTIVE DIRECTOR

**Zenariah Barends (56)**

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

**Appointed:** 14 November 2014

**Nationality:** South African

**Board sub-committees:** Nomination committee, Social, ethics and transformation committee

**Expertise and experience:** 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, chaired by Nobel Laureate, Archbishop Desmond Tutu.

In her current portfolio, Ms Barends is chief of staff at Independent Media (Pty) Ltd. She was appointed as a senior executive at Sekunjalo Investment Holdings (Pty) Ltd in 2017. 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. She is also responsible for coordinating the Sekunjalo Group's various World Economic Forum activities, which include the Sekunjalo Group's involvement in the Global Agenda Council on Emerging Multinationals and the Global Growth Companies Advisory Board.

*Major directorships:* Trustee on the Board of Trustees of Inyathelo: The South African Institute for Advancement

## MAJOR SHAREHOLDERS

SHAREHOLDER INFORMATION AS AT 31 AUGUST 2018

The Company's shareholders as at 31 August 2018 can be summarised as follows:

### ANALYSIS OF SHAREHOLDINGS AS AT 31 AUGUST 2018

	Number of shareholders	Percentage of total shareholders	Number of shares	Percentage of total issued shares
1 – 5 000	1 238	63.13	1 730 113	0.35
5 001 – 10 000	267	13.62	2 178 226	0.44
10 001 – 100 000	329	16.78	11 154 592	2.27
100 001 – 1 000 000	94	4.79	31 296 977	6.37
1 000 001 – and more	33	1.68	444 979 526	90.56
<b>Total</b>	<b>1 961</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	301 531 005	61.37
Miramare Investments (Pty) Ltd	44 859 927	9.13
<b>Total</b>	<b>346 390 932</b>	<b>70.05</b>

### DISTRIBUTION OF SHAREHOLDERS

	Shareholders		Shares	
	Number	Percentage	Number	Percentage
Individuals	1 756	89.55	47 319 676	9.63
Nominee companies and trusts	92	4.69	43 930 377	8.94
Public companies	61	3.11	14 912 027	3.03
Close corporations and private companies	52	2.65	385 177 354	78.39
<b>Total</b>	<b>1 961</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:	11	0.56	361 393 432	73.55
Directors	7	0.36	2 478 110	0.50
> than 10% of I/C	1	0.05	301 531 005	61.37
Associates	3	0.15	57 384 317	11.68
Public	1 950	99.44	129 946 002	26.45
<b>Total</b>	<b>1 961</b>	<b>100.00</b>	<b>491 339 434</b>	<b>100.00</b>

## ANNEXURE B – continued

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

## SHARE TRADING STATISTICS

Market price per share (cents)	
High	800
Low	307
Year-end	400
Volume traded (shares)	22 586 465
Value traded (rand)	134 292 785
Volume of shares traded as a percentage of issued capital	4.60
Market capitalisation at 31 August 2018 (rand)	1 965 357 736
Market capitalisation at 26 November 2018 (rand)	2 235 594 424

## 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

	2018 0'000	2017 0'000
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

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 08:00 on 8 January 2019.

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 10 and 11 January 2019 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 08:00 on 18 January 2019. 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	

ANNEXURE C – continued  
ELECTRONIC PARTICIPATION IN THE ANNUAL GENERAL MEETING

**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

AEEI's 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 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 its 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 the committee to achieve the Group's strategic objectives, translating these into market-related yet affordable performance-linked rewards and ensuring 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, 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
- 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 AEEI's key values
- Promote the achievement of the Group's strategic objectives within its risk appetite
- Promote positive outcomes
- Promote an ethical culture and responsible corporate citizenship

The remuneration policy addresses the Group's remuneration and includes provision for:

- 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 Group operates and all the capitals that the Group uses or affects; and
- enable the Company to attract, engage and retain talent to drive performance and to meet the Company's strategic objectives.

### EXECUTIVES AND EMPLOYEES

The remuneration of the executives is reviewed annually by the 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 the 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:

## ANNEXURE D – continued

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

#### 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

Benefits form part of the total cost-to-company and 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 best practice. AEEI complied with the remuneration policy, relevant remuneration governance codes and statutes. The recommended practice as stated under Principle 14 of King IV™ has been applied and is explained throughout this 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.

#### PRESCRIBED OFFICER

Mr Khalid Abdulla is not remunerated for his role as the prescribed officer of the Company.

#### 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 CEO conducted the performance appraisals of the divisional heads in the Group and provided feedback to the committee.

#### NON-EXECUTIVE DIRECTORS' REMUNERATION

The non-executive directors receive fees for serving on the Board and its committees. The fees for non-executive directors are reviewed annually by AEEI's executive committee, and thereafter referred to the remuneration committee which seeks to ensure that the fees are market-related and presented to the shareholders for approval.

The Board recommends the fees to shareholders for approval at the AGM 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 AGM held in January 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.

## EXECUTIVE AND NON-EXECUTIVE DIRECTORS' REMUNERATION

The 2018 remuneration of the executive directors is set out below:

Executive	K Abdulla R'000	CR Ah Sing R'000	CF Hendricks R'000	AM Salie* R'000	Total R'000
Salary	3 209	1 210	899	1 687	7 005
Bonus	2 400	245	412	814	3 871
Provident fund	391	171	189	218	970
Expense allowance	60	18	17	28	123
<b>Total</b>	<b>6 060</b>	<b>1 644</b>	<b>1 517</b>	<b>2 748</b>	<b>11 969</b>

\* Mr AM Salie was appointed to the Board on 21 February 2018. However, the remuneration amounts reflected above are for the full financial year, being 1 September 2017 to 31 August 2018.

The 2018 remuneration of the non-executive directors is set out below:

Non-executive	VC Mehana R'000	S Young* R'000	JM Gaomab R'000	AB Amod R'000	NA Ramatlhodi** R'000	Total R'000
Directors' fees	425	364	212	212	106	1 319

Mr TT Hove and Ms Z Barends waived their non-executive director fees.

\* Mr S Young's remuneration only reflects his time served on the Board, from 1 September 2017 to 21 February 2018.

\*\* Advocate Dr NA Ramatlhodi's remuneration only reflects his time served on the Board, from 7 March to 31 August 2018.

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 do they receive any benefits associated with permanent employment.

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

In the event that there is less than 75% support for the above-mentioned reports at the AGM, the Board will invite dissenting shareholders to send reasons for such votes in writing. Thereafter, 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 2018.

#### SALARY INCREMENT

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

For the year ended 31 August 2018, a general salary increase was approved based on the yearly average current price index of 7% for all employees in the Group.

## ANNEXURE D – continued

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

#### DISCRETIONARY BONUS

For the year ended 31 August 2018, 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 them meeting both financial and qualitative strategic performance objectives. Employees received a discretionary cash bonus, dependent on them meeting both their 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 were considered to be fair to the Company and the executive/senior manager/employee.

For the year ended 31 August 2018, the CEO 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 of ensuring 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. (*King IV™ - Principle 14*)

#### SHAREHOLDER VOTING/FEEDBACK

As required by King IV™ and the JSE Listings Requirements, the Company will put a non-binding advisory vote to shareholders regarding the approval of the remuneration policy and the implementation report. The Company seeks the support from its shareholders at the upcoming AGM. If any shareholders are inclined not to support the resolutions, we would ask that the reasons for such decision be communicated to the Company so that consideration can be given to those reasons. Please forward any comments to the company secretary at [damien@aeei.co.za](mailto:damien@aeei.co.za).

Should either vote receive 25% or more votes against, the Company will take the following steps:

- Issue a SENS announcement regarding the outcome of the voting results
- Invite shareholders to engage with the Company regarding their dissatisfaction with either of the votes
- Schedule engagements with concerned shareholders to record their concerns and objections
- Assimilate all responses and schedule a remuneration committee meeting to analyse concerns and issues raised with the aim of formulating changes to the policy and implementation required and
- Develop a formal response to shareholders that articulates the concerns raised, the details of where the changes will be made to address concerns raised and provide responses for areas where the Company, despite the shareholder feedback, believes its current policy and/or implementation is adequate

Results of the shareholders' votes at the most recent AGM held on 21 February 2018, as a percentage of the total number of shares voted at the AGM, is indicated below:

Approval of the remuneration policy	100%
Implementation of the remuneration policy	100%
Non-executive directors' fees	100%







# FORM OF PROXY

## AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa) Registration number 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 Quay 7, East Pier, V&A Waterfront, on 18 January 2019 at 08:00.

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: Abdul Malick Salie			
	1.2 Ordinary Resolution Number 2: Ngoako Abel Ramatlhodi			
	1.3 Ordinary Resolution Number 3: Vukile Charles Mehana			
	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			
	1.7 Ordinary Resolution Number 7: Johannes Mihe Gaomab			
2.	To re-appoint the members of the audit and risk committee:			
	2.1 Ordinary Resolution Number 8: Takudzwa Tanyaradzwa Hove			
	2.2 Ordinary Resolution Number 9: Aziza Begum Amod			
	2.3 Ordinary Resolution Number 10: Johannes Mihe Gaomab			
	2.4 Ordinary Resolution Number 11: Ngoako Abel Ramatlhodi			
3.	Ordinary Resolution Number 12: The appointment of BDO Cape Inc. as the independent auditor of the Company for the ensuing year			
4.	Ordinary Resolution Number 13: Control of authorised but unissued "B" ordinary shares			
5.	Ordinary Resolution Number 14: Approval to issue "B" ordinary shares and/or options for cash			
6.	Ordinary Resolution Number 15: Remuneration policy			
7.	Ordinary Resolution Number 16: 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 \_\_\_\_\_, 2019.

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

Damien Terblanche - damien@aeei.co.za

## EXECUTIVE MANAGEMENT TEAM

Group 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
Chief investment officer	Abdul Malick Salie	malick@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  
Telefax: +27 86 674 4381  
Website: www.linkmarketservices.co.za

## AUDITORS

BDO Cape Inc.

## SPONSOR

PSG Capital (Pty) Ltd

## LISTING

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

[WWW.AEEI.CO.ZA](http://WWW.AEEI.CO.ZA)